

Central Whidbey Island Fire-Rescue

CWIFR

*Serving Coupeville,
Greenbank, & Central
Whidbey Island*



2015 Adopted District Budget



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Central Whidbey Island Fire & Rescue
Washington**

For the Fiscal Year Beginning

January 1, 2014

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Central Whidbey Island Fire & Rescue for its annual budget for the Fiscal year beginning January 1, 2014. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device. This award is valid for one year only.

CWIFR will be submitting its 2015 Adopted Budget for review by the GFOA for the Distinguished Budget Presentation Award.

2015 Annual Budget

Prepared for the citizens of our District and the Central Whidbey Island Fire & Rescue Board of Fire Commissioners:

- Board Chairperson Cheryl Engle
- Commissioner Paul Messner
- Commissioner Steve Hutchinson

This Adopted annual budget for 2015 was prepared by District staff:

- Fire Chief Ed Hartin, MS, EFO, FiFireE, CFO
- Office Manager/Finance Officer Kim Harpe
- Acting Captain Jerry Helm
- Lieutenant Jen Porter
- Acting Lieutenant Alex Majestic
- Lieutenant Derik Vrable
- Firefighter Dillon Rogers
- Firefighter Jim Huff
- Firefighter James Meek

Editorial Review

Sue Hartin

Citizen Review

- Dave Fish
- Pete Seybert
- William Wigand, MBA

The Central Whidbey Island Fire & Rescue 2015 Budget was adopted by the Board of Fire Commissioners on November 13, 2014.

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Readers' Guide to the Budget

This guide is intended to aid understanding the format of this document and information presented in the budget.

Purposes of the Budget

The District budget document serves two purposes. First is to provide our community and the Board of Fire Commissioners with a clear picture of the services provided by Central Whidbey Island Fire & Rescue, the cost of those services, and the policy decisions underlying the District's financial decisions. The second purpose of the budget document is to provide the District's management with a financial and operating plan that complies with regulatory requirements for fire districts in the State of Washington and exemplifies best practices in budgeting and financial reporting.

Organization of the Budget Document

CWIFR's budget is divided into the following sections:

Budget Transmittal

The transmittal is the Fire Chief's budget message to the Board of Fire Commissioners and the community.

District Overview

This section of the budget document provides an overview of the district including governance; values, mission, and vision for the future, services provided, boundaries, organization and staffing, and an overview of the District's strategic plan.

Financial Overview

The financial overview provides an outline of the District's revenue streams, budget assumptions, budget organization and process, basis of accounting, financial policies and financial summaries.

General Fund

This section of the budget document provides an overview of the General Fund and specific information on each Division including a description of programs and responsibilities, challenges and opportunities, division budget, major expenditures, and the strategic goals and initiatives that will be addressed in 2015.

Contingency Fund

This section of the budget provides an overview of the Contingency fund and detail of fund transfers in the preceding two years.

General Capital Projects Fund

This section of the budget provides an overview of the General Capital Projects Fund, a schedule of capital projects, and current year capital projects justification.

Compensated Absences Trust Fund

This section of the budget defines the District's liabilities for compensated absences and provides an overview of the Compensated Absences Trust Fund.

Debt Service Fund

The District has established a Debt Service Fund as an element of its budget and financial management practices. However, the District currently has no debt and this section is not included in the 2015 Budget.

Grants Management Fund

The District has established a Grants Management Fund as an element of its budget and financial management practices to separately account for grant funds received from State or Federal government or from other sources. However, the District currently has no grants and this section is not included in the 2015 Budget.

Supplemental Data

This section of the budget document is comprised of appendices including Budget Adoption Resolutions and a glossary of terms.

Budget Summary

A new addition to CWIFR budget documentation is the Budget Summary. This document is intended to provide an overview of CWIFR's annual budget and financial position in an easy to understand and simplified format. The Budget Summary is distributed to all District residents in conjunction with the District's Fall Newsletter and is available for download in Portable Document Format (PDF) from the 2015 Budget Process page on the District website.

Budget Message

Public input during our strategic planning process provided us with the foundation of our community value proposition. Community members indicated that they wanted excellent service that was efficient and affordable. To that end, we have established strategic goals focused on sound fiscal policies, long term financial planning, and transparency to earn the trust of those that we serve on a daily basis.

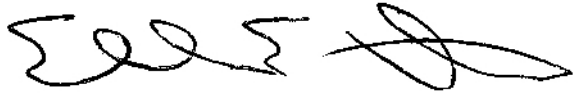
The District was honored to receive a Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada (GFOA) for its annual budget for the fiscal year beginning January 1, 2014. This award represents a significant achievement by the District. It reflects the commitment of our Board of Fire Commissioners and District staff to meeting the highest principles of governmental budgeting. In order to receive the budget award, the District had to satisfy nationally recognized guidelines for effective budget presentation. These guidelines are designed to assess how well the District's budget serves as a: Policy document, financial plan, operations guide, and communications device. CWIFR continues this commitment to excellence by improving the 2015 budget document based on feedback from the GFOA.

In 2015, the District's budget increased 2.61%. This increase is in large part due to contractual compensation increases and expense related to an expanded financial and accountability audit by the State Auditor due to reaching a revenue threshold of \$2,000,000. This increase is within the District's financial plan which anticipates an annual increase of 3.00%. The 2015 District budget provides for improvement over current service delivery levels with a substantial increase in volunteer staffing.

Overall the District is fiscally healthy. We are debt free, with sufficient revenue to meet operational needs and maintaining an adequate ending balance in the General Fund. In 2010, the District identified that reserves were insufficient to meet projected capital expenditures required to replace existing apparatus and equipment over the long term. Investment in the General Capital Projects fund has been substantially increased to meet near term needs and achieve full funding for apparatus and equipment by 2025. In addition, the District is currently analyzing long term (50 year) facilities requirements and capital facilities funding strategies as current revenue is insufficient to address both capital equipment and facilities requirements along with meeting operational expenses with current revenue. Due to constitutional and statutory limits on taxation, the District faces a challenge in maintaining current service delivery levels beyond 2020 without voter approval for additional revenue to meet operating and capital needs.

The assessed value (AV) of taxable property within the District has decreased 16.35% since 2010. However, loss of AV slowed over the last two years, and in 2014 AV increased 2.35% as a result of rebounding property values and new construction. Over the last 25 years, AV has seen an average increase of 8.23% annually. This average value may be a bit misleading as there have been several years in which the increase was dramatic while most years increase has been more modest. Based on historical data, we anticipate that AV will continue to increase at a modest rate which will slowly reduce the District's levy rate over time.

We welcome feedback on the design of the budget document and its content. Feel free to contact me via e-mail (ehartin@cwfire.org), telephone (360) 678-3602, or stop by our headquarters station at 1164 Race Road.

A handwritten signature in black ink, appearing to read 'Ed Hartin', followed by a stylized flourish.

Chief Ed Hartin, MS, EFO, FIFireE, CFO

District Overview

Central Whidbey Island Fire & Rescue (CWIFR) operates as a legally organized fire protection district under the Revised Code of Washington (RCW) Title 52 and is governed by a three member Board of Fire Commissioners. As a fire protection district, CWIFR is a municipal corporation that is independent from Island County and the Town of Coupeville. However, CWIFR provides fire and rescue services to the town as well as unincorporated areas of Island County within the District's boundaries.

Governance

The district is governed by a three member Board of Fire Commissioners each of whom serves a six year term. By statute, the Board is responsible for management of the affairs of the District. To that end, the Board establishes policy and provides direction to the Fire Chief who is responsible for the day-to-day operations and fiscal management of the District.

The Board of Fire Commissioners has considerable longevity with Commissioner Paul Messner has served for 28 years and Commissioner Cheryl Engle has served for 24 years. Commissioner Steve Hutchinson was appointed in 2014 to fill the vacancy created by resignation of Commissioner Tom Smith. Commissioner Messner served as a firefighter from 1976 until his election in as a Fire Commissioner in 1985 and Commissioner Steve Hutchinson currently serves as a Volunteer Acting Lieutenant assigned to Station 51 in Coupeville.

Values, Mission, & Vision for the Future

CWIFR's organizational values, mission, and vision were developed as a central element of the District's community based, strategic planning process (CWIFR, 2011) and are a cornerstone of who we are, what we do, and where we are going.

CWIFR's Organizational Values

CWIFR and its members are committed to this common set of values that drive our interactions with the community and one another.

Figure 1. CWIFR Organizational Values



We have integrated these values into our recruitment process for volunteers as well as part-time and full-time employees, performance feedback to our members, promotional process, and many other aspects of District operations.

Mission

CWIFR's mission defines our purpose for existence:

Central Whidbey Island Fire & Rescue's mission is to partner with our community to proactively reduce risk from fire, illness, injury and other hazards.

Fire districts were originally conceived to respond to and control fires. This role has expanded over time to include considerably more diverse types of emergency response services including care of the sick and injured, rescue from dangerous conditions, control of utility hazards and hazardous materials releases. However, once an emergency has occurred, harm has already occurred and likely will increase without intervention. The best way to mitigate the risk of harm is to prevent the emergency.

Vision

An organizational vision is a clear and succinct description of what the organization or community should look like after it successfully implements its strategies and achieves its full potential. Ideally, the vision creates tension between this ideal, the current state of affairs, and what is possible. During CWIFR's community based strategic planning process, members of the working group crafted the following vision:

Central Whidbey Island Fire & Rescue: World class fire & rescue services

World class may mean many things. In order to provide clarity for this simple, but audacious vision, the working group described what this would look like in our community:

CWIFR has implemented fiscally sustainable, fire and rescue services best practices. Working with, not simply for the community, we have developed Central Whidbey Island into a safe and resilient place to live and work. The community has trust and ownership of their fire and rescue services as we serve with openness and transparency.

Historical Perspective

Central Whidbey Island Fire & Rescue (CWIFR) traces its roots to the Coupeville Volunteer Fire Department, formed in the mid-1920s to provide fire protection for the Town of Coupeville. In the mid-1950s, the residents of the surrounding area formed Island County Fire District #5 to expand fire protection beyond the borders of the town. The district eventually expanded to six stations serving Central Whidbey Island. In the late 1980s, the Town of Coupeville entered into an intergovernmental agreement with the Fire District to provide fire protection for the town, and over the next ten years, the district consolidated four smaller stations constructing larger facilities on Race Road in Coupeville and Day Road in Greenbank. In 1998 the Town of Coupeville annexed into the fire district which was renamed Central Whidbey Island Fire & Rescue (CWIFR). In 2011, the District further consolidated

emergency response operations into three stations located on Main Street in Coupeville, on Race Road, and on Day Road in Greenbank.

The District

Central Whidbey Island Fire & Rescue (CWIFR) serves approximately 8,000¹ (WA OFM, 2012a) residents and many visitors within 50 square miles of Central Whidbey Island from three fire stations. CWIFR's response stretches from just south of Libby Road to just north of Mutiny Bay road and spans the breadth of the island. This predominantly rural area includes the Town of Coupeville and the unincorporated community of Greenbank. The District is predominantly rural with an average population density of 150/square mile (mi²).

Coupeville

Coupeville is the second oldest town in Washington and is predominantly a residential community. However, Coupeville serves as the Island County Seat and the commercial center for the surrounding residential area. The town's area of just over one square mile is divided into two distinct areas divided by State Route (SR) 20. The older commercial district, which also contains county offices, and health care facilities is located north of SR 20. The area south of SR 20 includes schools and newer commercial development. The Town of Coupeville also contains a majority of the District's target hazards².¹⁶

- Front Street (several blocks of old, wood frame commercial buildings and Coupeville wharf)
- Commercial buildings
- Island County Complex (e.g., court, jail, county offices)
- Whidbey General Hospital
- Careage Nursing Home
- Apartment Complexes
- Churches
- Manufactured Home Communities
- Bed and Breakfast Hotels
- Island County Museum
- Coupeville Elementary, Middle, and High Schools
- Multiple Historic Buildings
- Home Health Care/Group Home Facilities

Ebey's Reserve

Ebey's Reserve is the nation's first historical reserve, created in 1978 to protect a rural working landscape and community on Central Whidbey Island. The reserve includes 17,500 acres, 17 farms, over 400 historic structures, native prairies, two state parks, and the Town of Coupeville.

¹ Population estimates for areas of the District outside the boundaries of the Town of Coupeville are based on data from the Office of Financial Management Small Area Program. Specific information on the methodology used to develop these estimates is available in the *Small Area Estimate Program User Guide* (WA OFM, 2012b)

² Target hazards present an higher level of risk than the typical residential structures found throughout the District.

Target hazards in Ebey's reserve (outside the Town of Coupeville) include:

- Jacob Ebey House (National Park Service)
- Ferry House (National Park Service)
- Multiple Historical Agricultural Facilities and Homes

Other Areas of the District

Areas of the District outside the Town of Coupeville are predominantly rural residential. However, there are a number of target hazards based on fire and non-fire risks.

- Seattle Pacific University Conference Center/Camp Casey
- United States Navy Coupeville Outlying Field (OLF)
- Greenbank Farm
- Washington State Ferry (Coupeville) Terminal
- Fort Casey State Park
- South Whidbey State Park
- Penn Cove Shellfish

Transportation Infrastructure

The primary transportation routes through the District are provided by State Routes 20 and 525. A limited number of major and secondary arterials parallel SR 20 and 525 in some areas of the District. However, there is not a secondary route of travel between Fire Management Zones (FMZs) 53 and 54. The Washington State Ferry connects with SR 20 at the Coupeville (Keystone) Ferry Terminal.

Demographics & Geography

The District is predominantly rural with an average population density of 165.28/mi² (63.81 square kilometers (km²)) with pockets of urban and suburban density throughout the District. However, the majority of CWIFR's response area is extremely rural.

Unlike the north and south ends of Whidbey Island, Central Whidbey is predominantly a retirement community with a median age of 51 (US Census, 2011). In the last 13 years, the median age in our community has increased by eight years. Increasing median age points to a significantly aging population within the District which has a significant impact on fire and health risk, demand for emergency services, and an adverse impact on the District's ability to recruit community based emergency service volunteers.

The District's three fire stations are geographically placed to limit travel time. However, volunteer staffing and the geography of the district (long and narrow with limited travel routes) has a significant impact on second and third unit response times.

Description of Services Provided

Since the establishment of the Coupeville Volunteer Fire Department 85 years ago, fire and rescue services in Central Whidbey Island have changed considerably. Initially formed by community members as a defense against fire, we are now an all hazards service providing fire protection, emergency medical

services, hazardous materials response, and rescue service. In addition, we have moved to establish prevention at the core of our service to the community.

Community Risk Reduction (CRR) involves both proactive prevention and education along with effective emergency response to reduce harm from fire, accidents, illness, and natural hazards. Table 1 illustrates CWIFR's proactive and response services.

Table 1. CWIFR Services

| Proactive | Response |
|--|--|
| <ul style="list-style-type: none"> • Fire and Medical Community Education • Fire and Life Safety Inspections (Commercial) • Home Fire Safety Surveys • Address Sign Program • Hydrant Inspection and Testing • Pre-Incident Planning | <ul style="list-style-type: none"> • Fire Suppression (Structural and Vegetation) • Emergency Medical Services (EMS) in partnership with Whidbey General Hospital EMS • Technical Level Marine Rescue • Operational Level Hazardous Materials Response • Operational Level Technical Rescue (rescue from height, confined spaces, trenches, or collapsed buildings) |

Many of the emergency service operations provided by CWIFR are done in partnership with other agencies. CWIFR has automatic and mutual aid agreements in place with each fire agency on Whidbey Island in order to ensure the delivery of timely and effective emergency services. Additionally, the department routinely interacts with the Island County Sheriff's Office (ICSO), Whidbey General Emergency Medical Services (WGH EMS), and the United States Coast Guard (USCG). Response to large scale disasters often begins with fire, rescue, & EMS services, but expands to include a wider range of resources. During large scale emergencies such as landslides, CWIFR also works closely with the Island County Department of Emergency Management.

District Boundaries and Fire Station Locations

The District's northern boundary is just south of Libby Road and its southern boundary is just north of Mutiny Bay Road. The District is bounded on the east by Saratoga Passage and on the west by the Strait of Juan de Fuca.

The District's three stations are geographically located to minimize travel time to all areas of the District. The extreme southern and northern ends of the District which border South Whidbey Fire/EMS and North Whidbey Fire Rescue are served jointly through automatic aid agreements with both of these Districts. Based on these agreements, the closest station or stations with the shortest travel time are dispatched to emergency incidents. These partnerships allow all three districts to receive the benefit of reduced travel time based on station location regardless of jurisdiction.

In addition to automatic aid (dispatched immediately), CWIFR maintains mutual aid agreements with all emergency service agencies on Whidbey Island under which agencies may request assistance needed for larger incidents or in the event that resources are committed to another incident.

Ambulance service is provided from three Whidbey General Hospital Ambulance Stations one in Coupeville, the others in Oak Harbor and Bayview. In addition, CWIFR operates a Basic Life Support Ambulance from the Race Road Fire Station

Figure 2. Station 51-Main Street, Coupeville



Figure 3. Station 53-Race Road, Coupeville



Figure 4. Station 54-Day Road, Greenbank

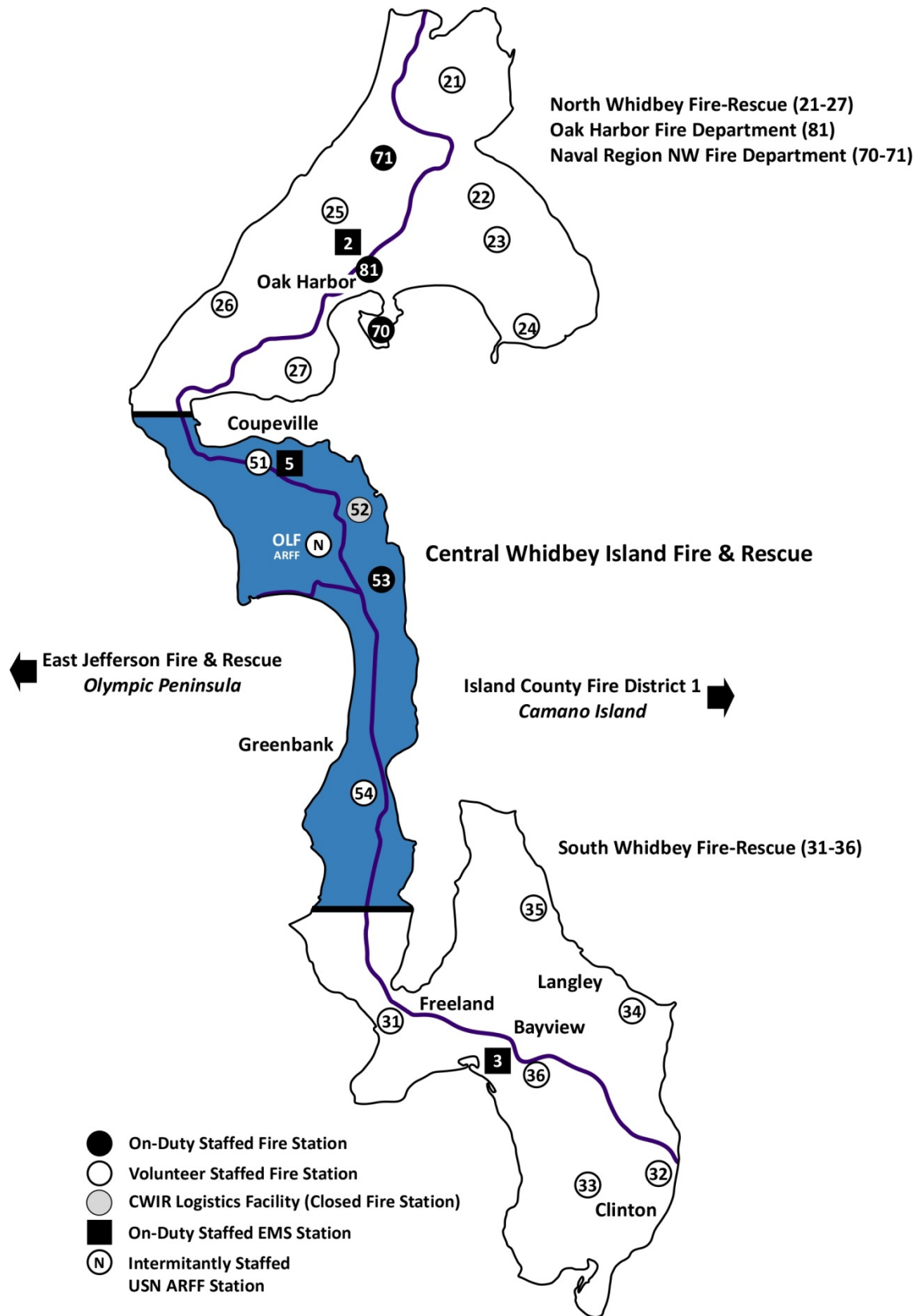


In addition to its three fire stations CWIFR maintains a decommissioned fire station on Morris Road in Coupeville as a logistics facility, providing space for storage of equipment and supplies.

Figure 5. Station 52 (Logistics Facility)



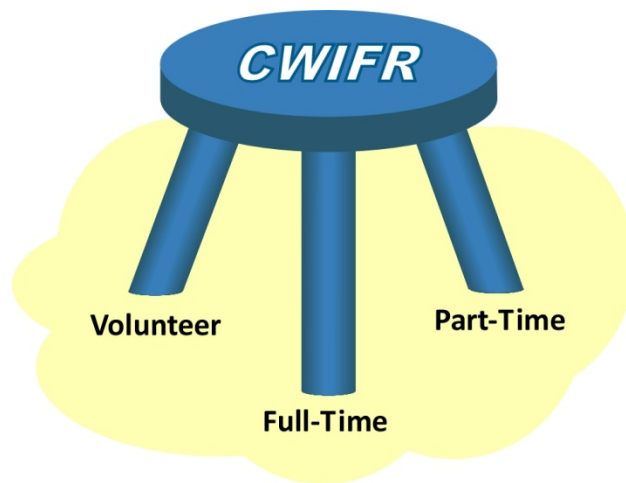
Figure 6. Fire Station Locations



District Organization and Staffing

CWIFR serves the community with a combination of volunteers and paid (full and part-time) personnel. We refer to this as *The Three Legged Stool* (see Figure 7). A three legged stool is stable, even on an uneven surface provided that each of the legs is sufficiently strong. The same holds true for the District's staffing.

Figure 7. CWIFR's Three Legged Stool



CWIFR staffs Station 53 on Race Road 24-hours per day 365 days per year with an average of three personnel, using a combination of full-time, part-time, and volunteer members. A full-time Lieutenant (or full-time Firefighter acting as a Lieutenant) supervises the on-duty staff. In addition, the District ensures that a command officer (Chief or Captain) is either on-duty or on-call (available for immediate response from within the District) at all times. This limited on-duty staffing provides rapid response, but is not adequate to deal with incidents such as a cardiac arrest, motor vehicle accidents with multiple patients or requiring extrication, or structure fires which require considerably more personnel. When faced with a major incident or with multiple concurrent calls for service (which happens several times per month) CWIFR relies on volunteer members as well as off-duty full and part-time members to provide adequate staffing.

In addition to emergency response duties, our full-time Firefighters and Fire Officers are responsible for a wide range of program and project work that is necessary to support District operations.

Figure 8. CWIFR Organization/Lines of Accountability

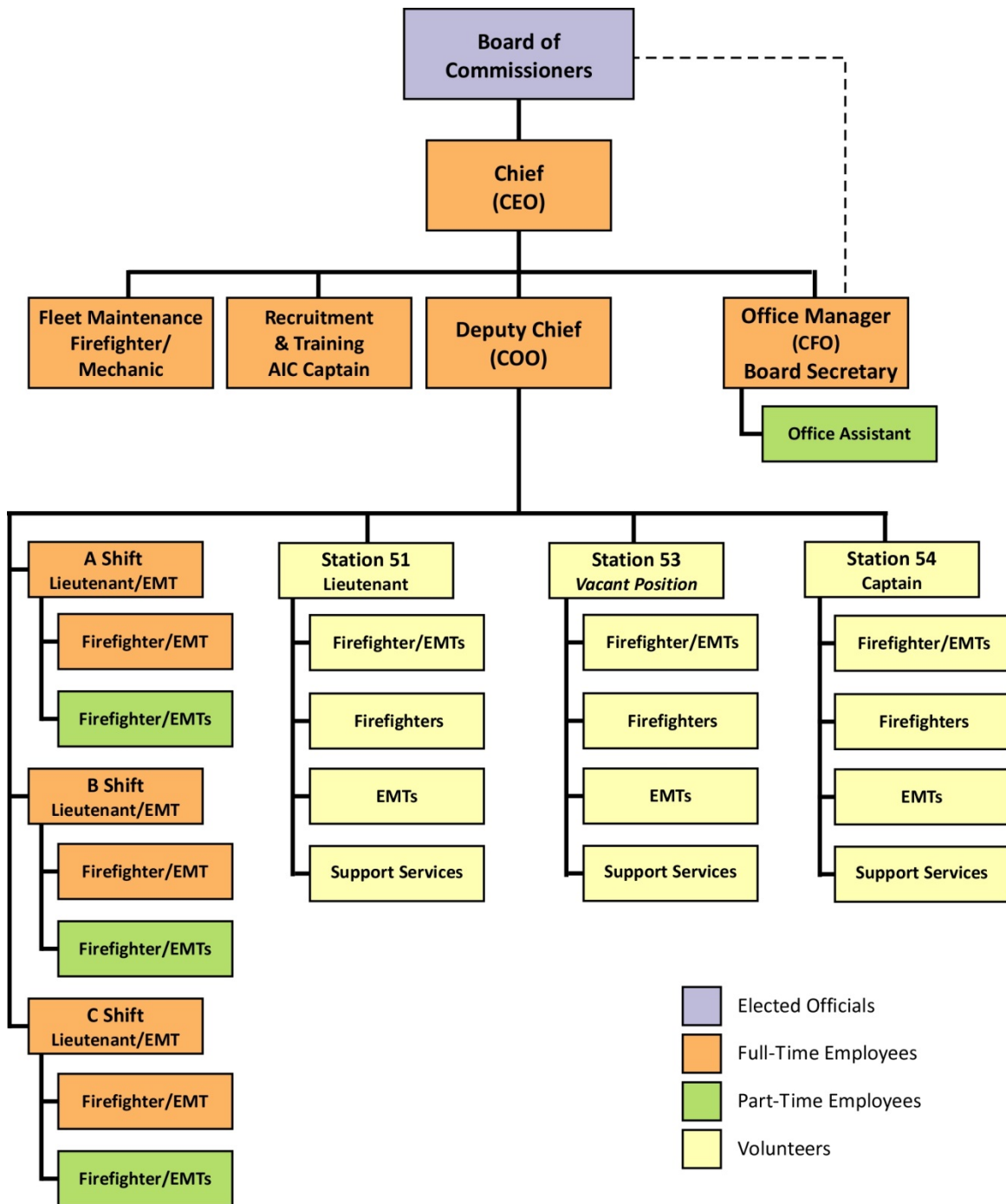


Table 2. Summary of Personnel

| 2013 Personnel | Administration | Operations | Life Safety | Training | Facilities | Vehicle Maintenance |
|----------------|----------------|------------|-------------|----------|------------|---------------------|
| Full-Time | 3.0 | 6.0 | 0.0 | 1.0 | 0.0 | 0.25 |
| Part-Time | 0.5 | 10.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Volunteer | | 17.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal | 3.5 | 33.0 | 0.0 | 1.0 | 0.0 | 0.25 |

Table 2. Summary of Personnel (Continued)

| 2014 Personnel | Administration | Operations | Life Safety | Training | Facilities | Vehicle Maintenance |
|----------------|----------------|------------|-------------|----------|------------|---------------------|
| Full-Time | 3.0 | 6.0 | 0.0 | 1.0 | 0.0 | 1.0 |
| Part-Time | 0.5 | 11.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Volunteer | | 14.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal | 3.5 | 30.0 | 0.0 | 1.0 | 0.0 | 1.0 |
| | | | | | | |
| 2015 Personnel | Administration | Operations | Life Safety | Training | Facilities | Vehicle Maintenance |
| Full-Time | 3.0 | 6.0 | 0.0 | 1.0 | 0.0 | 1.0 |
| Part-Time | 0.5 | 10.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Volunteer | | 25.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal | 3.5 | 41.0 | 0.0 | 1.0 | 0.0 | 1.0 |

Note: At present CWIFR has 15 potential volunteer members in the recruitment process, it is anticipated that at least 10 of those individuals will successfully complete the process and begin training as Firefighters or EMTs before the end of 2014.

Overview of the District's Strategic Plan

In many respects the process of developing the District's Strategic Plan was as important as the end product. CWIFR has used the strategic planning process as a tool for self-discovery and gaining an improved understanding of our community and fire and rescue service system. CWIFR integrated the concept of the Balanced Scorecard with the Applied Strategic Planning Model to develop a set of strategic goals and performance measures that focused on the community, fiscal stewardship, internal process, and resource requirements. Elements of this important and ongoing planning process included:

- Political, Fiscal, and Operational Monitoring
- Definition of the District's Values, Mission, & Vision
- Strategic Business Modeling
- Performance Audit
- Identification of Critical Issues and Service Gaps
- Action Planning
- Scenario Based Contingency Planning

The Strategic Plan is a working document, with its content integrated into all aspects of District operations. For example, our Values, Mission, and Vision are an essential part of the District's recruitment and hiring, promotional process, and performance feedback system. Our Strategic Goals and Initiatives serve as a roadmap for continuous improvement and are woven into our budget process.

Strategic Themes & Outcomes

Strategic themes are the main focus of CWIFR's strategy; key areas in which we must excel in order to achieve our mission and vision. While themes are expressed in general terms, each is intended to achieve a specific and explicitly stated outcome.

Table 3. Strategic Themes & Outcomes

| |
|--|
| Strategic Theme: Community Risk Reduction |
| Outcomes: CWIFR's services provide a safer and more resilient community by reducing the rate at which emergency incidents occur and reducing the severity of those that do occur. |
| Strategic Theme: Community Partnerships |
| Outcomes: CWIFR works effectively with our partners to maintain a close relationship with the community and provide effective and efficient service delivery. |
| Strategic Theme: Organizational Excellence |
| Outcomes: CWIFR consistently provides services needed by the community in a timely, effective, and efficient manner. |

Critical Perspectives

Each strategic theme is examined through four different lenses; from the perspective of the community, financial stewardship, internal processes, and physical and human resources. Each perspective provides answers to an important question.

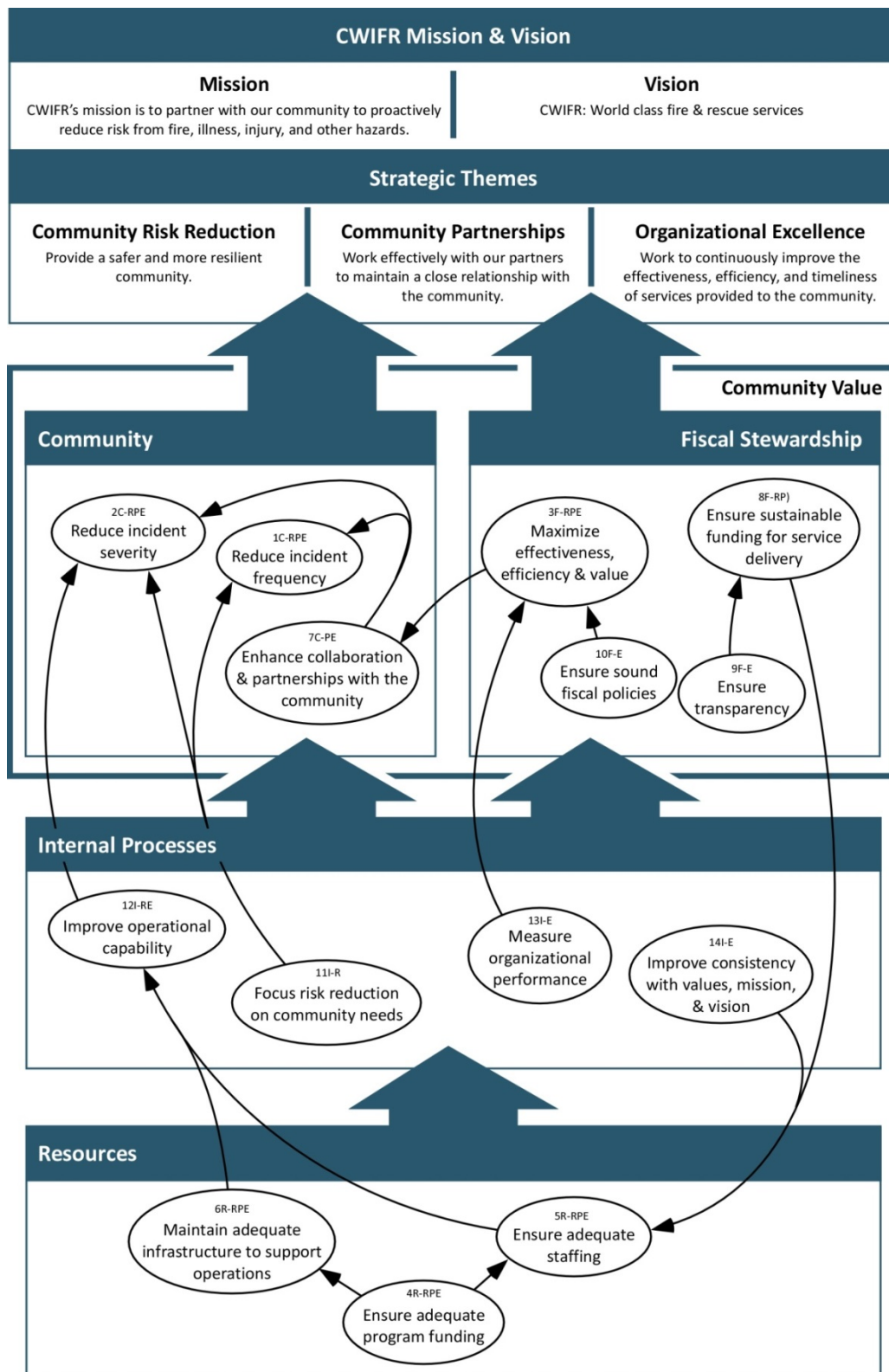
Table 4. Critical Perspectives

| Perspective | Questions Answered | |
|------------------------------|---|---|
| Community | How will we achieve or exceed the community's risk reduction outcome objectives? | How will we provide the greatest value to the community? (Outcomes/Cost Effectiveness) |
| Fiscal Stewardship | How will we provide the most cost effective service to the community? | |
| Internal Processes | In what internal processes must we excel in order to exceed the communities expectations? | |
| Physical and Human Resources | What resources and capabilities are required in order to exceed the community's expectations? | |

Enterprise Wide Strategy

CWIFR's three themes, Community Risk Reduction, Community Partnerships, and Organizational Excellence provide structure and a solid foundation for the District's Strategic Plan. Each theme may be examined individually; however, there are a number of strategic goals that cross two or even all three themes.

As CWIFR's Enterprise Wide Strategy includes goals that crossed multiple themes and goals within single themes that were critical to accomplishing the District's mission and achieving our vision, it serves as the District's strategic *bull's eye*. Figure 9 provides a graphic illustration of how these goals relate to our Strategic Themes, Mission, and Vision.

Figure 9. Enterprise Wide Strategy Map³

³ The alphanumeric designation for each goal identifies the goal number, perspective, and strategic theme.

CWIFR has made tremendous strides in achieving the goals in the three years since the Strategic Plan was adopted by the Board of Fire Commissioners. However, much work remains to be done. In particular, the District needs to continue development of infrastructure and systems that will allow accurate measurement of service delivery and performance in order to drive continued improvement.

We have also made progress in meeting the Commission on Fire Accreditation International (CFAI) criteria for accreditation which are being used by the District as a comprehensive performance measure. Continued progress will be driven by completion of the District's Standard of Coverage and improvement of the District's records management system in 2014.

The major challenge we face in implementing the Strategic Plan on a day-to-day basis is the tension between our strategic goals and initiatives and the resources that can be brought to bear (time, staff, and funding). While this is a challenge, it has compelled us to work diligently to prioritize program activity and projects to provide the greatest benefit and value to our community.

Performance Measurement

Why measure performance? "Neither the act of measuring performance nor the resulting data accomplishes anything itself; only when someone uses these measures in some way do they accomplish something" (Behn, 2003, p. 586). Measuring performance is essential to both defining a starting point and for evaluating progress. As Kaplan and Norton (2004) observe "You can't manage what you can't measure...You can't measure what you can't describe" (p. xiii).

Effective organizational performance requires measurement to first establish a baseline and subsequently to evaluate progress towards established goals. However, performance management provides benefits beyond checking progress (Neely, 2002).

Performance measurement supports continuous learning in which feedback is used for identifying achievements and making adjustments to agreed-upon strategies or initiatives. This process is critical to continued progression towards the attainment of organizations' mission and vision. It also can provide a balanced and systematic attempt to assess the effectiveness of operations from different points of view: financial, operational performance, community and members.

Strategic Performance Measures

One of CWIFR's enterprise wide Strategic Goals is to measure organizational performance. This goal is closely aligned with the District's value of excellence and vision of world class fire and rescue service by providing a foundation for continuous improvement.

In the end performance is measured after the fact. For example, success in treating a patient that is in cardiac arrest can only be determined after the patient survives to leave the hospital and return to a normal life (or they do not). Similarly community fire safety can be measured on the basis of death, injury, and property loss. These are lagging (after the fact) or outcome measures. In most cases, outcomes are influenced by multiple factors, some of which are directly controlled or influenced by the District and others are outside the District's direct control or influence. For example, emergency medical outcomes are influenced by the patient, the patient's primary care physician, CWIFR, Whidbey General

Hospital (WGH) Emergency Medical Services, and the definitive care provided by WGH or other hospital. Fire safety outcomes are similarly complex.

Leading indicators or performance drivers measure factors that are critical to achievement of specified goals or successful performance as measured by lagging indicators (outcome measures). For example, in both cardiac arrest and structure fire response, response time is an important factor and may serve as a useful leading indicator or performance driver when assessing emergency response effectiveness.

CWIFR's Strategic Plan identified multiple outcome measures and performance drivers for each strategic goal. However, the number and complexity of these measures along with the limited capacity for the District's existing records management and finance and accounting systems and work practices initially made performance measurement extremely difficult. In 2012, the District implemented a new finance and accounting system to improve financial processes and begin the process of improving measurement of financial performance measures. In the second quarter of 2014, the District began implementation of a new records management system and process to improve collection and analysis of operational data.

As part of the 2015 Budget Process, CWIFR Executive Staff assisted by the Citizen Budget Review Working Group reviewed and refined the multiple performance measures identified in the 2011-2016 Strategic Plan to clarify and refine the most important strategic performance measures based on what is most important to stakeholders. Beginning in 2015, these measures will be used to determine baseline organizational performance and provide a basis for organizational improvement.

CWIFR's Balanced Scorecard

The performance measures in this Balanced Scorecard address each of the Strategic Goals in the District's Enterprise Wide Strategy and several additional goals identified in the District's Strategic Plan.

Note: Goals in **bold** type are enterprise wide goals (see Figure 9, Enterprise Wide Strategy Map)

Table 5. Balanced Scorecard

| Community Perspective | |
|--|--|
| Enhance collaboration and partnerships with the community (7C-PE) | Positive (effectiveness, efficiency, or relationship) outcomes with clear linkage to community coalitions or partnerships [QUALITATIVE] |
| Improve community satisfaction (17C-E) | Mean satisfaction score on the District's biennial community survey for each the four dimensions of the community value proposition: <ul style="list-style-type: none"> • Effective • Timely • Friendly, Helpful, & Compassionate • Efficient and Affordable |
| Increase accuracy of community risk perception (18C-E) | Extent to which community members correctly identify major fire, accident, and health risks on the District's biennial community survey |
| Reduce incident frequency (1C-RPE) | Change in total calls for service/1000 population <ul style="list-style-type: none"> • Fire incidents/1000 population • Emergency medical responses/1000 population |
| | Percentage of homes (dwelling units) receiving a safety survey annually. |
| Reduce incident severity (2C-RPE) | Cardiac Arrest Save Rate (Utstine Criteria) |
| | Extent to which CWIFR meets its adopted Standard of Coverage (SOC) <ul style="list-style-type: none"> • 80% Fractile Response Time First Unit (All Emergency Incidents) • 80% Fractile Response Time for Minimum Response Force (Fire & Cardiac Arrest) • 80% Fractile Response Time for Effective Response Force (Fire & Cardiac Arrest) • Percentage Turnout of On-Call Staff on Structure Fires (Day/Night) |
| | Percentage of structure fires beyond the room of origin on arrival confined to the building of origin. |
| | Percentage of structure fires confined to the area involved on arrival |
| | Percentage of the District population receiving CPR Training (Hands-Only or Certification) annually. |

Table 5. Balanced Scorecard *(Continued)*

| Fiscal Stewardship Perspective | |
|--|--|
| Ensure sound fiscal policies (11F-E) | General obligation bond rating |
| Ensure sustainable funding for service delivery (8F-RP) | Percentage Below \$1.50/\$1000 AV Levy Rate |
| Ensure transparency (9F-E) | Mean score on availability, organization and clarity of District fiscal information on the District's biennial community survey. |
| | Mean transparency score on the District's biennial community survey. |
| | Achievement of the Government Finance Officers Certificate of Conformance for Cash Basis Financial Reporting |
| | Achievement of the Government Finance Officers Distinguished Budget Presentation Award |
| Maximize effectiveness, efficiency, and value (3F-RPE) | Per Capita Cost of Fire & Rescue Service |
| | Case examples of providing value to the community through effective and efficient service [QUALITATIVE] |
| | Administrative Staff to Operational Staff Ratio |
| | Apparatus Maintenance Cost/Repair Cost |
| | Facilities Maintenance Cost/Repair Cost |

Table 5. Balanced Scorecard (*Continued*)

| Internal Process Perspective | |
|---|--|
| Ensure effective HR practices (19I-E) | Retention rate: <ul style="list-style-type: none"> • % of volunteer members with greater than 24 months service • % of part-time members with greater than 24 months service |
| | Percentage of members qualified to test for promotion to the next highest organizational level |
| | Percentage of officers holding professional designation (COD or CFOD) |
| Focus risk reduction on community needs (12I-R) | Percentage change in the rate of incident occurrence (incidents/1000 population) for risks identified as high frequency (e.g., ground level falls) or high criticality. |
| | Extent to which preventative programs identify and focus on highest risks instead of targets of opportunity [QUALITATIVE] |
| Improve consistency with values, mission, and vision (14I-E) | Organizational rating for consistency with values, mission, and vision in the District's biennial community survey |
| Improve operational capability (10I-RE) | Percentage of members meeting individual performance standards. |
| | Percentage of companies meeting performance standards. |
| Measure organizational performance (13I-E) | Percentage of compliance with CFAI Accreditation Criteria <ul style="list-style-type: none"> • Critical Criterion • Criterion by Category |
| Resource Perspective | |
| Ensure adequate funding (4R-RPE) | Percentage to which authorized revenue meets the District's operational and capital requirements. |
| | Percentage of full funding of reserve funds: <ul style="list-style-type: none"> • Capital Projects Fund • Compensated Absences Fund • Contingency (Administrative) Fund |
| Ensure adequate staffing (5R-RPE) | On-Duty Staff/1000 Population (Day/Night) |
| | On-Call Staff/1000 Population (Day/Night) |
| Maintain adequate infrastructure to support operations (6R-RPE) | Percentage of Apparatus In-Service Time by Kind/Type |

2015 will serve as the baseline year for these performance measures with progress measured in subsequent years as additional data becomes available.

Financial Overview

CWIFR strives to maximize effectiveness, efficiency, and value to the community. In addition we endeavor to be transparent in our decision-making and financial affairs to allow our taxpayers and the District's voters to have the ability to assess if we are making efficient use of public funds and providing good value for the cost of our services. This section of the budget provides an overview of our budgeting, accounting, and financial management processes.

Message from the District's Financial Officer

As with all municipal entities, Central Whidbey Island Fire & Rescue (CWIFR) is regularly audited by the Washington State Auditor. Until 2014, The District's revenues had been less than \$2,000,000 and the Washington State Auditor conducted an accountability audit every three years to examine fiscal processes to determine if the District has appropriate internal controls in compliance with state laws and regulations. The District has completed this audit since 1986 without a finding. In the 2013 accountability audit, the auditor made specific recommendations regarding inventory and asset management. The District has developed and implemented standard operating guidelines and work practices to address the auditor's recommendations.

Local governments are required to receive a financial audit when they receive over \$2,000,000 in annual revenues; or spend more than \$500,000 in federal financial assistance in a year; or is specified in financing arrangements, such as bonds, loans or grant agreements. CWIFR is scheduled for an accountability and financial audit in 2015. The financial audit will render an opinion on whether the District's financial statements are presented in conformity with cash basis accounting as an Other Comprehensive Basis of Accounting (OCBA) as prescribed by the State Auditor.

Consistent with the Board of Fire Commissioner's conservative fiscal philosophy and adopted policies and standard operating guidelines, the District maintains a balanced budget with revenues exceeding expenditures. In addition, the District maintains a General Fund ending balance of 43% of budgeted expenditures in the subsequent year to provide:

- Sufficient funds to meet current expense in advance of receipt of tax revenue in April (estimated as 33% of the maintenance and operations budget)
- A contingency fund comprised of 10% of the maintenance and operations budget for use in the event of unbudgeted or unanticipated expenses, if authorized by the Board of Fire Commissioners.

The District is debt free, having retired its long term general obligation bond in 2011.

Consistent with the goals, initiatives, and performance measures established in the District's 2011-2016 Strategic Plan, CWIFR has developed a multi-year financial plan (see Appendix B), comprehensive financial policies and standard operating guidelines consistent with the Best Practices and Advisories published by the Government Finance Officers Association (GFOA) and Category 4 Fiscal Resources

criterion as specified in the Commission on Fire Accreditation International (CFAI) (2009) Fire & Emergency Service Self-Assessment Manual.

Financial Assumptions used in the Budget Process

CWIFR maintains a Long Range Financial Plan (Appendix B) and the Board of Fire Commissioners and the District's executive staff engage in scenario based financial planning to consider the impact of current economic conditions and potential changes in revenue and expense on a multi-year basis. Drawing on this fiscal planning process, the following assumptions have been used in development of the 2015 District budget (additional long range assumptions are detailed in Appendix B-Long Term Financial Plan).

Revenue

There are several revenue limitations based on the provisions of the Washington State Constitution and Revised Code of Washington (RCW). These limitations are accepted as given within the context of the budget process:

The Washington State Constitution limits annual increases in property taxes levied to 1%, plus revenue from new construction added to the tax rolls in the previous year (Washington State Constitution Amendment 95 Article 7 Section 2).

The Revised Code of Washington (RCW) limits fire districts to a maximum regular property tax rate of \$1.50/\$1000 of assessed value (RCW 52.16.130, 140, 160).

The RCW allows an Emergency Medical Services levy to a maximum regular property tax rate of \$0.50/\$1000 of assessed value (RCW 458.19.060). The Whidbey General Public Hospital District levies this tax and other taxing districts with the hospital district's boundaries are precluded from levying a tax for EMS services.

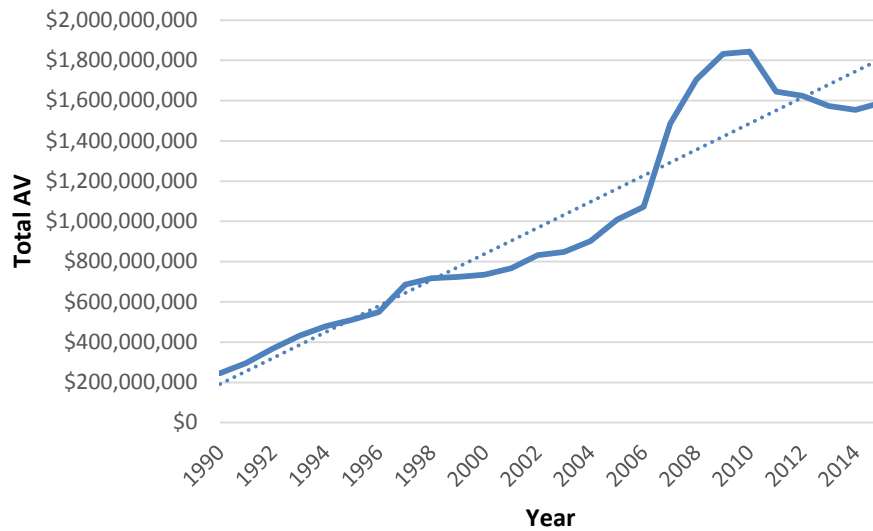
The following five revenue assumptions were used in developing the Adopted District Budget.

Assumption R1: The District's Assessed Value (AV) will stabilize and will likely increase slightly over the next year (2015)

Assumption R2: The District's AV will increase slowly over the next several years, reducing the District's levy rate while maintaining a maximum 1% increase in the District's maximum tax levy.

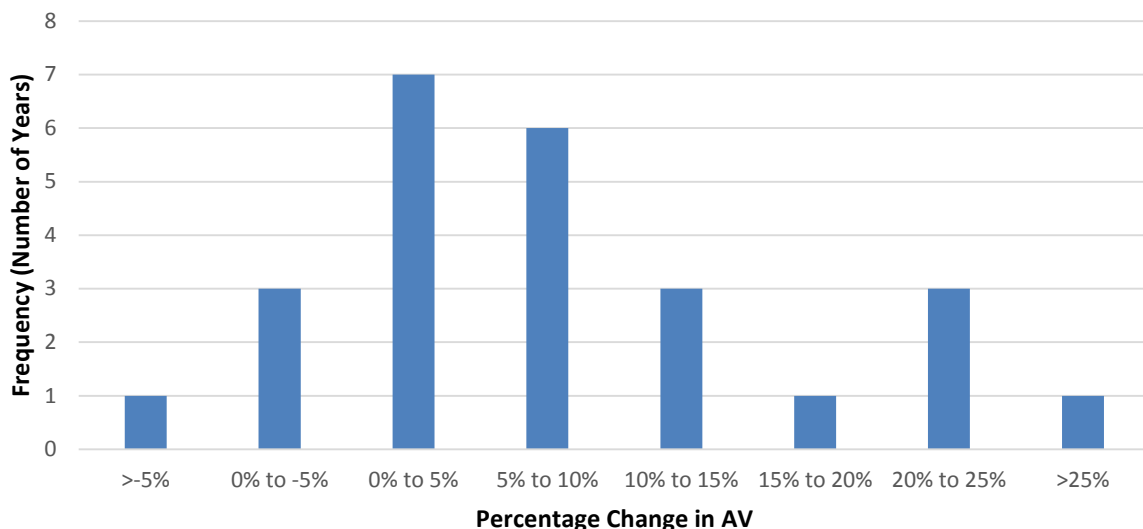
The following data support Assumptions R1 and R2. In 20 of the last 24 years, assessed valuation within the District has increased. The magnitude of the change in assessed valuation has varied widely over this time period (-10.72% to 38.57%). Over this 24 year period, the average change in AV has been an increase of 8.23%. However, in the last four years, assessed value has decreased.

Figure 10. Change in Assessed Value (AV) within the District's Boundaries



The average change in AV of 8.23% between 1990 and 2015 is a bit misleading as it is substantially influenced by the 38.5% increase occurring in 2007 and several other years in which AV saw a substantial increase. It is more useful to examine the frequency with which ranges of percentage change occurred. As illustrated in Figure 11, it has been most common for AV a positive change. This change the most frequent magnitude of positive change was between 0% and 5%, but in many years, the positive change was of greater magnitude.

Figure 11. Histogram of Percentage Change in AV



Over the last year, the median price for all homes (detached, townhouses, condominiums) has increased 6% (Island County Real Estate Market Guide, 2014). Data provided by the Island County Assessor indicates that the Assessed Value (AV) for property within the District increased

by 2.35% in 2014 (for the 2015 tax year). While lower than historical annual increases in AV, this reverses the trend of four successive years in which AV decreased a total of 16.35%.

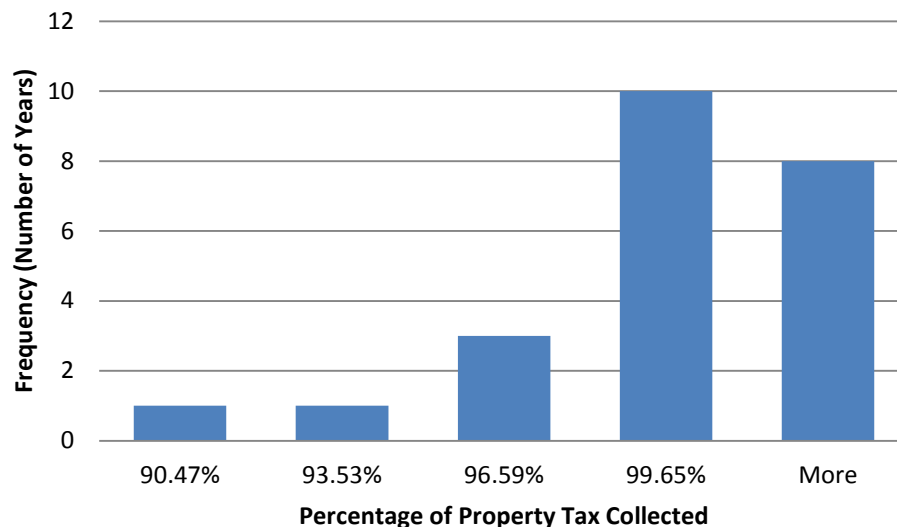
Assumption R3: The District will collect 96% of property taxes in the year in which they are levied (based on historical data for tax collection within the District).

Assumption R4: Revenue generated through Interlocal Agreement between the District and Whidbey General Hospital to staff a Basic Life Support Ambulance will continue through 2015.

Assumption R5: The Interlocal Agreement between the District and Whidbey General Hospital to staff a Basic Life Support Ambulance will continue with the same general terms beyond the end of 2015.

Assumption R3 is supported by historical data on the percentage of the property tax levied in a given year that is collected in that year. As illustrated in Figure 12, the District's property tax levy collection rate has been above 96% on a fairly consistent basis (the only instances of a lower collection rate occurred in the early 1990s).

Figure 12. Percentage of CWIFR's Property Tax Collected in the Year Levied 1990-2013



Assumption R4 is supported by the existing Interlocal Agreement between the District and WGH that expires on December 31, 2015. Assumption R5 is supported by the ongoing nature and mutual benefit provided by this agreement which has been in place between the District and WGH since 2009.

Expense

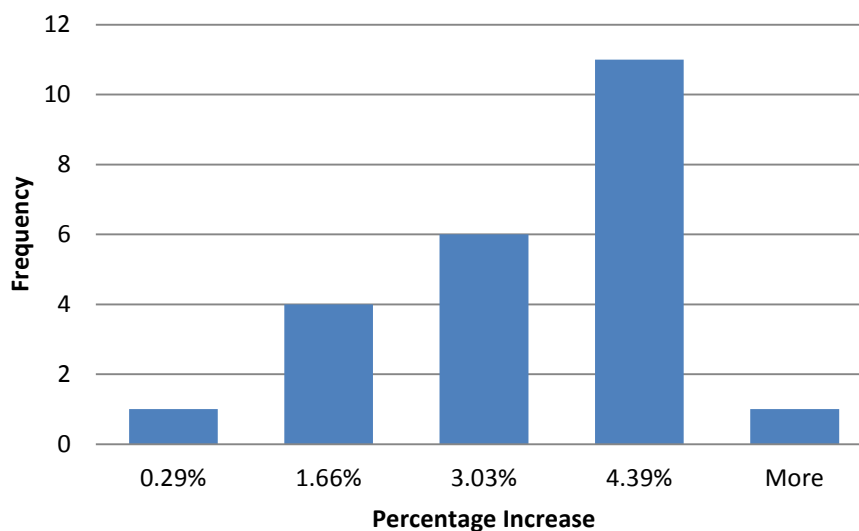
The following two expense assumptions were used in developing the 2015 Adopted District Budget.

Assumption E1: The Consumer Price Index (CPI) is likely to increase between 2% and 3% per year over the next several years.

Assumption E2: The cost of equipment and services not included in the CPI are also likely to increase between 2% and 3% per year over the next several years.

Assumptions E1 and E2 are supported by historical Consumer Price Index data for Seattle. Over the last 54 years, the CPI-U has increased in each year.

Figure 13. Historical Changes in the Seattle-Tacoma CPI-U



Projections by Conway Pedersen Economics, Inc. forecast an increase in the CPI-U of 2.1% in 2015 and 2.3% each year for the next several years. However, the historical change in CPI indicates probability that the increase will be higher over time.

Assumption E3: Regional increases in minimum wage to \$15.00/hour and potential for an increase in the state minimum wage will have a direct or indirect impact on personal services expense for the District's part-time staff (and potentially full-time staff due to compression between the lower and higher pay grades).

The District's part-time staff is currently paid above minimum wage and compensation is targeted to the median of other agencies in the region using part-time firefighters and emergency medical technicians. However, current compensation is significantly less than \$15.00/hour.

Fund Balance

The General Fund Beginning Balance is projected to decrease each year from 2015 to 2020 (at which point the beginning fund balance would be less than 43% (33% of anticipated general fund expense and 10% contingency required by District policy). This decrease was anticipated due to increasing expense and in part as a result of transfer of money to the General Capital Projects Fund (catching up on investment for future capital purchases).

The General Capital Projects Fund Beginning Balance fluctuates as a result of the timing of capital projects. The District will have sufficient funds to meet capital expenditure requirements over the next 10 years. The District is transferring sufficient money from the General Fund to increase the percentage to which the General Capital Project Fund is fully funded for capital equipment and fire apparatus with a target of achieving 100% by 2025. However, without a decrease in expenses or an increase in revenue, it will not be possible to sustain this level of capital investment beyond 2020. The General Capital Projects Fund is not adequately funded to support Capital Facilities Projects that are likely to be necessary over the next 10 years and beyond. Current revenue streams (within the constraints of constitutional and legislative limits) will not be sufficient to meet projected operational and capital requirements beyond 2019 without a levy increase or a voter approved bond for major capital projects.

The Compensated Absences Trust Fund is fully funded and is projected to remain so.

Budgetary Impacts & Implications

Increases in the District's total tax levy are limited to 1% over the prior years authorized levy (excluding new property added to the tax rolls). If total Assessed Value (AV) increases, the levy rate will decrease. If the total AV decreases, the levy rate will increase to provide the same revenue. However, the levy rate for fire districts such as CWIFR is capped at \$1.50/\$1000. If the levy rate reaches this limit, further decreases in AV will result in less revenue. The projected increases in AV will sustain a maximum increase in revenue of 1% (lower than anticipated increases in expense). This difference impacts on the duration of time for which CWIFR will be able to sustain current service levels without an increase in revenue (which would require a voter approved lid lift).

Increases in the CPI may impact on labor cost as compensation increases in the collective bargaining agreement between the District and Local 4299 International Association of Firefighters are tied to the CPI and assessed valuation (if both increase, members receive a cost of living adjustment up to a maximum of 2%). The current collective bargaining agreement expires April 30, 2015. It is anticipated that some level of compensation increase spread over the life of the agreement will be necessary to maintain the District's market position at the median of comparable agencies.

In addition, increases in the CPI also reflect a likely increase in the cost of goods and services necessary for delivery of fire and rescue services to the community.

Should the Board of Fire Commissioners determine that the long term needs of the District require investment in capital facilities, consideration must be given to a method of financing (such as a voter approved bond) that would provide revenue outside the levy limitation of \$1.50/\$1000 AV. In addition,

the Board would need to consider how and when such a bond measure and future lid lift to meet operational expense requirements should be presented to the voters of the District.

Overview of Budget Structure

The Washington State Auditor prescribes budgeting, accounting and reporting requirements for all local governments (RCW 43.09.200). The Washington State Budgeting and Reporting System (BARS) Manual for Fire Protection Districts includes a uniform chart of accounts, accounting and budgeting policies, guidance for preparing financial statements and instructions for preparing supplemental schedules required as part of the annual report to the State Auditor (RCW 43.09.230).

The Washington State BARS is designed to allow formal integration of budgeting and accounting for all fund types in a governmental accounting system. The District prepares comprehensive budget document including all anticipated resources and outlays on an annual basis, including those funds for which appropriated budgets are not required (e.g., compensated absences trust fund)

Funds

A fund is an accounting entity with its own self-balancing set of accounts recording cash and/or other sources of revenues against expenditures for specific activities. Managerial/Internal Funds are used for internal budgeting and are rolled up into the General Fund for purposes of BARS reporting. The District's finances are allocated to the following funds:

- **General Fund:** The principal operating fund, which is supported by taxes, fees, and other revenues that may be used for any lawful purpose. The fund of the District that accounts for all current expenditures (e.g., personal services, materials and services) not specifically accounted for in other funds.

Included within the General Fund, the **Contingency Fund** is a budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted. CWIFR endeavors to maintain the Contingency Fund at 10% of the Maintenance and Operations Budget. For the purpose of budgetary reporting within the context of BARS, this managerial fund is rolled up into the General Fund.

- **Debt Service Fund:** A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. This fund currently has a zero balance as the District has no debt.
- **Grant Management Fund:** A fund established with a contribution of assets from the State or Federal government that are to be used for a specified purpose, activity, or facility. Assets in this fund are maintained in a non-interest bearing account in compliance with federal grant requirements.

- **Compensated Absences Trust Fund:** This fund is used to account for assets held by the District for buyback of a specified percentage of unused sick leave from employees at the time of their separation from the district (e.g., retirement). The District currently maintains a balance in this fund based on the liability for sick leave buyback for management employees (e.g., Fire Chief, Operations and Training Chief, Office Manager).
- **Capital Projects Fund:** A fund established to accumulate assets for future capital purchases and for current capital expenditures. Capital expenditures are for items having a cost greater than \$5000 and a service life of greater than three years (e.g., major equipment, fire apparatus, and fire stations).

Divisions

The District's Operating Budget is organized in accordance with the Washington State Budgeting and Reporting System (BARS) as prescribed by the Washington State Auditor and as such includes the following divisions⁴:

- **Administration:** Activities of a general nature not associated with a specific service function.
- **Operations:** Functions and/or activities related to fire suppression, medical, and rescue services.
- **Life-Safety & Community Risk Reduction (CRR):** Functions and/or activities related to reducing risk of harm and preventing loss of life as a result of fire, accident, illness, and other types of emergencies.
- **Recruitment & Training:** Functions and/or activities related to training, professional development, and recruitment.
- **Facilities:** Functions and/or activities related to rental, repair, operation, and maintenance of land and buildings and equipment related to fixed facilities (e.g., heating, ventilating, and air conditioning systems (HVAC), water systems, electrical backup generators).
- **Vehicle Maintenance:** Functions and/or activities related to maintenance and repair of vehicles and other portable equipment.

⁴ Given the District's small size, these divisions are budgetary and not completely organizational (e.g., some members have functional responsibility for a division, but work within the Operations Division. In other cases a Division is staffed by a single individual (e.g., Recruitment & Training, Vehicle Maintenance).

Divisions and Funds

All Divisions are included in the General Fund budget. In addition, Divisions may have expenditures in other funds, particularly the Capital Projects Fund. Table 6 illustrates the allocation of funds and expenditures by Division with each Fund.

Table 6. Division/Fund Matrix

| Division | Fund | | | | |
|------------------------|--------------|--------------|-------------------|----------------------|------------------|
| | General Fund | Debt Service | Grants Management | Compensated Absences | Capital Projects |
| Administration | ◆ | | | ◆ | |
| Operations | ◆ | | | | ◆ |
| Life Safety/CRR | ◆ | | | | |
| Training & Recruitment | ◆ | | | | |
| Facilities | ◆ | | | | ◆ |
| Vehicle Maintenance | ◆ | | | | |

Expenditure Categories

There are three major categories of expenditure by the District:

- **Personal Services:** This category includes all expenditures related to our members serving the community. This category may be subdivided in to Wages and Benefits.
 - **Wages:** Wages includes the salaries of our full-time employees, overtime paid to non-exempt, full-time employees, hourly wages paid to part time employees, and stipends paid to our volunteer members.
 - **Benefits:** Benefits include medical and dental insurance for our full-time employees, retirement benefits, social security (this does not apply to employees in the Law Enforcement Officers and Firefighters pension system) and Medicare.
- **Materials & Services:** This category includes all expenditures other than Personal Services or Capital Projects. This includes tools and equipment (costing less than \$5,000), expendable supplies, and purchased services.
- **Capital Projects:** This category includes items with a purchase price of greater than \$5,000 and a useful life of greater than three years. Major capital items include (but are not limited to) real property and fire apparatus and other vehicles, communications system projects, and information technology infrastructure.

Budget Process Information

CWIFR uses a bottom up budget process that engages project and program managers in developing budgets for each functional area of District operations. These budgets are consolidated, reviewed, and refined to produce the Adopted District budget. As illustrated in Table 6, this bottom up process has both advantages and disadvantages.

Table 7. Advantages and Disadvantages of Bottom Up Budgeting

| Advantages/Reinforcing Strategy | Disadvantages/Mitigating Strategies |
|---|--|
| <p>Participative Process: Bottom up budget development is a participative process in which the members involved develop a greater sense of ownership and commitment to the budget as a financial plan.</p> <p>Reinforcing Strategy: The District's budget is used as an ongoing tool by all members with program or project management responsibility. Integration of the budget into program and project management as well as real time access to financial data increases commitment to the budget as the District's working financial plan.</p> | <p>Time Required: Development of the District budget from the bottom up takes a significant commitment of staff time for developing program, project, and division budget proposals, executive review, and refinement of the Adopted District budget.</p> <p>Mitigation Strategy: The District's Budget Calendar is designed to provide adequate staff time for budget development and integrates the budget development process into ongoing staff work.</p> <p>Lack of Expertise: This approach requires individuals who may have limited experience and expertise to develop detailed budget projections.</p> <p>Mitigation Strategy: Professional development includes training and ongoing coaching in budget development and use of the budget as an ongoing financial management tools.</p> |
| <p>Accuracy: A bottom up budget has potential to be more accurate as those involved are closest to the work that will be performed.</p> <p>Reinforcing Strategy: Integration of the budget into program and project management along with accurate accounting by expense category provides ongoing improvement in budget accuracy.</p> | <p>Over Estimation: Competition for scarce resources may lead to overestimation of budget needs.</p> <p>Mitigation Strategy: Budget review at the Division and District level along with the use of a modified zero based budgeting process, controls for overestimation of budget needs.</p> |
| <p>Improved Communication and Coordination: Budget development from the bottom up improves communication and coordination between project and program managers and District Executive Staff.</p> <p>Reinforcing Strategy: Regular fiscal reporting and ongoing conversation between the District's Executive Staff and members responsible as Program and Project Managers maintains a focus on the budget as a working document.</p> | <p>Lack of Context: In many organizations, rank and file members and first or second line supervisors do not have knowledge of strategic level organizational goals that impact on budget development.</p> <p>Mitigation Strategy: The District's mission, values, and vision are integrated with ongoing operations. Within the budget process, Project, Program, and Division budgets must be tied closely to specific strategic goals and initiatives.</p> |

In addition to building its budget from the bottom up, CWIFR uses Modified Zero Based Budgeting. In this process, it is not assumed that the current year's spending for a particular program or function is justified.

Expenditures are examined to identify answers to the following questions:

- Is this expenditure or level of expenditure in the best interest of the community that we serve?
- Are the goals and objectives of the program or function identified in the District's strategic plan?
- Are there other less costly and more effective ways of achieving the desired outcomes?
- Would overall achievement of the District's strategic goals be improved if funding was shifted from the program under review to another area of District operations?

Budget Calendar & Workflow

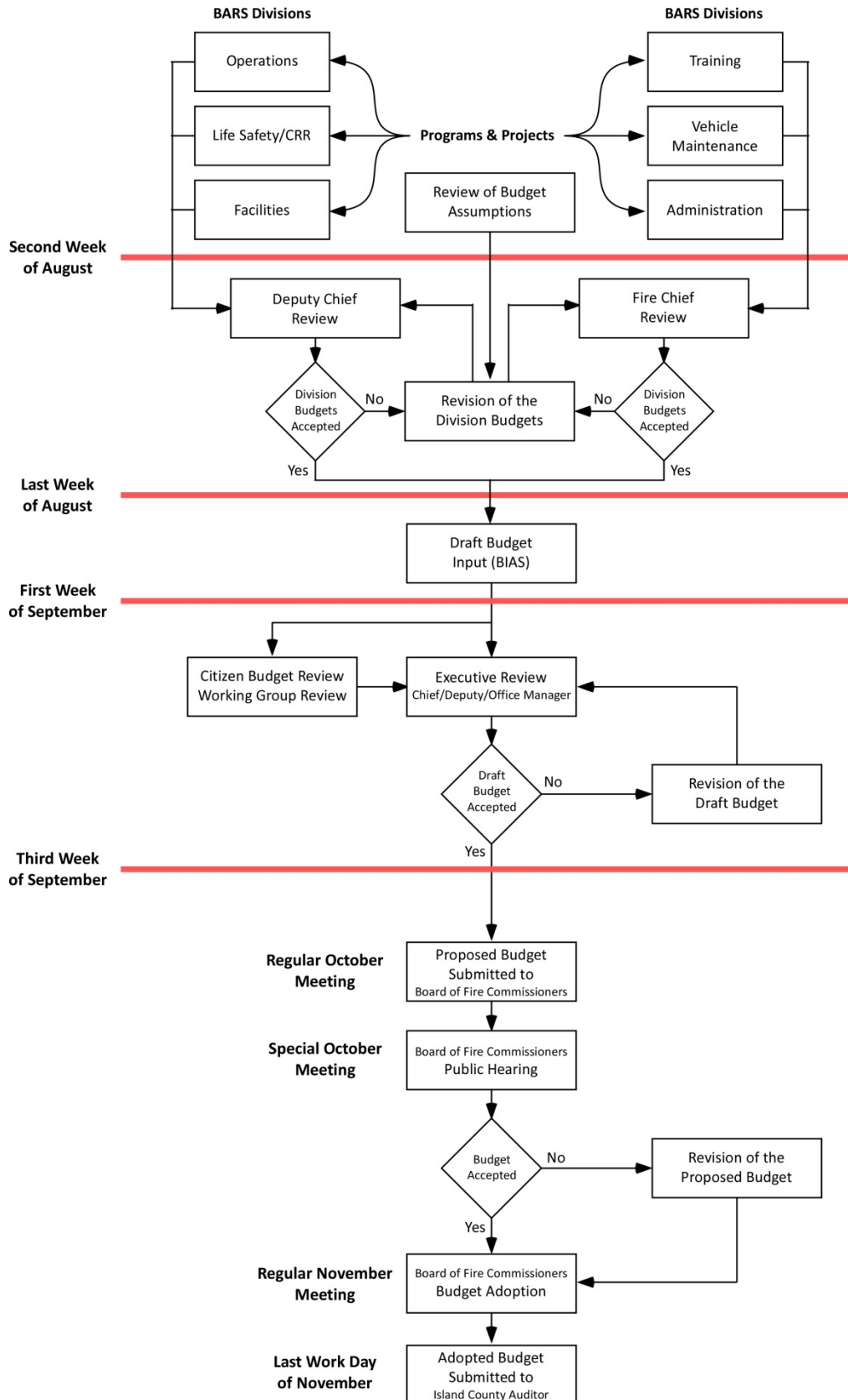
The District's budget process begins in April with review of the District's Strategic Goals, Capital Projects Plan, and other major policies, followed by development of Project, Program, and Division Budgets and concludes in November with adoption of the budget by the Board of Fire Commissioners and submittal to the Island County Auditor. Table 8 details the timeline for specific budget development activity taking place throughout over the course of the year.

Table 8. CWIFR Budget Calendar

| Month | Activity |
|-----------|--|
| April | Board of Commissioners major policy review <ul style="list-style-type: none"> • Strategic Goals • Capital Projects Plan • Other Major Policies Executive Staff Multi-Year Fiscal Projections |
| June | Community Budget Review Working Group review of budget assumptions Development of Division Budgets |
| July | |
| August | Review & revision of Division Budgets Draft District Budget input (BIAS) |
| September | Executive review & revision of the Adopted District Budget Community Budget Review Working Group review of Adopted District Budget |
| October | Submittal of the Adopted District Budget to the Board of Fire Commissioners Public Budget Hearing Budget accepted or revisions specified by the Board of Fire Commissioners |
| November | Adoption of the Budget by the Board Adopted Budget submitted to the Island County Auditor Board of Fire Commissioners, Executive Staff, and Community Budget Review Working Group review and discussion of the budget process and recommendations for improvement. |
| December | Adopted budget submitted to the Government Finance Officers Association (GFOA) Distinguished Budget Award Program for review. |

Figure 14 illustrates the work flow and key milestones for budget development and approval.

Figure 14. Budget Development Work Flow



Development of Division Budgets

Just as the Division budgets are the foundation for development of the overall District budget, Program budgets provide the basis for development of Division budgets.

Budget Requests: Division and Program Managers must be able to speak to the reason for each specific budget request, why this expenditure is in the best interest of the community, how the expenditure supports achievement of the District's strategic goals and initiatives, and what alternatives were considered in determining that this expenditure was the most cost effective approach. Within the operating budget any expenditure that reflects a significant change (increase/decrease in expense or addition or elimination of a service or program) must be accompanied by a narrative explanation or justification.

Division Business Plan: Division Managers must review the District's adopted strategic goals and related initiatives and submit a Business Plan along with their Division Budget Detail Worksheet. This plan must include the following:

- Division Title
- Purpose of the Division (explanation of why the Division exists)
- Programs within the Division's area of responsibility
- Strategic Goals supported by Division activities
- Strategic Initiatives that will be implemented or in progress during the budget year

In 2015, Division and Program Managers will begin the process of correlating activities and expenditures to the Commission on Fire Accreditation International (CFAI) Accreditation Criteria.

Capital Projects Plan and Budget

Capital projects are defined as having a cost of greater than \$5,000 and a useful life of more than three years. Capital projects may include real property, equipment, or software. Annual transfers between the General Fund and General Capital Projects Fund are based on amortized expense of specific capital projects as defined by the Board of Fire Commissioners.

The District maintains a detailed ten year capital projects plan which serves as the foundation for the annual Capital Budget. The capital projects plan is reviewed by the Board of Fire Commissioners in April of each year prior to the start of the budget development process. The plan consists of

- General Capital Projects Fund Cash Flow and Overview of Scheduled Projects
- Individual Capital Project Request and Estimates of Cost
- Capital Projects Amortization Schedule

Community Budget Review

A working group comprised of community members is selected by the Fire Chief to serve in an advisory capacity, providing input to the Fire Chief and Finance Officer on the budget and budget document from a community perspective to ensure transparency and clarity. The working group is engaged throughout the budget process including review and discussion of budget assumptions, draft budget documents, participation in the budget hearing, and review of the final budget document.

Budget Adjustment

There are two types of budget adjustment. The first is simply a transfer between line items within a given fund (e.g., reduction in one or more lines and an increase in one or more other lines) while maintaining the same overall appropriation (adopted budget amount). The second type of adjustment is a transfer between funds and change in the appropriated amount within those funds (e.g., transfer from the Contingency Fund to the General Fund).

Line item expenditures that exceed the adopted amount may be approved by the Fire Chief provided that the budget remains balanced at the Division and Fund levels. In the event that line item expenditures would result in a deficit (within the line) of greater than \$2,000, the Board of Fire Commissioners must be notified at their next regular meeting and funding of the line increased through the budget adjustment process.

Budget adjustment will generally be performed (if needed) in April and October. However, under exigent circumstances, the Fire Chief may request that the Board of Fire Commissioners adjust the budget at any time.

The District's Finance Officer (Office Manager) enters Adopted budget changes in the accounting system as they are identified. This entry includes the adopted amount of the line item, the Adopted (adjusted) amount of the line item, the difference, percentage difference, and justification of the Adopted changes. The Fire Chief submits a narrative report outlining the need for the budget adjustment (increases/decreases in individual lines and/or transfer between funds) with line item level detail along with the BIAS Adopted Budget Changes report to the Board of Fire Commissioners in advance of the meeting at which the budget adjustment will be considered.

Basis of Budgeting & Accounting

The Washington State Auditor's office is required by law to prescribe budgeting, accounting, and reporting requirements for local governments. The Washington State Budgeting and Reporting System (BARS) Manuals include the prescribed uniform charts of accounts, accounting and budgeting policies, guidance for preparing financial statements and instructions for preparing supplemental schedules required as part of local government annual reports. As a Fire Protection District, CWIFR is permitted by the Washington State Auditor to use cash basis accounting as an Other Comprehensive Basis of Accounting (OCBA). With cash basis accounting, the District records revenue when revenue is received, and records expenses when they are paid.

While the District uses Cash Basis Accounting, the District's budget process recognizes property tax revenue and revenue on an accrual basis and estimates revenue from other miscellaneous sources.

Financial Policies

The District has adopted comprehensive financial policies to guide budgeting and financial management. These policies are delineated in the *Board of Fire Commissioners Policy Manual* (CWIFR, 2013) and Financial Standard Operating Guidelines.

Direction

The Board of Fire Commissioners shall review the District's strategic goals and capital projects plan and provide fiscal policy direction to the Fire Chief before their regularly scheduled meeting in May to permit timely and efficient development of the District's operations and capital budgets (Board Policy Manual, p. 23).

Budget

The following budget policies have been established by the Board of Fire Commissioners and are delineated in Standard Operating Guideline 1.3.1 *Budget* (CWIFR, 2014).

- Establish funding priorities to reflect our mission to partner with our community to proactively reduce risk from fire, illness, injury and other hazards.
- Be a good steward of public funds and ensure that budgeting and financial management are in compliance with applicable laws and regulations, and achieves results that are in the best interest of the District and its taxpayers.
- Conduct the budgeting and financial reporting process in a manner that is transparent and easy for taxpayers to understand.
- Ensure that the District's budgeting process has a direct and strong connection with the Strategic Plan adopted by the Board of Fire Commissioners.
- Avoid budget decisions or procedures that provide for current operational cost at the expense of future needs.
- Use the Washington State Auditors Budgeting and Reporting System (BARS) codes in budget development and fiscal reporting.
- Maintain a balanced budget, defined as funds total resources comprised of beginning fund balance, revenues, and other funds are equal to the total of expenditures, other fund use, and the funds ending balance.
- Maintain a balanced budget at the Division level (Administration, Operations, Life Safety & Community Risk Reduction, Training, Facilities, & Vehicle Maintenance).
- Require approval of the Board of Fire Commissioners for transfers between Funds, Divisions, or between line items within a Division.

Procurement

The following budget policies have been established by the Board of Fire Commissioners and are delineated in Standard Operating Guideline 1.3.2 *Procurement* (CWIFR, 2014).

- It is the policy of Central Whidbey Island Fire & Rescue (CWIFR) to be a good steward of public funds. To that end, district expenditures must be for a valid public purpose which benefits the community, is directly related to the District's authorized functions, and which does not have as its primary objective the benefit of a private interest.
- The District will follow the statutory requirements of Revised Code of Washington (RCW 52) *Fire Protection Districts*, RCW 39 Public Contracts and Indebtedness and other relevant state laws and regulations as applicable to fire district procurement.
- In addition, it is the policy of CWIFR to maintain appropriate internal fiscal controls to promote effective and efficient use of resources; to safeguard resources against loss due to waste, mismanagement, abuse, or fraud; and to ensure compliance with applicable state and federal laws, regulations, and fiscal best practices.
- CWIFR will endeavor to ensure consistency with the Government Finance Officers Association best practices and advisories related to procurement.

Asset Management

The following budget policies have been established by the Board of Fire Commissioners and are delineated in Standard Operating Guideline 1.3.2 *Asset Management* (CWIFR, 2014).

- It is the policy of Central Whidbey Island Fire & Rescue (CWIFR) to maintain accountability for its assets. The District shall maintain asset records and verify those records by a physical inventory at least annually.
- In addition, it is the policy of the District that the disposal of surplus property is accomplished through an efficient and appropriate process that is in compliance with applicable laws and regulations, and that achieves results that are in the best interest of the District and its taxpayers.

Revenue & Cash Management

The following revenue and cash management policies have been established by the Board of Fire Commissioners and are delineated in Draft Standard Operating Guideline 1.3.7 *Revenue & Cash Management* (CWIFR, 2014).

- The District's primary source of revenue is a property tax levy as specified in the Revised Code of Washington (RCW) Chapter 52.16. However, the District shall work to develop diversification of revenue to include, but not limited to intergovernmental revenue, and fees for service.
- Consistent with the provisions of Washington State Constitution Article VIII § 7, District services that benefit specific users rather than the community as a whole must be supported by fees and charges. User fees should reflect the direct and indirect cost of providing the service.

- The District will fund current expenditures with current revenues, avoiding the use of one-time funds for ongoing expense, postponing needed expenditures, or depleting reserves to meet current expenses.
- CWIFR will maintain an ending fund balance of at least 33% of budgeted maintenance and operations expenditures to provide sufficient funds for operation prior to receipt of subsequent year's tax revenue.
- CWIFR will maintain an administrative Contingency Fund in the amount of 10% of budgeted maintenance and operations expenditures within the general fund. The contingency fund will be used for unanticipated or exceptional unbudgeted expenditures only with the approval of the Board of Fire Commissioners.
- The District shall clearly set forth transfers between funds (e.g., General Fund and General Capital Projects Fund) in the District's annual budget or adjustments. If necessary to meet cash flow requirements, interfund loans shall be paid back in the near term and not result in a change in fund equity.
- The District will actively seek grant funding for both operating and capital expenditures, provided that the grant is consistent with the District's mission and goals, provides a benefit that exceeds cost, and does not commit the District to long term tax funded expenditures following the completion of the grant period.

Investment

The following investment policies have been established by the Board of Fire Commissioners and are delineated in Standard Operating Guideline 1.3.8 *Investment* (CWIFR, 2014).

- It is the policy of Central Whidbey Island Fire & Rescue to invest public funds in a manner which will provide maximum security with the highest investment return while meeting the cash flow demands of the District and conforming to all state and local statutes governing the investment of public funds.
- Pursuant to the provisions of Revised Code of Washington (RCW) Chapter 36.29.020, and CWIFR Board of Fire Commissioners Resolution 14-02, the Island County Treasurer is authorized to invest District funds not required for immediate expenditure.
- Management responsibility for the investment program is delegated to the District's Finance Officer under the supervision of the Fire Chief.
- Pursuant to the provisions of Revised Code of Washington (RCW) Chapter 36.29.020, if the Board of Fire Commissioners determines that it is necessary to redeem or sell any of the purchased securities before their ultimate maturity date, the Board shall by resolution, direct the Island County Treasurer to take that action.

Debt

The following debt policies have been established by the Board of Fire Commissioners and are delineated in Standard Operating Guideline 1.3.9 *Debt* (CWIFR, 2014).

- It is the policy of Central Whidbey Island Fire & Rescue to consider community needs, the District's current and projected long term fiscal position and overall cost to the District's taxpayers in determining if debt should be issued by the District.
- It is the policy of Central Whidbey Island Fire & Rescue to consider issuance of debt consistent with the provisions of the Revised Code of Washington (RCW) Chapter 52.16.180 for major capital projects as defined in SOG 1.3.10 Capital Projects

Capital Projects

The following budget policies have been established by the Board of Fire Commissioners and are delineated in Draft Standard Operating Guideline 1.3.10 *Capital Projects* (CWIFR, 2014).

- The District will maintain its physical assets at a level that is adequate to protect its capital investment and to minimize future maintenance and replacement cost. The District budget will provide for adequate maintenance and orderly replacement of capital assets.
- CWIFR will maintain a multi-year plan for capital improvements that is in alignment with the District's Strategic Plan, update it annually and make all capital improvements in accordance with the plan.
- The capital and operating budget processes shall be integrated to allow consideration of operating and capital expenditures within the context of the current and projected fiscal condition of the District.
- The District shall transfer sufficient revenue from the General Fund to the General Capital Projects Fund on an annual basis to fund replacement of capital assets having a useful life of 25 years or less (e.g., fire apparatus, other vehicles, and equipment) with current revenue whenever possible.
- The District will consider issuance of debt for large capital projects having a useful life in excess of 25 years (e.g., facilities).

Financial Summaries

Table 9 provides a summary of District Revenues and *Expenditures* in 2013, adopted budget (as of the first quarter budget adjustment) in 2014, and Adopted 2015 budget for all funds (General Fund, General Capital Projects Fund, and Compensated Absences Fund). Additional detail is provided in the fund specific sections of this budget document.

Table 9. 2015 Financial Summary

| General Fund | Actual | Adjusted | Adopted |
|--|-------------|-------------|-------------|
| | 2013 | 2014 | 2015 |
| Beginning General Fund Balance | \$1,302,782 | \$1,810,117 | \$1,531,102 |
| Contingency | | | |
| 10% Contingency (Administrative) Fund | \$166,875 | \$180,184 | \$205,172 |
| Revenue | | | |
| Investment Interest | \$5,190 | \$2,500 | \$2,500 |
| Property Taxes (Includes New Construction) | \$2,118,231 | \$2,144,078 | \$2,165,519 |
| Other Taxes/State Assessed Property | \$934 | \$2,280 | \$2,280 |
| WGH Contract | \$199,519 | \$201,495 | \$201,495 |
| Other Deposits | \$47,725 | \$43,920 | \$43,920 |
| Voided Warrants & Vendor Credits | \$315 | \$0 | \$0 |
| Total Operating Revenues | \$2,371,914 | \$2,394,273 | \$2,415,714 |
| Expenditures | | | |
| Vouchers (M&O General Fund) | \$1,615,364 | \$1,999,513 | \$2,051,719 |
| Investment Fee | \$297 | \$310 | \$310 |
| Tax Adjustment | \$0 | \$200 | \$200 |
| Correction & Vendor Credits | \$0 | \$0 | \$0 |
| Total Expenditures | \$1,615,661 | \$2,000,023 | \$2,052,229 |
| Interfund Transfers | | | |
| To Compensated Absences Trust Fund | \$1,918 | \$13,265 | \$984 |
| To General Capital Projects Fund | \$247,000 | \$660,000 | \$365,000 |
| Total Transfers | \$248,918 | \$673,265 | \$365,984 |
| Ending General Fund Balance | \$1,810,117 | \$1,531,102 | \$1,528,602 |
| General Capital Projects Fund | Actual | Budgeted | Adopted |
| | 2013 | 2014 | 2015 |
| Beginning Capital Projects Fund Balance | \$1,357,808 | \$1,041,537 | \$933,671 |
| Interfund Transfers | | | |
| From General Fund | \$247,000 | \$660,000 | \$365,000 |
| Expenditures | | | |
| Vouchers (Capital Projects Fund) | \$563,271 | \$767,866 | \$435,406 |
| Ending Capital Projects Fund Balance | \$1,041,537 | \$933,671 | \$863,265 |
| Compensated Absences Trust Fund | Actual | Budgeted | Adopted |
| | 2013 | 2014 | 2015 |
| Beginning Compensated Absences Balance | \$12,005 | \$13,923 | \$17,672 |
| Interfund Transfers | | | |
| From General Fund | \$1,918 | \$13,265 | \$0 |
| Expenditures | | | |
| Vouchers (Compensated Absences) | \$0 | \$9,516 | \$0 |
| Ending Compensated Absences Balance | \$13,923 | \$17,672 | \$17,672 |
| All Funds | Actual | Budgeted | Adopted |
| | 2013 | 2014 | 2015 |
| Total Ending Balance (All Funds) | \$2,865,577 | \$2,482,445 | \$2,409,539 |

Significant Changes in Fund Balance

There is only one significant (greater than 10%) change in ending fund balances in the 2015 budget year. The ending balance of the General Capital Projects Fund is projected to increase by 16% due to substantial transfer from the General Fund and limited capital expenditures in 2015.

Balanced Budget

The District maintains a balanced budget and the Total Ending Balance is anticipated to increase from 2015 through 2019 at which time increases in expense may exceed increases in revenue (See Appendix B-Long Term Financial Plan, Table 22). Several options exist to maintain current service levels beyond 2019 while maintaining a balanced budget:

- Limit increases in expense. The District's modified zero based budget process provides a solid system for ensuring that changes in expense are tied to specific strategic goals, initiatives, and related outcomes.
- Identify and develop additional revenue streams. The District continues to explore opportunities to develop additional revenue through Interlocal agreements and shared services.
- Determine at what point it will be necessary to present a lid lift to the District's voters. As intended by the Washington State Constitution and related laws regarding property tax limitations, the District's voters have the authority to increase the levy rate to maintain or improve service levels.

Revenue

Overview of Revenue Streams

Tax revenue is CWIFR's largest revenue stream, comprising approximately 90% of total district revenue. CWIFR also has several Interlocal Agreements to provide service to Whidbey General Hospital, the Town of Coupeville, and Island County which comprise approximately 8% of total district revenue. Approximately 2% of district revenue is generated from a variety of miscellaneous sources (e.g., such as payments in lieu of taxes, space and facilities rent, grants, and sale of surplus assets).

Tax Revenue

The Washington State constitution and related laws strictly limit the amount of property tax that local taxing districts can levy. While tax limitations are complex, there are two particularly important limitations for fire districts. First is Initiative 747, passed by the state's voters in 2001 which changed the state constitution to limit annual increases in property taxes levied to 1%, plus revenue from new construction added to the tax rolls in the previous year (Washington State Constitution Amendment 95 Article 7 Section 2). The second important limitation is the maximum regular tax rate for fire districts specified by state law. The Revised Code of Washington (RCW) limits fire districts to a maximum regular property tax rate of \$1.50/\$1000 of assessed value (RCW 52.16.130, 140, 160).

CWIFR's annual property tax levy is distributed across all taxable property within the district. In 2011, the District's voters approved a lid lift, establishing a tax levy rate of \$1.34/\$1000 assessed value. In subsequent years, the District's levy rate will increase or decrease depending on several factors. New construction adds to the total value of taxable property within the district, further dividing CWIFR's tax levy and lowering the tax rate. Property values also impact tax rate. If assessed property values increase, CWIFR's tax levy is divided by this greater value and the tax rate decreases. On the other hand, if assessed property values decrease, CWIFR's tax levy is divided by this smaller value and the tax rate increases (while the total levy remains the same). If assessed property value decreases further, and the District's levy rate reaches the statutory cap of \$1.50/\$1000, revenue will decrease.

The rationale behind the tax structure in the state constitution and related laws is that the costs of delivering essential services such as fire protection, rescue, and emergency medical care is not based on the value of your property. Cost is based on level of service desired by the community, with the shared cost based on property value.

The District's 2013 Assessed Valuation (AV) for 2014 tax collection was \$1,554,277,590 which at a Levy Rate of \$1.38/\$1000 AV provided a total levy of \$2,146,358. The total property tax levy (excluding addition of taxes on new construction) can increase a maximum of 1% resulting in a maximum 2015 total levy of \$2,167,822. The District's AV increased by approximately 2.35% which will result in a decrease in the levy rate from \$1.38/\$1000 AV to \$1.36/\$1000 AV (the total levy increase is limited to 101% of the prior year with the levy rate determined by dividing the total AV by the tax levy).

As discussed in the Budget Assumptions section of this document, in 20 of the last 24 years, assessed valuation within the District has increased. The magnitude of the change in assessed

valuation has varied widely over this time period (-10.72% to 38.57%). However, the majority of years examined have seen an increase in assessed valuation of greater than five percent. While there is no guarantee that this average rate of increase will continue in the future, the long term historic trend has been for assessed value of property within the district to increase substantially over time.

Interlocal Agreements

CWIFR has several Interlocal Agreements under which the District provides services to other governmental entities. These include an agreement to operate a Basic Life Support (BLS) ambulance for Whidbey General Hospital (WGH) Emergency Medical Services (EMS) and agreements with both the Town of Coupeville and Island County to provide fire and life safety inspection services in commercial occupancies.

Table 10. Revenue from Interlocal Agreements

| Interlocal Agreement | 2013 Actual Revenue | 2014 Adjusted Revenue | 2015 Projected Revenue |
|--------------------------------|------------------------|--------------------------|---------------------------|
| WGH EMS | \$100,747 | \$302,242 | \$201,495 |
| Coupeville Fire Inspections | \$8,528 | \$8,000 | \$8,000 |
| Island County Fire Inspections | n/a | n/a | \$8,000 |

Other Revenue

In addition to tax receipts and revenue generated from services provided through Interlocal agreement, CWIFR has multiple small revenue streams. These include payments in lieu of taxes paid by the Coupeville School District and Washington State Parks, revenue from lease of cell tower space at Station 53, proceeds from the sale of non-capital and capital assets declared surplus by the Board of Fire Commissioners, and a number of other miscellaneous revenues.

General Fund

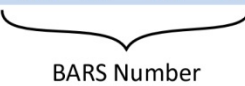
General Fund Overview

The General Fund is the District's principal operating fund, which is supported by taxes, fees, and other revenues that may be used for any lawful purpose. This fund accounts for all current expenditures (e.g., personal services, materials and services) not specifically accounted for in other funds.

In accordance with the Washington State Auditor's Budgeting and Reporting System (BARS), the District's General Fund is subdivided into Divisions. These divisions are functional and serve to clearly describe the purpose of appropriated funds. The layout of the budget includes major categories of expenditure, the BARS number (for internal reference), and line item description. For each line, values for 2013 Actual District Expenditures and 2014 Adopted Budget are provided along with the Adopted Budget for 2015 (see Figure 15).

Figure 15. Budget Layout

| | | | | | 2013 | 2014 | 2015 |
|-----------------------------|----|----|----|-----------------------|----------|----------|----------|
| Budget Category Description | | | | | | | |
| 522 | XX | XX | XX | Line Item Description | \$XX,XXX | \$XX,XXX | \$XX,XXX |



Understanding BARS Numbers

522 Basic and Sub Account (BASUB) for Fire Protection

XX Second Element Specifies the Division (Administration, Operations, etc.)

XX Third Element Specifies the Character of the Expenditure

XX Fourth Element is Defined by the District to Identify the Specific Line Item

Administrative Division

The Administrative Division provides leadership and management necessary to ensure effective and efficient delivery of services to the community.

The Administrative Division is responsible for the following major programs and functions.

- Strategic Planning
- Accreditation
- Budgeting and Fiscal Management
- Human Resources

Personnel Summary

Administrative Division staffing is comprised 3.5 Full Time Equivalents (FTE); the Fire Chief, Deputy Chief, Office Manager/Finance Officer, and Office Assistant. The Fire Chief and Deputy Fire Chief also have operational responsibility, but from a budget perspective are accounted for within the Administrative Division.

CWIFR's Deputy Fire Chief resigned to accept a position with a larger fire and rescue agency in July. This reduced the number of personnel in the Administrative Division in the 2nd and 3rd Quarters of 2014. A national recruitment was initiated and it is anticipated that the Deputy Chief's position will be filled by January 1, 2015. This vacancy impacted expenses within the Administrative and Operations Divisions. In the Administrative Division, the Deputy Chief's Salary and Benefits were lower than budgeted, but recruitment expenses were increased. In the Operations Division, this vacancy impacted the overtime required for callback resulting from the Full Time Acting Captain filling additional shifts as Command Duty Officer.

Accomplishments

Major administrative accomplishments in 2014 include the following:

- Received the Government Finance Officers Association (GFOA) Distinguished budget presentation award. This award represents a significant achievement and reflects the commitment of the Board of Fire Commissioners and District staff to meeting the highest principles of governmental budgeting. This accomplishment supported the District's Strategic Goals to increase transparency and ensure sound financial policies. In addition, it supported meeting CFAI Accreditation Criteria 4A.2 Defined Budget Policy & Process.
- Went live with a redesigned, responsive web site to increase community access to District information on all types of devices including tablets and smart phones. This web site provides access to the District's Strategic Plan, Capital Projects Plan, Annual Budget, as well as minutes of board meetings, monthly report from the Fire Chief, and monthly budget position. This accomplishment supported the District's Strategic Goal to increase transparency and public communication. In addition, it supported meeting CFAI Accreditation Criteria 9C.3 Technological Resources and 9C.4 Public Information.

- Completed development of comprehensive financial policies consistent with GFOA Best Practices, adopting policies addressing revenue and asset management, investment, debt, and capital projects. This accomplishment supported the District's Strategic Goals to ensure sound financial policies and aided in meeting CFAI Accreditation Criteria 4A.2 Defined Budget Policy & Process.
- Completed the procurement process for engagement of a new Information Technology (IT) support service and upgrades to the District's IT infrastructure. These upgrades included reinstallation of software on the District's primary server to correct performance deficiencies and installation of an e-mail archive system, off-site backup, and second server to support mobile data tablets in District apparatus. Concurrent with infrastructure improvements, the District implemented new file management procedures to improve access to electronic records. This accomplishment supported the District's Strategic Goal to maintain adequate infrastructure to support operations. In addition, it supported meeting CFAI Accreditation Criteria 9C.3 Technological Resources.
- Implemented a new Records Management System to improve data collection and analysis and reporting. This project specifically addressed the District's Strategic Goals for providing necessary infrastructure and measuring organizational performance. This accomplishment supported the District's Strategic Goal to maintain adequate infrastructure to support operations. In addition, it supported meeting CFAI Accreditation Criteria 9C.3 Technological Resources.
- In conjunction with the Facilities Division, completed an architectural and engineering review of all District fire stations to allow development of a long range plan to ensure that our facilities meet community needs. This project specifically addressed the District's Strategic Goals for providing necessary infrastructure. In addition, it provided a foundation for meeting CFAI Accreditation Criteria 6B Fixed Facilities inclusive of 6B.1 Space Allocation, 6B.2 Buildings & Grounds, 6B.3 Distribution of Physical Facilities, and 6B.4 Regulatory Compliance.
- Began preparations for update and revision of our Strategic Plan with identification of internal working group members who will begin this process with review of the District's current Strategic Plan early in 2015. This accomplishment continued the ongoing process of ensuring that the District continues to meet CFAI Accreditation Criteria 2D.1 Strategic or Master Plan.

Strategic Goals & Initiatives

While the Administrative Division has an overall responsibility for implementation of the District's Strategic Plan, the following goals within the District's Enterprise Wide Strategy are of particular significance to this Division.

- Maintain adequate infrastructure to support operations (Resources)
- Ensure adequate program funding (Resources)
- Ensure adequate staffing (Resources)

- Improve operational capability (Internal Processes)
- Measure organizational performance (Internal Processes)
- Improve consistency with values, mission, and vision (Internal Processes)
- Maximize effectiveness, efficiency, and value (Fiscal Stewardship)
- Ensure sound fiscal policies (Fiscal Stewardship)
- Ensure transparency (Fiscal Stewardship)
- Ensure sustainable funding for service delivery (Fiscal Stewardship)

In addition to these enterprise wide goals, the Administrative Division is also responsible for the following additional goals:

- Improve community satisfaction (Organizational Excellence)
- Promote a culture of cooperation and teamwork (Internal Processes)
- Ensure effective HR practices (Internal Processes)
- Increase public communication (Internal Processes)
- Improve knowledge of best practice (Resources)
- Promote member health and wellness (Resources)

Major Initiatives in 2015 include the following:

- Assessment of the District's financial management practices using the Chartered Institute of Public Finance and Accountancy (CIPFA)/Government Finance Officers Association (GFOA) Financial Management Model. This initiative addresses the District's Strategic Goal to ensure sound financial policies and CFAI Accreditation Category 4 Financial Resources on an inclusive basis.
- Collaboration with other municipal agencies that have effectively implemented Lean⁵ processes to improve the effectiveness and efficiency of service delivery. This initiative addresses the District's Strategic Goals to measure organizational performance and maximize effectiveness, efficiency, and value. In addition, this initiative supports achievement of CFAI Accreditation Criteria 9C.1 Administrative & Support Processes.
- Working with Operations Division personnel, the implement a Continuous Quality Improvement (CQI) program focused on improving both the quality of emergency operations and incident report data from fire and emergency medical operations. This initiative supports achievement of the District's Strategic Goal to improve operational capability. In addition, this initiative supports achievement of CFAI Accreditation Criteria 5G.8 Independent Review of Patient Records.

⁵ In the public sector, the core idea of Lean process is to maximize community value while minimizing waste.

- Revision of the District's Strategic Plan for 2016-2020. This initiative supports achievement of the District's Strategic Goal to measure organizational performance. In addition, this initiative supports continued achievement of CFAI Accreditation Criteria 2D.1 Strategic or Master Plan.
- Develop a Long Term Financial Plan to support Capital Facilities infrastructure improvement to meet the future needs of the District. This initiative addresses the District's Strategic Goal to ensure sustainable funding for service delivery. In addition, this initiative supports achievement of CFAI Accreditation Criteria 4A.4 Integrated Financial and Strategic Planning and 4C.2 Long Term Liabilities and Debts.

2014 Division Budget

In addition to expenses that are exclusively administrative in nature (e.g., Office Manager's Salary and Benefits), the Administrative Division budget includes a number of expenses that would be difficult to allocate across two or more Divisions (such as the Deputy Chief's Salary and Benefits or Information Technology services).

Table 11. Administrative Division Budget

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|--------------------------------|------------------|------------------|------------------|
| Administration Salaries & Wages | | | | | | | |
| 522 | 10 | 11 | 01 | Fire Chief | \$96,013 | \$99,563 | \$101,613 |
| 522 | 10 | 11 | 02 | Deputy Chief | \$79,213 | \$83,963 | \$87,213 |
| 522 | 10 | 11 | 03 | Office Manager | \$51,002 | \$52,102 | \$53,202 |
| 522 | 10 | 11 | 07 | Command Duty Officer Stipend | \$4,795 | \$10,600 | \$10,599 |
| 522 | 10 | 11 | 99 | Leave Buyback | \$0 | \$0 | \$0 |
| 522 | 10 | 12 | 04 | Office Assistant | \$8,363 | \$11,243 | \$11,960 |
| 522 | 10 | 13 | 05 | Commissioners | \$10,106 | \$13,338 | \$13,338 |
| 522 | 10 | 13 | 06 | District Secretary | \$1,352 | \$1,824 | \$1,824 |
| 522 | 10 | 19 | 01 | Fire Chief (Deferred Comp) | \$8,641 | \$8,961 | \$9,145 |
| 522 | 10 | 19 | 02 | Deputy Chief (Deferred Comp) | \$7,129 | \$7,557 | \$7,849 |
| 522 | 10 | 19 | 03 | Office Manager (Deferred Comp) | \$2,040 | \$2,085 | \$2,128 |
| Sub Total | | | | | \$268,652 | \$291,236 | \$298,870 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|---|----|----|----|---|-----------------|------------------|-----------------|
| Administration Benefits | | | | | | | |
| 522 | 10 | 21 | 01 | Fire Chief (Medicare Only) | \$1,525 | \$1,679 | \$1,883 |
| 522 | 10 | 21 | 02 | Deputy Chief (Medicare Only) | \$1,260 | \$1,432 | \$1,656 |
| 522 | 10 | 21 | 03 | Office Manager (FICA/Medicare) | \$3,853 | \$4,146 | \$4,233 |
| 522 | 10 | 21 | 04 | Office Assistant (FICA/Medicare) | \$678 | \$1,111 | \$915 |
| 522 | 10 | 21 | 05 | Commissioners (FICA/Medicare) | \$775 | \$1,021 | \$1,020 |
| 522 | 10 | 21 | 06 | District Secretary (FICA/Medicare) | \$108 | \$140 | \$140 |
| 522 | 10 | 21 | 07 | Command Duty (Medicare Only-Training) | \$0 | \$0 | \$150 |
| 522 | 10 | 22 | 01 | Fire Chief (L&I) | \$685 | \$558 | \$725 |
| 522 | 10 | 22 | 02 | Deputy Chief (L&I) | \$636 | \$558 | \$725 |
| 522 | 10 | 22 | 03 | Office Manager (L&I) | \$327 | \$371 | \$369 |
| 522 | 10 | 22 | 04 | Office Assistant (L&I) | \$107 | \$186 | \$184 |
| 522 | 10 | 22 | 05 | Commissioners (L&I) | \$15 | \$21 | \$21 |
| 522 | 10 | 22 | 06 | District Secretary (L&I) | \$2 | \$9 | \$9 |
| 522 | 10 | 23 | 01 | Fire Chief (Medical/Dental) | \$13,589 | \$12,465 | \$12,465 |
| 522 | 10 | 23 | 02 | Deputy Chief (Medical/Dental) | \$17,972 | \$16,474 | \$16,474 |
| 522 | 10 | 23 | 03 | Office Manager (Medical/Dental) | \$14,675 | \$16,786 | \$16,786 |
| 522 | 10 | 24 | 01 | Fire Chief (LEOFF) | \$5,325 | \$5,625 | \$5,910 |
| 522 | 10 | 24 | 02 | Deputy Chief (LEOFF) | \$4,394 | \$4,760 | \$5,112 |
| 522 | 10 | 24 | 03 | Office Manager (PERS) | \$4,101 | \$4,799 | \$5,376 |
| 522 | 10 | 24 | 05 | Office Assistant (PERS) | \$0 | \$0 | \$1,209 |
| 522 | 10 | 28 | 04 | Employee Assistance Program | \$1,158 | \$1,321 | \$1,321 |
| Sub Total | | | | | \$71,184 | \$73,462 | \$76,682 |
| Administration Office & Operating Supplies | | | | | | | |
| 522 | 10 | 31 | 01 | Office Supplies | \$6,405 | \$5,500 | \$5,500 |
| 522 | 10 | 31 | 02 | Computer Software | \$3,282 | \$3,920 | \$7,300 |
| 522 | 10 | 31 | 03 | Commissioner Supplies | \$1,024 | \$1,200 | \$1,200 |
| 522 | 10 | 31 | 04 | Uniforms-Administration & Commissioners | \$1,673 | \$2,400 | \$2,400 |
| 522 | 10 | 31 | 05 | Copy Fees | \$4,937 | \$5,700 | \$5,700 |
| 522 | 10 | 31 | 06 | Books & Publications | \$77 | \$200 | \$200 |
| 522 | 10 | 31 | 07 | Member Recognition | \$162 | \$1,500 | \$1,500 |
| Sub Total | | | | | \$17,559 | \$20,420 | \$23,800 |
| Administration Small Tools & Minor Equipment (<\$5,000) | | | | | | | |
| 522 | 10 | 35 | 01 | Computer Hardware | \$6,199 | \$3,000 | \$3,000 |
| 522 | 10 | 35 | 02 | Office Equipment | \$2,295 | \$0 | \$0 |
| 522 | 10 | 35 | 03 | Furniture | \$0 | \$500 | \$1,500 |
| Sub Total | | | | | \$8,494 | \$3,500 | \$4,500 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|---------------------------------|-----------------|------------------|-----------------|
| Administration Professional Services | | | | | | | |
| 522 | 10 | 41 | 01 | Legal | \$0 | \$4,000 | \$3,500 |
| 522 | 10 | 41 | 02 | Accounting | \$1,859 | \$2,130 | \$2,200 |
| 522 | 10 | 41 | 02 | Recruitment & Testing | \$0 | \$0 | \$0 |
| 522 | 10 | 41 | 04 | Medical and Psychological | \$0 | \$40 | \$40 |
| 522 | 10 | 41 | 05 | Vaccinations | \$30 | \$150 | \$120 |
| 522 | 10 | 41 | 06 | Information Technology | \$10,300 | \$20,260 | \$20,087 |
| 522 | 10 | 41 | 07 | MRSC | \$120 | \$320 | \$320 |
| 522 | 10 | 41 | 08 | Consulting | \$3,494 | \$3,000 | \$0 |
| Sub Total | | | | | \$15,803 | \$29,900 | \$26,267 |
| Administration Communications | | | | | | | |
| 522 | 10 | 42 | 01 | Postage & Shipping | \$3,144 | \$4,480 | \$4,480 |
| 522 | 10 | 42 | 02 | Internet Service Provider (ISP) | \$119 | \$120 | \$120 |
| 522 | 10 | 42 | 03 | Telephone | \$6,756 | \$5,000 | \$5,000 |
| 522 | 10 | 42 | 04 | Cellular Telephones | \$1,818 | \$5,710 | \$3,240 |
| 522 | 10 | 42 | 05 | Cable/Internet | \$3,132 | \$2,450 | \$2,720 |
| Sub Total | | | | | \$14,970 | \$17,760 | \$15,560 |
| Travel, Lodging, & Meals | | | | | | | |
| 522 | 10 | 43 | 01 | Commissioners Travel | \$928 | \$1,000 | \$1,000 |
| 522 | 10 | 43 | 02 | Staff Travel | \$1,704 | \$2,000 | \$1,500 |
| Sub Total | | | | | \$2,632 | \$3,000 | \$2,500 |
| Administration Advertising | | | | | | | |
| 522 | 10 | 44 | 01 | Legal Advertising | \$1,751 | \$2,000 | \$2,500 |
| 522 | 10 | 44 | 03 | Admin Recruitment | \$0 | \$0 | \$0 |
| Sub Total | | | | | \$1,751 | \$2,000 | \$2,500 |
| Administration Operating Rentals & Leases | | | | | | | |
| 522 | 10 | 45 | 01 | Copier | \$5,095 | \$5,380 | \$5,950 |
| 522 | 10 | 45 | 03 | Miscellaneous Equipment Rental | \$0 | \$0 | \$0 |
| Sub Total | | | | | \$5,095 | \$5,380 | \$5,950 |
| Administration Insurance | | | | | | | |
| 522 | 10 | 46 | 01 | Liability/Umbrella | \$31,549 | \$36,300 | \$36,369 |
| Sub Total | | | | | \$31,549 | \$36,300 | \$36,369 |
| Repair & Maintenance | | | | | | | |
| 522 | 10 | 48 | 01 | Computer R&M | \$0 | \$800 | \$0 |
| 522 | 10 | 48 | 02 | Office Equipment R&M | \$0 | \$0 | \$0 |
| 522 | 10 | 48 | 03 | Miscellaneous R&M | \$0 | \$100 | \$100 |
| Sub Total | | | | | \$0 | \$900 | \$100 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|------------------------------------|------------------|------------------|------------------|
| Miscellaneous | | | | | | | |
| 522 | 10 | 49 | 01 | Professional Memberships | \$3,798 | \$4,105 | \$4,700 |
| 522 | 10 | 49 | 02 | Subscriptions | \$1,460 | \$1,600 | \$2,600 |
| 522 | 10 | 49 | 03 | Commissioner Off-Site Expense | \$128 | \$200 | \$200 |
| 522 | 10 | 49 | 04 | Staff Off-Site Expense | \$0 | \$200 | \$200 |
| 522 | 10 | 49 | 05 | On-site Meeting Expense | \$419 | \$450 | \$450 |
| 522 | 10 | 49 | 06 | Recognition/Awards Dinner | \$65 | \$300 | \$300 |
| 522 | 10 | 49 | 07 | Finance Charges | \$0 | \$500 | \$500 |
| Sub Total | | | | | \$5,871 | \$7,355 | \$8,950 |
| Administrative Intergovernmental Services | | | | | | | |
| 522 | 10 | 51 | 02 | Non-Legislative Election Fees | \$0 | \$0 | \$0 |
| 522 | 10 | 51 | 03 | Legislative Election Fees | \$0 | \$1,973 | \$2,000 |
| 522 | 10 | 51 | 01 | Administrative Audit | \$1,251 | \$0 | \$11,500 |
| 522 | 10 | 52 | 04 | Sales Tax (not Paid With Purchase) | \$1,992 | \$2,000 | \$2,000 |
| Sub Total | | | | | \$3,243 | \$3,973 | \$15,500 |
| Total Administrative Division Budget | | | | | \$446,803 | \$495,186 | \$517,548 |

Major Expenditures/Changes

The Administrative Division budget increased 4.52%. Major factors impacting this increase included increased compensation for District Executive Staff, expense of maintaining the District's records management system (computer software), and expenses related to an Accountability and Financial Audit by the State Auditor.

In June 2014, the Board of Fire Commissioners increased the compensation of executive staff to maintain compensation in line with the median of comparable agencies (based on population, assessed valuation, staffing, and cost of living). The first increment of this increase was received in 2014 and the second in 2015.

In the 4th Quarter of 2014 the District completed a capital project to replace the District's Records Management System (RMS) which is used for incident reports, patient care reports, training records, documentation of fire inspections, hydrant test records, and inventory. This new system provides full interoperability with Whidbey General Hospital EMS for patient care reports, as well as improved data management and reporting capability. Use of this cloud based system also provides increased redundancy and reliability by housing critical data in multiple off-site locations.

Prior to 2014, the District's revenue increased to more than \$2,000,000 annually, triggering a change in the cycle and nature of audits conducted by the State Auditor. Municipal corporations having annual revenue of less than \$2,000,000 receive a periodic (generally every three years) accountability audits. Once this threshold is passed, the State Auditor conducts an accountability and financial audit on an increased frequency (generally at one to two year intervals). The expense of this more comprehensive audit (line item 522 10 51 01) is the single largest increase in the Administrative Division Budget.

Operations Division

The Operations Division delivers emergency services to the community. This includes the following programs:

- Fire Suppression
- Technical Rescue
- Hazardous Materials
- Emergency Medical Services
- Domestic Preparedness
- Marine Rescue and Shipboard Firefighting (Land Based)
- Wellness/Fitness Program

Personnel Summary

The Operations Division is comprised of full-time, part-time, and volunteer firefighters and fire officers (with the exception of the Training and Recruitment Captain and Firefighter/Mechanic).

Table 12. Operations Staffing

| Classification | Volunteer | Part-Time | Full-Time |
|---------------------------------------|-----------|-----------|-----------|
| Company Officer/EMTs | 0 | 0 | 3 |
| Company Officers | 2 | 0 | 0 |
| Firefighter/EMTs | 2 | 10 | 3 |
| Firefighters | 5 | 0 | 0 |
| Support Services (Apparatus Operator) | 0 | 0 | 0 |
| EMTs | 6 | 0 | 0 |
| Total Staff | 15 | 10 | 6 |

Accomplishments

Major operational accomplishments in 2014 include the following:

- Refurbished Apparatus 0701 (Tender 54) with replacement of pump, water tank, and apparatus body. Refurbishment has extended the useful life of the apparatus and significantly improved the tactical capability of this apparatus. Apparatus 0702 (Tender 53) is currently undergoing refurbishment and it is anticipated that the refurbishment will be completed by late early 2015. Refurbishment of all of the District's water tenders included installation of rated (750 gpm) fire pumps. Providing a larger pump along with a change from 2-1/2" and 3" supply hose to 5" supply hose on all district engines and water tenders has provided a considerable improvement in fireground water supply capability with a reduction in the District's apparatus inventory (providing a considerable savings in capital expense).

This accomplishment supported the District's Strategic Goals to maximize effectiveness, efficiency, and value; improve operational capability, and maintain adequate infrastructure. In addition, this accomplishment addressed CFAI Accreditation Criteria 5A Fire Suppression (5A.2 Equipment) and 6C Physical Resources (6C.2 Apparatus Kind & Type & 6C.4 Apparatus Specifications).

Figure 16. Apparatus 0702 and Refurbished Apparatus



- Took delivery of Apparatus 1401, a Type I Engine manufactured by Spartan Emergency Response Vehicles (ERV). The new Engine is designed as a multi-role emergency response vehicle equipped for fire suppression, heavy rescue, and emergency medical response. This apparatus will replace Apparatus 8601 and 8602 (Engines 542 and 512). Apparatus 8601 was declared surplus and sold at auction in 2012. It is anticipated that Apparatus 8602 will be declared surplus and sold early in 2015. Apparatus 1401 has been placed in service at Station 53 and Apparatus 9601 has been moved to Station 51 and is in service as Reserve Engine 512.

This accomplishment supported the District's Strategic Goals to maximize effectiveness, efficiency, and value; improve operational capability, and maintain adequate infrastructure. In addition, this accomplishment addressed CFAI Accreditation Criteria 5A Fire Suppression (5A.2 Equipment), 5C Emergency Medical Services (5.C.3 Apparatus & Equipment), 5E Technical Rescue (5E.2 Apparatus & Equipment), and 6C Physical Resources (6C.2 Apparatus Kind & Type & 6C.4 Apparatus Specifications).

Figure 17. Apparatus 8602 and Apparatus 1401



- Initiated an ongoing project for replacement of fire hose to ensure safe and reliable fireground water supply and to meet Washington Survey and Rating Bureau (WSRB) requirements for hose inventory and maximum age of fire hose. Hose purchase in 2014 allowed the remainder of the District's Type I Engines to be equipped with 1100' of 5" supply hose and the last two of the District's Type I Water Tenders to be equipped with 600' of 5" supply hose. The District also continued conversion from use of 2-1/2" hose to 2" hose which provide the same firefighting flow capability with increased mobility when working with limited staffing.

This accomplishment supported the District's Strategic Goals to maximize effectiveness, efficiency, and value; improve operational capability, and maintain adequate infrastructure. In addition, this accomplishment addressed CFAI Accreditation Criteria 5A Fire Suppression (5A.2 Equipment).

- Entered into an agreement with Whidbey Community Physicians to administer both pre-employment and annual medical physicals for members of the District. This agreement reduces the time required for members to complete their medical assessment (which used to be done off island). This accomplishment addressed the District's Strategic Goal of promoting member health and wellness and CFAI Accreditation Criteria 7G Wellness/Fitness Programs (7G.1 Medical Evaluation).
- It was anticipated that the District's Standard of Coverage (SOC) would be completed by the end of 2014. However, completion will be delayed until the first quarter of 2015 (due to turnover in the position of Deputy Chief). The SOC clearly defines the fire and non-fire risks within the District and establishes resource and response time standards for emergency incident response. A Standard of Coverage is essential in meeting the District's Strategic Goal of improving operational capability and CFAI Accreditation Criteria 2B Fire Risk Assessment and Response Strategies and Criteria 2C Non-Fire Risk Assessment and Response Strategies.

Strategic Goals & Initiatives

The following goals within the District's Enterprise Wide Strategy are of particular significance to the Operations Division.

- Improve operational capability (Internal Processes)
- Focus risk reduction on community needs (Internal Processes)
- Measure organizational performance (Internal Processes)
- Improve consistency with values, mission, and vision (Internal Processes)
- Reduce incident severity (Community)
- Enhance collaboration with the community (Community)
- Maximize effectiveness, efficiency, and value (Fiscal Stewardship)

In addition to these enterprise wide goals, the Operations Division is also responsible for the following additional goals:

- Promote a culture of cooperation and teamwork (Internal Processes)
- Improve knowledge of best practice (Resources)
- Promote member health and wellness (Resources)

Major Initiatives in 2015 Include:

- Implementation of a standard inventory of equipment and tools by type of apparatus. In addition to improving tactical functionality, standardization of equipment will simplify training and maintenance requirements for items such as power saws and positive pressure fans. This initiative addresses the District's strategic goal of improving operational performance and CFAI Criterion 5A Fire Suppression (5A.2 Equipment) and 6E Small Tools and Equipment.
- Purchase of rope rescue equipment and training of District personnel to perform low angle rescue as an additional skill beyond operational level rescue skills. Preliminary work on the District's SOC has identified steep slopes (predominantly along the shoreline) as presenting a significant risk of falls and traumatic injury. Effective response to this type of incident requires development of the capability to perform low angle rescue and to support high angle rescue performed by our mutual aid partner Naval Region Northwest Fire & Emergency Services. This initiative addresses the District's strategic goal of improving operational performance and CFAI Criterion 5E Technical Rescue (5E.2 Apparatus and Equipment, 5E.4 Standard Operating Guidelines/Procedures, and 5E.5 Training and Operational Standards).
- Development of specification for replacement of Marine 5, the District's 19' Rigid Hull Inflatable Boat (RIB) and examination of the resource requirements for confinement of oil spills on the water. In 2012, the District experienced a fire involving an abandoned ship in Penn Cove. This incident highlighted the need for effective and efficient response to incidents involving release or potential release of oil or other hazardous materials into the waterways that surround the District. In addition, the District continues to experience a significant number of marine rescue incidents on a year round basis. These two initiatives would ensure that the District had all weather marine rescue capability and the ability to provide effective initial response to release of oil or other hazardous materials that may occur in Penn Cove (e.g., Port of Coupeville), Saratoga Passage, or Admiralty Inlet. This initiative addresses the District's strategic goal of improving operational performance and CFAI Criterion 5F Hazardous Materials (5F.2 Apparatus and Equipment and 5F.3 Supplies and Materials) and 5J Marine and Shipboard Fire and Rescue.
- Expansion of the District's wellness program to include Implementation of voluntary annual medical physicals for all CWIFR members, flu prevention program, and annual fitness assessment. The three interrelated elements of this initiative are complex, requiring a substantial effort to inform and educate our members as well as negotiation of the impact of these elements of the wellness program with the union representing our Full-Time Firefighters.

This initiative addresses the District's Strategic Goal of promoting member health and wellness and CFAI Accreditation Criteria 7G Wellness/Fitness Program.

- Implementation of a Continuous Quality Improvement (CQI) program focused on the quality of data generated in the District's records management system (e.g., Patient Care Reports and Incident Reports). A CQI program provides the District with an opportunity to examine performance on critical incidents such as fires in buildings and cardiac arrests for the purpose of continually striving to meet the District's goals of improving operational capability and reducing incident severity. This initiative focuses on the District's Strategic Goals of improving organization's effectiveness, efficiency, and value and measuring organizational performance. In addition, this initiative addresses CFAI accreditation criteria 5G Emergency Medical Services (5G.8 Independent Review of Patient Records) as well as Criteria 5 Programs on a more comprehensive basis related to review of all emergency response programs.

2014 Division Budget

Table 13. Operations Division Budget

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|-------------------------------------|----|----|----|----------------------------------|------------------|------------------|------------------|
| Operations Personal Services | | | | | | | |
| 522 | 20 | 10 | 01 | Full-Time FF/LT | \$360,305 | \$386,648 | \$406,722 |
| 522 | 20 | 10 | 03 | Part-Time Firefighters Wages | \$131,502 | \$146,397 | \$150,475 |
| 522 | 20 | 11 | 01 | Callback Overtime | \$767 | \$4,745 | \$5,383 |
| 522 | 20 | 12 | 01 | Shift Coverage Overtime | \$16,247 | \$16,724 | \$20,490 |
| 522 | 20 | 13 | 01 | Project Overtime | \$2,994 | \$7,668 | \$6,008 |
| 522 | 20 | 14 | 01 | Training Overtime | \$7,118 | \$9,773 | \$10,014 |
| 522 | 20 | 15 | 01 | Educational Incentive | \$1,233 | \$2,073 | \$4,833 |
| 522 | 20 | 16 | 01 | FF/LT Holiday Pay | \$16,901 | \$17,575 | \$18,487 |
| 522 | 20 | 17 | 01 | FT FF/LT AIC Differential | \$3,778 | \$5,482 | \$4,023 |
| 522 | 20 | 18 | 01 | FT FF/LT (Deferred Compensation) | \$14,214 | \$15,467 | \$16,269 |
| 522 | 20 | 19 | 01 | Command Duty Officer (500) | \$6,089 | \$0 | \$0 |
| 522 | 20 | 18 | 04 | VIP Annual Pay | \$6,750 | \$8,938 | \$8,463 |
| 522 | 20 | 19 | 04 | Quarterly Stipend | \$28,456 | \$33,072 | \$43,638 |
| Sub Total | | | | | \$596,354 | \$654,562 | \$694,805 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|-------------------------------------|------------------|------------------|------------------|
| Operations Benefits | | | | | | | |
| 522 | 20 | 21 | 01 | FT FF/LT (Medicare Only) | \$5,963 | \$6,441 | \$6,932 |
| 522 | 20 | 21 | 03 | PT FF (FICA/Medicare) | \$10,122 | \$11,659 | \$11,511 |
| 522 | 20 | 21 | 04 | Volunteer FF (FICA/Medicare) | \$3,115 | \$4,821 | \$3,986 |
| 522 | 20 | 22 | 01 | FT FF/LT (L&I) | \$13,369 | \$17,974 | \$20,146 |
| 522 | 20 | 22 | 03 | PT FF (L&I) | \$13,161 | \$14,150 | \$15,651 |
| 522 | 20 | 23 | 01 | FT FF/LT (Medical & Dental) | \$84,144 | \$82,800 | \$85,488 |
| 522 | 20 | 23 | 02 | PT FF (Life Insurance) | \$0 | \$186 | \$186 |
| 522 | 20 | 24 | 01 | FT FF/LT (LEOFF) | \$21,984 | \$23,231 | \$25,004 |
| 522 | 20 | 24 | 03 | PT FF (PERS) | \$10,546 | \$14,036 | \$15,206 |
| 522 | 20 | 26 | 01 | Volunteer FFs (Pension and Medical) | \$1,380 | \$2,400 | \$2,430 |
| 522 | 20 | 26 | 03 | VFIS Accident & Sickness Coverage | \$3,624 | \$3,630 | \$3,630 |
| 522 | 20 | 26 | 04 | Life Insurance (Trusteed Plans) | \$511 | \$372 | \$372 |
| Sub Total | | | | | \$167,919 | \$181,700 | \$190,542 |
| Operations Office & Operating Supplies | | | | | | | |
| 522 | 20 | 31 | 01 | Fire Supplies | \$1,255 | \$4,700 | \$5,400 |
| 522 | 20 | 31 | 02 | EMS Supplies | \$4,855 | \$5,560 | \$1,200 |
| 522 | 20 | 31 | 03 | Special Operations Supplies | \$0 | \$300 | \$300 |
| 522 | 20 | 31 | 04 | Small Equipment R&M | \$1,065 | \$3,890 | \$2,500 |
| 522 | 20 | 31 | 06 | Uniforms | \$13,619 | \$26,600 | \$26,100 |
| 522 | 20 | 31 | 07 | Computer Software | \$1,395 | \$2,800 | \$1,395 |
| 522 | 20 | 31 | 08 | Computer Hardware | \$0 | \$1,300 | \$0 |
| 522 | 20 | 31 | 09 | Office Supplies | \$413 | \$1,100 | \$1,060 |
| Sub Total | | | | | \$22,603 | \$46,250 | \$37,955 |
| Operations Fuel | | | | | | | |
| 522 | 20 | 32 | 1 | Motor Fuel | \$27,047 | \$32,000 | \$30,000 |
| Sub Total | | | | | \$27,047 | \$32,000 | \$30,000 |
| Small Tools & Minor Equipment (<\$5,000) | | | | | | | |
| 522 | 20 | 35 | 01 | Fire Equipment | \$8,505 | \$12,250 | \$10,950 |
| 522 | 20 | 35 | 02 | EMS Equipment | \$6,667 | \$200 | \$200 |
| 522 | 20 | 35 | 03 | Special Operations Equipment | \$75 | \$1,800 | \$750 |
| 522 | 20 | 35 | 04 | Communications Equipment | \$0 | \$4,900 | \$3,200 |
| 522 | 20 | 35 | 05 | Personal Protective Equipment | \$15,614 | \$44,555 | \$38,000 |
| 522 | 20 | 35 | 06 | Miscellaneous Equipment | \$0 | \$0 | \$0 |
| 522 | 20 | 35 | 07 | Computer Equipment | \$0 | \$0 | \$0 |
| Sub Total | | | | | \$30,862 | \$63,705 | \$53,100 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|---------------------------------------|----|----|----|-----------------------------------|------------------|--------------------|--------------------|
| Professional Services | | | | | | | |
| 522 | 20 | 41 | 01 | Breathing Air Testing | \$236 | \$900 | \$929 |
| 522 | 20 | 41 | 02 | SCBA Testing | \$1,652 | \$3,465 | \$5,700 |
| 522 | 20 | 41 | 03 | Recruitment & Testing | \$2,656 | \$4,095 | \$4,500 |
| 522 | 20 | 41 | 04 | Medical and Psychological | \$6,492 | \$21,450 | \$30,100 |
| 522 | 20 | 41 | 05 | Vaccinations | \$120 | \$4,540 | \$7,340 |
| Sub Total | | | | | \$11,156 | \$34,450 | \$48,569 |
| Communications | | | | | | | |
| 522 | 20 | 42 | 01 | ICOM Dispatch Charges | \$26,930 | \$28,000 | \$29,400 |
| 522 | 20 | 42 | 02 | ICOM Other Charges | \$0 | \$0 | \$0 |
| 522 | 20 | 42 | 03 | Data Cards for MDCs | \$2,284 | \$4,100 | \$2,900 |
| Sub Total | | | | | \$29,214 | \$32,100 | \$32,300 |
| Operating Rentals & Leases | | | | | | | |
| 522 | 20 | 45 | 01 | Equipment Rental | \$0 | \$0 | \$0 |
| Sub Total | | | | | \$0 | \$0 | \$0 |
| Repair & Maintenance | | | | | | | |
| 522 | 20 | 48 | 02 | Communications Equipment R&M | \$6,203 | \$3,300 | \$3,500 |
| 522 | 20 | 48 | 03 | Equipment R&M | \$2,096 | \$2,240 | \$2,300 |
| 522 | 20 | 48 | 04 | Boat R&M | \$1,887 | \$1,650 | \$2,975 |
| 522 | 20 | 48 | 06 | Personal Protective Equipment R&M | \$851 | \$1,500 | \$1,500 |
| Sub Total | | | | | \$11,037 | \$8,690 | \$10,275 |
| Miscellaneous Services | | | | | | | |
| 522 | 20 | 49 | 01 | Miscellaneous Services | \$0 | \$0 | \$0 |
| 522 | 20 | 49 | 02 | Incident Rehab & Meals | \$500 | \$1,500 | \$1,500 |
| Sub Total | | | | | \$500 | \$1,500 | \$1,500 |
| Total Operations Budget | | | | | \$896,693 | \$1,054,957 | \$1,099,046 |

Major Expenditures/Changes

Overall, the Adopted Operations Division Budget increased 4.18% from the 2014 Adjusted Budget. The most significant increases in Operations expense include personal services, benefits, and professional services.

Operations personal services and benefits expense has increased as a result of contractual compensation increases for the District's Full-Time Firefighters and Lieutenants and promotion of a Lieutenant to fill a vacancy which had been filled by an Acting Lieutenant. In addition, the District has been successful at increasing volunteer recruitment, necessitating an increase in funding for volunteer stipends.

In 2015 the District will provide access to annual medical physicals for all members. The expense of these medical examinations is covered by health insurance for our full-time members, but the expense of providing medical physicals for volunteer and part-time members is covered by the District. In that cardiovascular disease is the most common cause of firefighter fatalities and other medically related occupational fatalities frequently result from preexisting medical conditions, it is important that the District ensure that its members are medically qualified for the duties that they may be called upon to perform. In addition, the District will be offering flu vaccinations to all members and their families in an effort to reduce the incidence of flu related illness and potential to transmit this disease to one another and the medical patients that we serve. These two wellness initiatives have resulted in a significant increase in professional services expense.

While not increasing in the current year, the cost of uniforms and personal protective equipment increased significantly in 2014 and continue at a similar level in 2015. Uniform expense is largely related to the cost of outfitting new volunteer and part-time members with work uniforms, protective footwear, and coveralls (which serve as wildland firefighting personal protective equipment). Firefighters' personal protective clothing (e.g., coat, pants, boots, and helmet) has useful life of 10 years due to the effects of degradation due to ultraviolet radiation and repeated cleaning to remove contaminants. A significant percentage of the personal protective equipment (originally purchased with grant funds) is reaching its end of useful life and must be replaced. The District has started this process prior to end of life to distribute the cost of replacement over several years (and stagger replacement cost in subsequent years).

These increased operations expenses are in part offset by decreases in expense for operations office and operating supplies, motor fuel, and small tools and equipment.

Life Safety/Community Risk Reduction Division

The Life Safety/Community Risk Reduction (CRR) Division works through community partnerships to reduce the risk of harm from fires, illness, injury, and other hazards in the community.

Life Safety/CRR programs include

- Fire Safety Inspections of Commercial Buildings
- Public Education Programs
- Fire Investigation
- Water Supply (Hydrant Inspection and Testing)
- Pre-Incident Planning

Personnel Summary

While a separate Division from a budgetary and functional perspective, the Fire Prevention/Community Risk Reduction Division is staffed entirely by members within the Operations Division.

Given the major responsibility for Life Safety/Community Risk Reduction placed on our full-time Fire Officers and Firefighters currently assigned in the Operations Division, the District is strongly considering reallocating these positions to the Life Safety/Community Risk Reduction Division in 2016. This will not change their operational responsibility, but is likely to more accurately reflect the District's commitment of resources to the Life Safety/Community Risk Reduction function and the District's mission.

Accomplishments

Major life safety and community risk reduction accomplishments in 2014 include the following:

- Entered into an Interlocal Agreement with Island County for provision of fire inspection services. Implementation of this agreement is scheduled for January 2015. However, a commercial occupancy inventory has been completed to identify those occupancies in the unincorporated areas of the District which will require annual inspections. This accomplishment addressed the District's Strategic Goals to reduce incident frequency and enhance partnerships and collaboration with the community. In addition, this accomplishment addressed CFAI Accreditation Criteria 5B Fire Prevention/Life Safety Programs (5B.2 Code Enforcement Program).
- Facilitated formation of the Whidbey Island Community Risk Reduction Coalition. Initial work by the coalition identified falls among older adults as the most frequent type of call for emergency service across the island. In addition, the coalition determined that non-fatal falls among older adults often have life changing impact on those involved and result in tremendous direct and indirect cost to the community. CWIFR continues to lead the coalition in its efforts to reduce risk to our community. This accomplishment addressed the District's Strategic Goals to reduce incident frequency and severity, and enhance partnerships and collaboration with the community. In addition, this accomplishment addressed CFAI Accreditation Criteria 5C Public Education Program (5C.4 Program Analysis and Targeted Delivery).
- Entered into an Interlocal Agreement with South Whidbey Fire/EMS (SWFE) for cost sharing of CRR initiatives which benefit both Districts. This accomplishment addressed the District's Strategic Goals to reduce incident frequency and severity, and enhance partnerships and collaboration with the community. In addition, this accomplishment addressed CFAI Accreditation Criteria 5C Public Education Program (5C.4 Program Analysis and Targeted Delivery).

- Initiated preliminary efforts were to develop a Home Safety Survey Program. Internationally, this type of program has demonstrated a significant impact in reducing risk. CWIFR's efforts will focus initially on low income homes and older adults, based on potential fire and fall risks. This accomplishment has begun to address the District's Strategic Goals to reduce incident frequency and severity, and enhance partnerships and collaboration with the community. In addition, this accomplishment addressed CFAI Accreditation Criteria 5C Public Education Program (5C.4 Program Analysis and Targeted Delivery).
- It was anticipated that completion of the District's community risk assessment would be completed in 2014 in conjunction with development of the Standard of Coverage. However, turnover in the position of Deputy Chief may delay completion until the first quarter of 2015. In addition to providing a basis for the SOC, this assessment provides an evidence based approach to target proactive community risk reduction programs on key risks faced by our community. . This accomplishment addressed the District's Strategic Goals to reduce incident frequency and severity. In addition, this accomplishment addressed CFAI Accreditation Criteria 5B Fire Prevention/Life Safety Programs and 5C Public Education Program (5C.4 Program Analysis and Targeted Delivery).

Strategic Goals & Initiatives

The following goals within the District's Enterprise Wide Strategy are of particular significance to the Life Safety/Community Risk Reduction Division.

- Focus risk reduction on community needs (Internal Processes)
- Measure organizational performance (Internal Processes)
- Improve consistency with values, mission, and vision (Internal Processes)
- Reduce incident severity (Community)
- Reduce incident frequency (Community)
- Enhance collaboration with the community (Community)
- Maximize effectiveness, efficiency, and value (Fiscal Stewardship)

In addition to these enterprise wide goals, the Life Safety/Community Risk Reduction Division is also responsible for the following additional goals:

- Increase accuracy of community risk perception (Organizational Excellence)
- Promote a culture of cooperation and teamwork (Internal Process)
- Improve knowledge of best practice (Resources)

Major Initiatives in 2015 include:

- Initial inspection (by CWIFR) of commercial buildings in the unincorporated areas of the District under an Interlocal Agreement with Island County. This initiative addresses the District's Strategic Goals to reduce incident frequency and to enhance collaboration and partnerships with our community. In addition, expanding the District's fire inspection program provides forward progress towards meeting CFAI Accreditation Criteria 5B Fire Prevention (5B.2 Code Enforcement).
- Continue in a leadership role within the Whidbey Island Risk Reduction Coalition. CWIFR and South Whidbey Fire/EMS (SWFE) have agreed to share in the expense of branding the coalition and developing key messages for initial efforts in reducing the risk of falls among older adults in our community. A major focus for the coalition in 2015 is selection and implementation of evidence based fall prevention and mitigation programs. This initiative addresses the District's Strategic Goals to focus risk reduction on community needs, reduce incident frequency and severity, to enhance collaboration and partnerships with our community, and increasing the accuracy of community perception of risk. In addition, it addresses CFAI Accreditation Criteria 5C Public Education Programs (5C.5 Program Analysis and Targeted Delivery).
- Implement a pilot project for Home Safety Surveys focused on low income families and older adults. This initiative addresses the District's Strategic Goals to focus risk reduction on community needs, reduce incident frequency and severity, to enhance collaboration and partnerships with our community, and increasing the accuracy of community perception of risk. In addition, it addresses CFAI Accreditation Criteria 5C Public Education Programs (5C.5 Program Analysis and Targeted Delivery, and 5C.8 Focus on Low Income Families).
- Develop and implement a program to identify and develop pre-plans for homes or other buildings with limited access due to long driveway length. This project addresses the District's Strategic Goal to improve operational capability and CFAI Accreditation Criteria 2B Fire Risk Assessment and Response Strategies (2B.3 Fire Risk Classification and Identification).
- Identify target hazards, methodology for developing the pre-plans, and a system to make preplans available for incident operations. This project addresses the District's Strategic Goal to improve operational capability and CFAI Accreditation Criteria 2B Fire Risk Assessment and Response Strategies (2B.3 Fire Risk Classification and Identification).
- Reinforce collaboration with the Town of Coupeville, water districts, and water system operators to ensure that fire hydrants are inspected annually and flow tested within a five year interval. This project is essential to ensuring adequate and reliable water supply for fire protection within the District and addresses the District's Strategic Goals to maintain adequate infrastructure to support operations and to enhance collaboration and partnerships with the community. In addition, this project addresses CFAI Accreditation Criteria 9A.2 Adequate and Reliable Water Supply, 9A.4 Coordination with Water Systems Managers, and 9A.7 Hydrant Testing & Maintenance.

2014 Division Budget

Table 14. Life Safety/Community Risk Reduction Division Budget

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|--------------------------------|----------------|------------------|-----------------|
| Life Safety/CRR Office & Operating Supplies | | | | | | | |
| 522 | 30 | 31 | 01 | Office Supplies | \$0 | \$275 | \$550 |
| 522 | 30 | 31 | 02 | Fire Prevention Supplies | \$401 | \$350 | \$350 |
| 522 | 30 | 31 | 03 | Fire Public Education Supplies | \$1,592 | \$2,530 | \$2,030 |
| 522 | 30 | 31 | 04 | EMS Public Education Supplies | \$4,824 | \$6,150 | \$2,700 |
| 522 | 30 | 31 | 05 | Fire Investigation Supplies | \$0 | \$100 | \$500 |
| 522 | 30 | 31 | 06 | Pre-Incident Supplies | \$953 | \$1,200 | \$2,800 |
| 522 | 30 | 31 | 07 | Books & Publications | \$0 | \$0 | \$280 |
| 522 | 30 | 31 | 08 | Computer Software | \$0 | \$0 | \$600 |
| Sub Total | | | | | \$7,769 | \$10,605 | \$9,810 |
| Life Safety/CRR Small Equipment & Tools (<\$5,000) | | | | | | | |
| 522 | 30 | 35 | 01 | Computer Hardware | \$0 | \$0 | \$2,500 |
| 522 | 30 | 35 | 02 | Office Equipment | \$0 | \$0 | \$0 |
| 522 | 30 | 35 | 03 | CRR/Pre-Incident Equipment | \$0 | \$0 | \$0 |
| Sub Total | | | | | \$0 | \$0 | \$2,500 |
| Life Safety/CRR Professional Services | | | | | | | |
| 522 | 30 | 41 | 01 | Legal | \$0 | \$0 | \$0 |
| 522 | 30 | 41 | 02 | Plans Review | \$0 | \$500 | \$500 |
| 522 | 30 | 41 | 03 | Life Safety Consulting | \$0 | \$3,600 | \$2,500 |
| Sub Total | | | | | \$0 | \$4,100 | \$3,000 |
| Life Safety/CRR Travel, Lodging, & Meals | | | | | | | |
| 522 | 30 | 43 | 01 | Life Safety Meetings | \$24 | \$500 | \$500 |
| Sub Total | | | | | \$24 | \$500 | \$500 |
| Life Safety/CRR Operating Rentals & Leases | | | | | | | |
| 522 | 30 | 45 | 01 | Equipment Rental | \$0 | \$0 | \$0 |
| Sub Total | | | | | \$0 | \$0 | \$0 |
| Life Safety/CRR Repair & Maintenance | | | | | | | |
| 522 | 30 | 48 | 01 | Miscellaneous R&M | \$0 | \$150 | \$100 |
| Sub Total | | | | | \$0 | \$150 | \$100 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|--------------------------------|-----------------|------------------|-----------------|
| Life Safety/CRR Miscellaneous Services | | | | | | | |
| 522 | 30 | 49 | 01 | Professional Memberships | \$0 | \$100 | \$100 |
| 522 | 30 | 49 | 02 | Life Safety Meeting Expense | \$0 | \$500 | \$500 |
| 522 | 30 | 49 | 03 | Subscriptions | \$0 | \$0 | \$0 |
| 522 | 30 | 49 | 04 | Community Risk Reduction Grant | -\$1,000 | \$1,000 | \$1,000 |
| Sub Total | | | | | -\$1,000 | \$1,600 | \$1,600 |
| Total Life Safety/Community Risk Reduction Budget | | | | | \$6,793 | \$16,955 | \$17,510 |

Major Expenditures/Changes

The Life Safety/Community Risk Reduction Division Budget has a 3.27% increase in 2015.

The only major expenditure within the Life Safety Community Risk Reduction budget for 2015 is for purchase of a tablet computer that is capable of running Imagetrend Mobile Fire Inspections software. This component of the District's new records management system will allow inspectors to enter data in the field which will be uploaded once they return to the station, eliminating the need to generate paper documentation and subsequent data entry time.

Training/Recruitment Division

The Training/Recruitment Division ensures that the District has adequate volunteer, part-time, and full-time staff and to ensure that our members are knowledgeable and proficient in the skills necessary to serve our community.

The Training/Recruitment Division is responsible for the following major programs and functions.

- Recruitment, Retention & Promotion
- Fire Training
- Emergency Medical Training
- Special Operations Training
- Apparatus Operator Training
- Best Practice Research

Personnel Summary

The Training/Recruitment Division is staffed by a Captain. While staffed with a single FTE, this division draws on the other divisions as needed to meet the professional development and recruitment needs of the District.

Accomplishments

Major training and recruitment accomplishments in 2014 include the following:

- Implemented a recruitment initiative to strengthen the District's volunteer staffing by seven personnel. At present, the District has 16 individuals at various stages in the recruitment process and anticipates that at least 10 of these 16 individuals will attend the Island County Fire Academy or EMT class starting in January. This accomplishment addressed the District's Strategic Goals to ensure effective human resources processes and adequate staffing. In addition, it made forward progress towards meeting CFAI Accreditation Criteria 7B Recruitment, Retention, and Promotion (7B.2 Agency and Member Involvement and 7B.4 Diversity).
- Delivered training to aid members in attaining certification at the Firefighter 2 and Instructor 1 levels. These two training programs are an integral part of qualifying members to serve as crew or team leaders during emergency operations and provide a foundation for volunteer members who aspire to become officers. This accomplishment addressed the District's Strategic Goals to ensure effective human resources processes and adequate staffing. In addition, it made forward progress towards meeting CFAI Accreditation Criteria 8A Training and Education Program Requirements (8A.2 Integration of Training and Organizational Mission and 8A.3 Defined Minimum Training Standards).

- Managed two major projects involving the purchase of a new Type I Fire Engine and comprehensive refurbishment of Type I Water Tenders. This accomplishment addressed the District's Strategic Goal to maintain adequate infrastructure. In addition, it moved the District towards compliance with CFAI Accreditation Criteria 6C Apparatus and Vehicles on a comprehensive basis.

Strategic Goals & Initiatives

The following goals within the District's Enterprise Wide Strategy are of particular significance to the Training/Recruitment Division.

- Ensure adequate staffing (Resources)
- Improve operational capability (Internal Processes)
- Measure organizational performance (Internal Processes)
- Improve consistency with values, mission, and vision (Internal Processes)
- Enhance collaboration with the community (Community)
- Maximize effectiveness, efficiency, and value (Fiscal Stewardship)

In addition to these enterprise wide goals, the Training/Recruitment Division is also responsible for the following additional goals:

- Promote a culture of cooperation and teamwork (Internal Processes)
- Ensure effective HR practices (Internal Processes)
- Improve knowledge of best practice (Resources)
- Promote member health and wellness (Resources)

Major Initiatives in 2015:

- Develop an initial entry training program to allow members to quickly develop the skills necessary to provide service and as desired transition to other roles in the District. This initiative will assist in recruitment and retention of emergency responders (Firefighters and EMTs) along with support services and community risk reduction volunteers, the Training/Recruitment Division will This initiative focuses on the District's Strategic Goals of ensuring effective human resource practices and adequate staffing. In addition, this initiative provides forward progress towards meeting CFAI Accreditation Criteria 8A Training and Education Program Requirements (8A.4 Defined Minimum Training Standards).

- Develop a career path integrating the various ranks and roles within CWIFR to provide a clear path for professional development. In conjunction with the career path, the Training/Recruitment Division will develop a training plan to ensure that the District provides access to the training necessary for our members to develop and maintain competence. This initiative focuses on the District's Strategic Goals of ensuring effective human resource practices and adequate staffing. In addition, this initiative provides forward progress towards meeting CFAI Accreditation Criteria 8A Training and Education Program Requirements (8A.4 Defined Minimum Training Standards).
- Expand the District's Field Training and Evaluation Program (FTEP) to include Firefighter and Crew Leader qualification. This initiative focuses on the District's Strategic Goals of ensuring effective human resource practices and adequate staffing. In addition, this initiative provides forward progress towards meeting CFAI Accreditation Criteria 8A Training and Education Program Requirements (8A.4 Defined Minimum Training Standards), 8B Training and Education Program Performance (8B.3 Performance Based Measurement and 8B.4 Individual and Company Evaluation).
- Begin the process of developing individual and crew based operational and performance standards along with an annual physical capacity assessment to ensure that our members are proficient in critical skills and have the necessary physical capacity to perform in their current role. This initiative focuses on the District's Strategic Goals of ensuring effective human resource practices, adequate staffing, and promoting member health and wellness. In addition, this initiative provides forward progress towards meeting CFAI Accreditation Criteria 7G Wellness/Fitness Programs (7G.1 Medical and Fitness Evaluation), 8A Training and Education Program Requirements (8A.4 Defined Minimum Training Standards), and 8B Training and Education Program Performance (8B.3 Performance Based Measurement and 8B.4 Individual and Company Evaluation).
- Train all Full and Part-Time Staff in Low Angle Rope Rescue, a technical rescue operational level skill. Volunteer members will all be trained to the Awareness Level in this discipline, and provided the opportunity to advance their skills to the operational level. This initiative addresses the District's strategic goal of improving operational performance and CFAI Criterion 5E Technical Rescue (5E.5 Training and Operational Standards).

2014 Division Budget

Table 15. Training/Recruitment Division Budget

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|---|----|----|----|--|-----------------|------------------|-----------------|
| Training Salaries & Wages | | | | | | | |
| 522 | 45 | 11 | 01 | FT CAPT | \$63,981 | \$72,655 | \$77,738 |
| 522 | 45 | 12 | 01 | Training Overtime (Captain) | \$0 | \$0 | \$1065 |
| 522 | 45 | 12 | 03 | Project Overtime (Captain) | \$0 | \$996 | \$0 |
| 522 | 45 | 13 | 01 | Training Education Incentive | \$349 | \$1,302 | \$0 |
| 522 | 45 | 17 | 01 | AIC Differential | \$2,516 | \$3,812 | \$641 |
| 522 | 45 | 19 | 01 | FT CAPT (Deferred Comp) | \$2,658 | \$2,907 | \$3,110 |
| Sub Total | | | | | \$69,503 | \$81,672 | \$82,554 |
| Training Benefits | | | | | | | |
| 522 | 45 | 21 | 01 | FT CAPT (Medicare Only) | \$954 | \$1,219 | \$1,306 |
| 522 | 45 | 22 | 01 | FT CAPT (L&I) | \$1,690 | \$2,865 | \$3,168 |
| 522 | 45 | 23 | 01 | FT CAPT (Medical/Dental) | \$9,441 | \$9,410 | \$13,035 |
| 522 | 45 | 24 | 01 | FT CAPT (LEOFF) | \$3,988 | \$4,396 | \$4,709 |
| Sub Total | | | | | \$16,072 | \$17,890 | \$22,218 |
| Training Office & Operating Supplies | | | | | | | |
| 522 | 45 | 31 | 01 | Office Supplies | \$0 | \$500 | \$500 |
| 522 | 45 | 31 | 02 | Fire Training-Operating Supplies | \$6,062 | \$7,500 | \$7,950 |
| 522 | 45 | 31 | 03 | EMS Training-Operating Supplies | \$0 | \$1,000 | \$2,000 |
| 522 | 45 | 31 | 04 | Special Ops Training-Operating Supplies | \$0 | \$0 | \$0 |
| 522 | 45 | 31 | 05 | Officer Develop Training-Operating Supplies | \$0 | \$0 | \$500 |
| 522 | 45 | 31 | 06 | Other Training | \$0 | \$0 | \$0 |
| 522 | 45 | 31 | 07 | Computer Software | \$661 | \$2,000 | \$1,500 |
| 522 | 45 | 31 | 08 | Books & Publications | \$3,552 | \$3,000 | \$2,500 |
| 522 | 45 | 31 | 09 | Uniforms-Training | \$0 | \$500 | \$500 |
| Sub Total | | | | | \$10,276 | \$14,500 | \$15,450 |
| Training Fuel | | | | | | | |
| 522 | 45 | 32 | 01 | Training Propane | \$0 | \$500 | \$500 |
| Sub Total | | | | | \$0 | \$500 | \$500 |
| Training Small Tools & Equipment | | | | | | | |
| 522 | 45 | 35 | 01 | Fire Training Small Tools & Equipment | \$0 | \$0 | \$0 |
| 522 | 45 | 35 | 02 | EMS Training Small Tools & Equipment | \$0 | \$1,000 | \$900 |
| 522 | 45 | 35 | 03 | Special Ops Training Small Tools & Equipment | \$0 | \$0 | \$0 |
| 522 | 45 | 35 | 04 | Officer Development Small Tools & Equipment | \$0 | \$0 | \$0 |
| 522 | 45 | 35 | 05 | Computer Hardware | \$573 | \$120 | \$0 |
| 522 | 45 | 35 | 06 | Safety Equipment | \$0 | \$0 | \$0 |
| 522 | 45 | 35 | 07 | Station Furniture | \$4,723 | \$3,000 | \$2,700 |
| Sub Total | | | | | \$5,295 | \$4,120 | \$3,600 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|--|-----------------|------------------|-----------------|
| Training Professional Services | | | | | | | |
| 522 | 45 | 41 | 01 | Consulting Services | \$0 | \$0 | \$0 |
| Sub Total | | | | | \$0 | \$0 | \$0 |
| Training Travel, Lodging, & Meals | | | | | | | |
| 522 | 45 | 43 | 01 | Fire Training (TLM) | \$715 | \$2,600 | \$2,500 |
| 522 | 45 | 43 | 02 | EMS Training (TLM) | \$0 | \$3,167 | \$2,000 |
| 522 | 45 | 43 | 03 | Special Ops Training (TLM) | \$0 | \$0 | \$0 |
| 522 | 45 | 43 | 04 | Officer Development (TLM) | \$1,240 | \$1,260 | \$3,400 |
| 522 | 45 | 43 | 05 | Other Training (TLM) | \$1,435 | \$1,450 | \$1,500 |
| 522 | 45 | 43 | 06 | Commissioner Training (TLM) | \$5,286 | \$5,400 | \$6,700 |
| Sub Total | | | | | \$8,675 | \$13,877 | \$18,100 |
| Advertising | | | | | | | |
| 522 | 45 | 44 | 01 | Recruitment Advertising | \$0 | \$1,000 | \$1,000 |
| Sub Total | | | | | \$0 | \$1,000 | \$1,000 |
| Operating Rentals & Leases | | | | | | | |
| 522 | 45 | 45 | 01 | EMS Online | \$1,500 | \$1,750 | \$1,750 |
| 522 | 45 | 45 | 02 | Equipment Rental | \$0 | \$0 | \$0 |
| Sub Total | | | | | \$1,500 | \$1,750 | \$1,750 |
| Training Repair & Maintenance | | | | | | | |
| 522 | 45 | 48 | 01 | Miscellaneous R&M | \$0 | \$500 | \$500 |
| Sub Total | | | | | \$0 | \$500 | \$500 |
| Training Miscellaneous | | | | | | | |
| 522 | 45 | 49 | 01 | Fire Training-Registrations | \$5,162 | \$10,750 | \$7,985 |
| 522 | 45 | 49 | 02 | EMS Training-Registrations | \$2,180 | \$6,567 | \$6,300 |
| 522 | 45 | 49 | 03 | Special Ops Training-Registrations | \$0 | \$2,000 | \$2,000 |
| 522 | 45 | 49 | 04 | Officer Develop Training-Registrations | \$66 | \$550 | \$2,700 |
| 522 | 45 | 49 | 05 | Other Training-Registrations | \$2,238 | \$3,300 | \$3,300 |
| 522 | 45 | 49 | 06 | Commissioner Training-Registrations | \$3,135 | \$2,900 | \$3,415 |
| 522 | 45 | 49 | 07 | Tuition | \$2,782 | \$3,000 | \$4,500 |
| 522 | 45 | 49 | 08 | Professional Memberships | \$70 | \$75 | \$225 |
| 522 | 45 | 49 | 09 | Subscriptions | \$45 | \$100 | \$0 |
| 522 | 45 | 49 | 10 | Vision Grant Program | \$0 | \$4,500 | \$3,000 |
| Sub Total | | | | | \$15,678 | \$33,742 | \$31,426 |

| | | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|---|----|----|----|---------|--|------------------|------------------|------------------|
| Training Intergovernmental Professional Services | | | | | | | | |
| 522 | 45 | 51 | 11 | Permits | | \$25 | \$100 | \$100 |
| Sub Total | | | | | | \$25 | \$100 | \$100 |
| Total Training Division Budget | | | | | | \$127,026 | \$169,651 | \$177,198 |

Major Expenditures/Changes

Overall, the Adopted Training/Recruitment Division Budget increased 4.60% from the 2014 Adopted Budget.

A Lieutenant will be promoted to fill the position of Training/Recruitment Captain. This position has been filled with an Acting Captain for the last two years (pending Full-Time Lieutenants completing two years in a supervisory role and qualifying to test for the position of Captain). The related salary increase is partially offset by the reduction in Acting in Capacity Pay for this position. The current Acting Captain is adding a dependent in 2015, resulting in an increase in medical and dental insurance expense.

The District's continued emphasis on developing its officers and potential officers necessitates an increase in Officer Development expense, both in travel, lodging, meals and course registrations. These expenses include sending two members to the National Fire Academy to attend resident programs (travel costs are paid by the District, but reimbursed by the Federal Government) and participation in National/Regional leadership and officer development conferences.

Funding for educational assistance is increased to support ongoing educational attainment. At present, three of our full-time members are in the process of completing academic degrees in fire protection or fire service administration. Two members will be completing their Associate Degrees in 2014 or early 2015 and one is currently enrolled in a Baccalaureate Degree program. While at present only full-time members are participating in the District's educational assistance program, it is open to all members (volunteer, part-time, and full-time).

Facilities Division

The Facilities division maintains and minimizes the long term operational cost of the District's real property and physical facilities such as fire stations and related infrastructure.

Programs: The Facilities Division is responsible for the following major programs and projects:

- Facilities maintenance
- Energy efficiency
- Facilities planning

Personnel Summary

While separate from a functional and budgetary perspective, the Facilities Division is entirely staffed by personnel from the Operations Division. Managed by a Lieutenant, each shift is responsible for one of the District's Fire Stations with shared responsibility for Station 52 (the District's warehouse).

Accomplishments

Major facilities accomplishments in 2014 include the following:

- Performed a comprehensive assessment of the District's existing facilities and developed a long range plan to meet operational cost, while minimizing long term expense to the District's taxpayers. This accomplishment addressed the District's Strategic Goal to maintain adequate infrastructure. In addition, it brought the District into compliance with CFAI Accreditation Criteria 6A Physical Resources Plan on a comprehensive basis.
- Replaced classroom and hallway floor covering at Station 54 due to damage resulting from a water leak. This accomplishment addressed the District's Strategic Goal to maintain adequate infrastructure.

Strategic Goals & Initiatives

The following goals within the District's Enterprise Wide Strategy are of particular significance to the Facilities Division.

- Maintain adequate infrastructure to support operations (Resources)
- Measure organizational performance (Internal Processes)
- Improve consistency with values, mission, and vision (Internal Processes)
- Enhance collaboration with the community (Community)
- Maximize effectiveness, efficiency, and value (Fiscal Stewardship)

In addition to these enterprise wide goals, the Facilities Division is also responsible for the District's strategic goal to improve knowledge of best practice (Resources).

Major Initiatives in 2015:

- Replacement of lighting and other electrical components to reduce the District's electrical energy use was originally scheduled for 2014, but was deferred pending the outcome of the District's facility study. This project is anticipated to be funded in part with a Puget Sound Energy grant and is projected to pay for itself within five years. This initiative addresses the District's Strategic Goals to maintain effectiveness, efficiency and value, and to maintain adequate infrastructure. In addition, it will move the District forward towards CFAI Accreditation Criteria 6B Fixed Facilities (6B.2 Buildings and Grounds).
- Development and implementation of a facilities preventative maintenance program based on assessment of District facilities condition completed as part of the District's 2014 Long range Facility Study. This initiative addresses the District's Strategic Goals to maintain effectiveness, efficiency and value, and to maintain adequate infrastructure. In addition, it will move the District forward towards CFAI Accreditation Criteria 6B Fixed Facilities (6B.2 Buildings and Grounds).
- Assessment of options for low maintenance, environmentally friendly landscaping at each of the District's facilities to reduce workload on District staff, landscape maintenance cost, and benefiting the environment. This initiative addresses the District's Strategic Goals to maintain effectiveness, efficiency and value, and to maintain adequate infrastructure. In addition, it will move the District forward towards CFAI Accreditation Criteria 6B Fixed Facilities (6B.2 Buildings and Grounds).

2014 Division Budget

Table 16. Facilities Division Budget

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|---|----|----|----|---------------------------------|-----------------|------------------|-----------------|
| Facilities Office & Operating Supplies | | | | | | | |
| 522 | 50 | 31 | 01 | Janitorial Supplies | \$1,639 | \$2,200 | \$2,200 |
| 522 | 50 | 31 | 02 | Station 51 (Operating Supplies) | \$83 | \$500 | \$500 |
| 522 | 50 | 31 | 03 | Station 52 (Operating Supplies) | \$0 | \$200 | \$200 |
| 522 | 50 | 31 | 04 | Station 53 (Operating Supplies) | \$2,050 | \$2,300 | \$3,000 |
| 522 | 50 | 31 | 05 | Station 54 (Operating Supplies) | \$61 | \$800 | \$800 |
| 522 | 50 | 31 | 06 | Training Center | \$130 | \$2,500 | \$2,500 |
| Sub Total | | | | | \$3,963 | \$8,500 | \$9,200 |
| Facilities Fuel | | | | | | | |
| 522 | 50 | 32 | 01 | Training Propane | \$0 | \$0 | \$1,200 |
| 522 | 50 | 32 | 03 | Station 51 Propane | \$3,682 | \$7,500 | \$8,000 |
| 522 | 50 | 32 | 07 | Station 52 Propane | \$1,260 | \$1,200 | \$1,500 |
| 522 | 50 | 32 | 10 | Station 53 Propane | \$2,932 | \$5,300 | \$6,000 |
| 522 | 50 | 32 | 13 | Station 54 Propane | \$3,083 | \$5,950 | \$7,000 |
| Sub Total | | | | | \$10,957 | \$19,950 | \$23,700 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|--|-----------------|------------------|-----------------|
| Facilities Small Tools & Equipment | | | | | | | |
| 522 | 50 | 35 | 01 | Facilities Furniture | \$0 | \$0 | \$500 |
| 522 | 50 | 35 | 02 | Facilities Equipment & Tools | \$0 | \$2,000 | \$1,500 |
| 522 | 50 | 35 | 03 | Grounds Equipment | \$0 | \$2,250 | \$2,000 |
| 522 | 50 | 35 | 04 | Fitness Equipment | \$109 | \$1,500 | \$2,890 |
| Sub Total | | | | | \$109 | \$5,750 | \$6,890 |
| Facilities Professional Services | | | | | | | |
| 522 | 50 | 41 | 01 | Burn Building Inspection (Required 2016) | \$0 | \$0 | \$0 |
| 522 | 50 | 41 | 02 | Generator Testing & Maintenance | \$740 | \$1,200 | \$1,200 |
| 522 | 50 | 41 | 04 | Fire & Security Systems | \$2,902 | \$2,960 | \$3,000 |
| 522 | 50 | 41 | 05 | Fire Extinguisher Inspection | \$381 | \$600 | \$600 |
| 522 | 50 | 41 | 06 | Pest Control Services | \$261 | \$400 | \$400 |
| Sub Total | | | | | \$4,284 | \$5,160 | \$5,200 |
| Facilities Operating Rentals & Leases | | | | | | | |
| 522 | 50 | 45 | 01 | Equipment Rental | \$434 | \$0 | \$0 |
| Sub Total | | | | | \$434 | \$0 | \$0 |
| Facilities Utilities | | | | | | | |
| 522 | 50 | 47 | 01 | Station 51 Electric | \$4,044 | \$3,600 | \$4,000 |
| 522 | 50 | 47 | 02 | Station 51 Garbage | \$299 | \$375 | \$375 |
| 522 | 50 | 47 | 03 | Station 51 Water | \$226 | \$300 | \$300 |
| 522 | 50 | 47 | 04 | Station 52 Electric | \$312 | \$300 | \$350 |
| 522 | 50 | 47 | 05 | Station 52 Garbage | \$0 | \$0 | \$0 |
| 522 | 50 | 47 | 06 | Station 53 Electric | \$9,649 | \$10,500 | \$10,900 |
| 522 | 50 | 47 | 07 | Station 53 Garbage | \$2,898 | \$2,950 | \$3,100 |
| 522 | 50 | 47 | 08 | Station 54 Electric | \$1,515 | \$1,700 | \$2,100 |
| 522 | 50 | 47 | 09 | Station 54 Garbage | \$0 | \$0 | \$0 |
| 522 | 50 | 47 | 10 | Training Center Electric | \$716 | \$800 | \$900 |
| 522 | 50 | 47 | 11 | Landfill Fees | \$430 | \$1,000 | \$1,000 |
| 522 | 50 | 47 | 12 | Station 53 Water | \$843 | \$1,250 | \$1,250 |
| 522 | 50 | 47 | 13 | Station 54 Water | \$0 | \$480 | \$480 |
| Sub Total | | | | | \$20,933 | \$23,255 | \$24,755 |
| Facilities Repair & Maintenance | | | | | | | |
| 522 | 50 | 48 | 01 | Station 51 (Repair & Maintenance) | \$1,630 | \$5,260 | \$2,800 |
| 522 | 50 | 48 | 02 | Station 52 (Repair & Maintenance) | \$48 | \$1,165 | \$1,165 |
| 522 | 50 | 48 | 03 | Station 53 (Repair & Maintenance) | \$5,829 | \$19,079 | \$12,025 |
| 522 | 50 | 48 | 04 | Station 54 (Repair & Maintenance) | \$5,866 | \$10,545 | \$3,695 |
| 522 | 50 | 48 | 05 | Training Center (Repair & Maintenance) | \$0 | \$0 | |
| Sub Total | | | | | \$13,374 | \$36,049 | \$19,685 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|------------------------------------|-----------------|------------------|-----------------|
| Intergovernmental Professional Services | | | | | | | |
| 522 | 50 | 51 | 04 | Station 51 Water Heater Inspection | \$0 | \$138 | \$138 |
| 522 | 50 | 51 | 02 | Station 53 Water Heater Inspection | \$0 | \$275 | \$275 |
| 522 | 50 | 51 | 03 | Station 54 Water Heater Inspection | \$0 | \$138 | \$138 |
| Sub Total | | | | | \$0 | \$551 | \$551 |
| Facilities Intergovernmental Payments | | | | | | | |
| 522 | 50 | 20 | 01 | Property Tax (Forest Protection) | \$18 | \$138 | \$140 |
| Sub Total | | | | | \$18 | \$138 | \$140 |
| Total Facilities Division Budget | | | | | \$54,071 | \$99,353 | \$90,121 |

Major Expenditures/Changes

Overall, the Adopted Facilities Division budget decreased 9.29% from the 2014 Adopted Budget.

While there are no major expenditures in the Facilities Division budget, efforts in 2015 are focused on preventative maintenance, energy efficiency, and environmental improvement. Planning and initial implementation completed this year will provide the basis for sustained improvements in these three areas.

Vehicle Maintenance Division

The Vehicle Maintenance Division inspects, maintains, and repairs the District's apparatus to ensure operational reliability and minimize the ongoing expense for fire apparatus, other vehicles, and equipment.

The Vehicle Maintenance Division is responsible for the following major programs and projects.

- Fleet Maintenance Program Management
- Apparatus Inspection and Testing
- Preventative Maintenance
- Repair
- Specifications for Apparatus and Support Vehicle Purchase

Personnel Summary

The Vehicle Maintenance Division is staffed by the Firefighter/Mechanic who manages the District's fleet maintenance program, serves as a mechanic, and maintains an operational role as a Firefighter/EMT.

Accomplishments

Major Vehicle Maintenance Division accomplishments in 2014 included:

- Decreased breakdowns and unscheduled repairs through continuation of the District's apparatus inspection program in compliance with National Fire Protection Association 1911 *Standard for the Inspection, Maintenance, Testing, and Retirement of In-Service Automotive Fire Apparatus* (NFPA, 2012). This accomplishment supports the District's Strategic Goals to maximize effectiveness, efficiency, value, and to maintain adequate infrastructure.
- Completed a comprehensive fleet assessment and began the process of refining the District's preventative maintenance program and developed specific fleet maintenance performance measures. This accomplishment addressed the District's strategic goal to measure organizational performance.
- Began the process of transitioning annual inspection of major fire apparatus consistent with the provisions of NFPA 1911 *Standard for the Inspection, Maintenance, Testing, and Retirement of In-Service Automotive Fire Apparatus* (NFPA, 2012) from the District's Emergency Vehicle Technician (EVT) certified contractor to the Firefighter/Mechanic. This accomplishment supports the District's Strategic Goal to maximize effectiveness, efficiency, and value. In addition, this accomplishment addressed CFAI Accreditation Criteria 6D (6D.1 Apparatus Maintenance Program and 6D.3 Apparatus and Equipment Maintenance Systems).
- Certification of the Firefighter/Mechanic as an Emergency Medical Technician (EMT) and Level I EVT for Fire Apparatus. This accomplishment supports the District's Strategic Goals to ensure adequate staffing (in terms of qualification). In addition, this accomplishment addressed CFAI Accreditation Criteria 6D (6D.4 Staffing).

- Purchased and installed fleet maintenance database software from Ron Turley Associates (RTA). This software will allow the Vehicle Maintenance Division to effectively and efficiently track required preventative maintenance, the cost of fleet maintenance and repair, and accurately document lifecycle cost. This accomplishment supports the District's Strategic Goals to maximize effectiveness, efficiency, and value and to measure organizational performance. In addition, this accomplishment addressed CFAI Accreditation Criteria 6D (6D.7 Records Management System).

Strategic Goals & Initiatives

The following goals within the District's Enterprise Wide Strategy are of particular significance to the Vehicle Maintenance Division.

- Maintain adequate infrastructure to support operations (Resources)
- Measure organizational performance (Internal Processes)
- Improve consistency with values, mission, and vision (Internal Processes)
- Enhance collaboration with the community (Community)
- Maximize effectiveness, efficiency, and value (Fiscal Stewardship)

In addition to these enterprise wide goals, the Training/Recruitment Division is also responsible for the following additional goals:

- Promote a culture of cooperation and teamwork (Internal Processes)
- Improve knowledge of best practice (Resources)

Major Initiatives in 2015

- Continue to develop and refine the fleet preventative maintenance program by implementing solid record keeping practices and on time scheduling of preventive maintenance procedures. This initiative supports the District's Strategic Goal to maximize effectiveness, efficiency, and value. In addition, this accomplishment addressed CFAI Accreditation Criteria 6D (6D.1 Apparatus Maintenance Program and 6D.3 Apparatus and Equipment Maintenance Systems).
- Complete the process of transitioning annual inspection of major fire apparatus consistent with the provisions of NFPA 1911 *Standard for the Inspection, Maintenance, Testing, and Retirement of In-Service Automotive Fire Apparatus* (NFPA, 2012) from the District's Emergency Vehicle Technician (EVT) certified contractor to the Firefighter/Mechanic. This initiative supports the District's Strategic Goal to maximize effectiveness, efficiency, and value. In addition, this accomplishment addressed CFAI Accreditation Criteria 6D (6D.1 Apparatus Maintenance Program and 6D.3 Apparatus and Equipment Maintenance Systems).
- Complete second year training requirements for the Firefighter/Mechanic including certification as a Firefighter II and Level II EVT for Fire Apparatus. This initiative supports the District's Strategic Goal to ensure adequate staffing (in terms of qualification). In addition, this accomplishment addressed CFAI Accreditation Criteria 6D (6D.4 Staffing).

- Continuously Improve the District's preventative maintenance program. This initiative supports the District's Strategic Goals to improve knowledge of best practice and to maximize effectiveness, efficiency, and value. In addition, this accomplishment addressed CFAI Accreditation Criteria 6D (6D.1 Apparatus Maintenance Program and 6D.3 Apparatus and Equipment Maintenance Systems).

2014 Division Budget

Table 17. Vehicle Maintenance Division Budget

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|---|-----------------|------------------|-----------------|
| Vehicle Maintenance Salaries & Wages | | | | | | | |
| 522 | 60 | 11 | 01 | FT FF Mechanic | \$9,477 | \$65,074 | \$63,319 |
| 522 | 60 | 12 | 01 | FT FF Mechanic (Vehicle Maintenance OT) | \$0 | \$740 | \$752 |
| 522 | 60 | 12 | 02 | FT FF Mechanic (Other Overtime) | \$0 | \$0 | \$0 |
| 522 | 60 | 13 | 01 | Educational Incentive | \$186 | \$1,301 | \$1,246 |
| 522 | 60 | 19 | 01 | FT FF Mechanic (Deferred Compensation) | \$372 | \$2,603 | \$2,493 |
| Sub Total | | | | | \$10,036 | \$69,718 | \$67,810 |
| Vehicle Maintenance Benefits | | | | | | | |
| 522 | 60 | 21 | 01 | FT FF Mechanic (Medicare Only) | \$138 | \$1,005 | \$965 |
| 522 | 60 | 22 | 01 | FT FF Mechanic (L&I) | \$0 | \$2,865 | \$3,168 |
| 522 | 60 | 23 | 01 | FT FF Mechanic (Medical/Dental) | \$3,925 | \$21,998 | \$21,998 |
| 522 | 60 | 24 | 01 | FT FF Mechanic (LEOFF) | \$536 | \$3,625 | \$3,480 |
| Sub Total | | | | | \$4,599 | \$29,493 | \$29,611 |
| Vehicle Maintenance Office and Operating Supplies | | | | | | | |
| 522 | 60 | 31 | 01 | Apparatus R&M Supplies | \$2,431 | \$4,000 | \$4,000 |
| 522 | 60 | 31 | 02 | Computer Software | \$0 | \$1,500 | \$2,000 |
| 522 | 60 | 31 | 03 | Computer Hardware | \$200 | \$500 | \$275 |
| 522 | 60 | 31 | 04 | Uniforms-Mechanic | \$0 | \$500 | \$500 |
| 522 | 60 | 31 | 05 | Office Supplies | \$0 | \$300 | \$450 |
| Sub Total | | | | | \$2,631 | \$6,800 | \$7,225 |
| Small Tools & Minor Equipment | | | | | | | |
| 522 | 60 | 35 | 01 | Personal Protective Equipment | \$82 | \$500 | \$300 |
| 522 | 60 | 35 | 02 | Vehicle Maintenance Tools | \$16,130 | \$14,500 | \$6,600 |
| 522 | 60 | 35 | 03 | Computer Equipment | \$0 | \$0 | \$0 |
| Sub Total | | | | | \$16,212 | \$15,000 | \$6,900 |
| Vehicle Maintenance Travel, Lodging, & Meals | | | | | | | |
| 522 | 60 | 43 | 01 | Vehicle Maintenance Meetings | \$0 | \$500 | \$250 |
| Sub Total | | | | | \$0 | \$500 | \$250 |

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--|----|----|----|------------------|-----------------|------------------|------------------|
| Operating Rentals & Leases | | | | | | | |
| 522 | 60 | 45 | 01 | Equipment Rental | \$0 | \$500 | \$500 |
| Sub Total | | | | | \$0 | \$500 | \$500 |
| Vehicle Repair & Maintenance | | | | | | | |
| 522 | 60 | 48 | 01 | Apparatus R&M | \$50,501 | \$41,400 | \$38,000 |
| Sub Total | | | | | \$50,501 | \$41,400 | \$38,000 |
| Total Vehicle Maintenance Division Budget | | | | | \$83,978 | \$163,411 | \$150,296 |

Major Expenditures/Changes

Overall, the Vehicle Maintenance Division budget was reduced 8.03% due predominantly to reduction of the cost of purchasing tools (startup cost for vehicle maintenance) and reduced repair and maintenance cost.

The Firefighter/Mechanic's salary budgeted for 2015 is lower than that in the Adopted Budget for 2014. This is the result of hiring the Firefighter/Mechanic after the 2014 budget was developed, including a mid-range starting salary. As the Firefighter/Mechanic did not have all certifications required for a mid-range starting salary, he was started lower in the salary range advanced to Step 2 within this pay grade in 2014, and will advance to Step 3 midway through 2015.

Summary of General Fund by Division

As illustrated in Table 18, the total General Fund Budget increased 2.61%.

Table 18. General Fund Budget by Division

| | 2013 Actual | 2014 Adjusted | 2015 Adopted | Percentage Change |
|---|--------------------|--------------------|--------------------|----------------------|
| Administrative Division | \$446,803 | \$495,186 | \$517,548 | 4.52% |
| Operations Division | \$896,693 | \$1,054,957 | \$1,099,046 | 4.18% |
| Life Safety/Community Risk Reduction Division | \$6,793 | \$16,955 | \$17,510 | 3.27% |
| Training/Recruitment Division | \$127,026 | \$169,651 | \$177,198 | 4.45% |
| Facilities Division | \$54,071 | \$99,353 | \$90,121 | -9.29% |
| Vehicle Maintenance Division | \$83,978 | \$163,411 | \$150,296 | -8.03% |
| Total General Fund Budget | \$1,615,364 | \$1,999,513 | \$2,051,719 | 2.61% |

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Contingency Fund

Overview of the Contingency Fund

The Contingency Fund is an administratively separated fund within the General Fund. The purpose of the Contingency Fund is to provide a reserve for unanticipated, but critical expenses or for expenses that were anticipated but not known in detail during budget preparation. The Board of Fire Commissioners has established policy that the Contingency Fund shall be funded in the amount of 10% of the Maintenance and Operations Budget. For the purposes of budgetary reporting within the context of BARS, this managerial fund is rolled up into the General Fund.

Detail of Contingency Fund Transfers

Since establishment of the Contingency Fund in 2012, the District transferred funds into Contingency to establish the fund and in subsequent years to maintain the fund at 10% of budgeted Maintenance and Operations expenses.

522-50-48-03 Station 53 Repair & Maintenance

During the month of December 2013, the District discovered two problems with the pump providing domestic water supply for Station 53. The first was a significant leak in the pipe leading from the submersible pump in the well casing, damage to the pump, and a short circuit in the wiring for the pump. Further investigation found that the wiring for the pump was not installed in compliance with the electrical code. Correction of these problems included installation of a new pump, new piping and new wiring. Additional electrical conduit and second water supply line was installed under the driveway at the rear of the station in anticipation of future needs. A transfer from the Contingency Fund to this line in the amount of \$7,754 was necessary to offset the emergency expenditure authorized by the Board of Fire Commissioners.

522-50-48-04 Station 54 Repair & Maintenance

The District has had an ongoing problem with the automatic transfer switch on the generator at Station 54. In November of 2013, this switch failed and was in need of replacement. The District obtained three bids to replace the automatic transfer switch and the work was completed in December, 2013.

A transfer from the Contingency Fund to this line in the amount of \$7,950 was necessary to offset the expense of this unanticipated and urgent repair.

522-10-41-06 Information Technology

Due to the increase expenditures necessary to correct deficiencies in the District's Information Technology Infrastructure, a contingency transfer in the amount of \$4,063 was needed to fully fund this line.

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General Capital Projects Fund

Overview of the General Capital Projects Fund

The General Capital Projects Fund was established in 2012 to accumulate assets for future capital purchases and for current capital expenditures. Capital expenditures are for items having a cost greater than \$5,000 and a service life of greater than three years (e.g., major equipment, fire apparatus, and fire stations). In addition, items with a unit price less than \$5,000, but purchased in large enough quantity to reach the \$5,000 threshold have been combined into capital projects. Examples of this type of project include purchase of Automatic External Defibrillators (AEDs) and fire hose and appliances.

Prior to 2012, the District's finances were managed using a single fund (General Fund) and capital purchases were made using the unappropriated balance of the fund.

At the start of 2015, the balance of the General Capital Project Fund is anticipated to be approximately \$876,781. The District plans a transfer of \$365,000 from the General Fund to the General Capital Projects Fund in 2015, providing operating funds that are \$926,361 below the desired fund balance, of \$1,958,671 based on straight line amortization of the expense of vehicle and equipment replacement and acquisition identified in the District's Capital Projects Plan. If the cost of each vehicle and equipment replacement and acquisition is amortized over its useful life, the District should transfer approximately \$265,536 to the General Capital Projects Fund annually to meet the District's *pay as you go* fiscal policy for this type of capital expenditure. Since the inception of the General Capital Projects Fund in 2012, the District has transferred well in excess of this amount to this fund on an annual basis. Based on the District's Long Term Financial Plan, the General Capital Projects Fund will be fully funded by 2025 (see Appendix B).

2015-2025 Capital Projects Plan

Based on direction provided by the Board of Fire Commissioners to replace equipment when required and to fully fund the Capital Projects Fund, the following approach was been taken in prioritizing capital projects.

- Take a proactive approach to improving operational capability and maintenance of adequate infrastructure to support district operations
- Begin the process of replacing staff vehicles and apparatus that has reached their end of life
- Reduce the District's total vehicle inventory and *increase* the effectiveness and efficiency
- Avoid unscheduled capital projects resulting from malfunction and equipment failure

Continuing Challenges

The District anticipates being able to meet required capital expenses related to apparatus and equipment without debt. However, revenue is not sufficient to also fund important facilities capital projects such as development of adequate living quarters, administrative facilities, and apparatus maintenance shop at the Station 53 on Race Road, Phase II expansion of Station 51 on Main Street in Coupeville (as originally anticipated by the District and Whidbey General Hospital), as well as any other future facilities requirements.

The District is working with the architectural and engineering firm of Rice Fergus Miller to complete a long range (50 to 75 year) plan to address District facilities requirements. As architectural and engineering work further clarifies the options to meet the District's facility needs, staff and the Board of Fire Commissioners will need to continue exploration of an appropriate means to fund this type of capital project.

Table 19. 2014-2025 Capital Projects Schedule

| | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|--|-------------|-------------|-------------------|-------------|-------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Starting Cash & Investments | \$1,041,537 | \$1,159,757 | \$1,089,351 | \$1,325,151 | \$1,391,951 | \$1,737,726 | \$2,047,785 | \$1,427,135 | \$1,068,485 | \$761,335 | \$1,060,610 | \$1,370,640 |
| Revenue (Inter-Fund Transfer) | \$660,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 |
| Total | \$1,701,537 | \$1,524,757 | \$1,454,351 | \$1,690,151 | \$1,756,951 | \$2,102,726 | \$2,412,785 | \$1,792,135 | \$1,433,485 | \$1,126,335 | \$1,425,610 | \$1,735,640 |
| Expenditures | | | | | | | | | | | | |
| 594-22-64-11 Server Replacement | | | | | | \$10,716 | | | | | | |
| 594-22-64-05 Replace/Upgrade AEDs | | | | | | | | \$28,000 | | | | |
| 594-22-64-06 Mobile Data Computer Replacement | | | | | | | \$14,000 | | | | | |
| 594-22-64-04 Replace Apparatus 8601 (E542) | \$49,921 | | | | | | | | | | | |
| 594-22-64-09 Refurbish Apparatus 0701 (T54) & 0702 (T53) | \$167,591 | \$206,000 | | | | | | | | | | |
| 594-22-64-12 NEW Apparatus 1301 (C502) | \$40,000 | | | | | | | | | \$46,500 | | |
| 594-22-64-14 Hose & Appliances | \$31,054 | \$23,200 | \$23,200 | \$23,200 | \$19,225 | \$19,225 | \$19,225 | \$19,225 | \$19,225 | \$19,225 | \$19,225 | |
| 594-22-64-08 Fire 5 Upgrade (Repeater & Simulcast) | \$160,000 | | | | | | | | | | | |
| 594-22-63-03 Facilities Study (Architectural & Engineering) | \$49,914 | \$20,086 | | | | | | | | | | |
| 594-22-64-23 ImageTrend Records Management System | \$14,850 | | | | | | | | | | \$17,234 | |
| 594-22-64-24 IT Infrastructure Improvements | \$10,900 | | | | | | | | | | \$12,650 | |
| 594-22-64-25 Fit Test Upgrade (Software/Hardware) | \$5,050 | | | | | | | | | | \$5,861 | |
| 594-22-63-06 Replace Floor at Station 54 (Hall and Classroom) | \$12,500 | | | | | | | | | | | |
| 594-22-63-08 Replace Cabinets at Station 53 | → | \$6,500 | | | | | | | | | | |
| 594-22-63-09 Electrical Efficiency Upgrade (Stations 51, 53, 54) | → | \$36,620 | | | | | | | | | | |
| 594-22-64-17 Replace Apparatus 0501 (A53) | | \$75,000 | | | | | | | | | | |
| 594-22-64-18 Replace Apparatus 0301 (M5) | | → | \$100,000 | | | | | | | | | |
| 594-22-64-19 Thermal Imager (TI) Replacement | | \$30,000 | | \$15,000 | | | | | | | | |
| 594-22-64-32 Rescue Equipment Replacement | | \$20,000 | | | | | | | | | | |
| 594-22-64-33 Fire 1 Upgrade (Transmitter Replacements) | | \$18,000 | | | | | | | | | | |
| 594-22-64-26 Landscaping Trailer | | | \$6,000 | | | | | | | | | |
| 594-22-63-04 Station 51 Phase 2 | | | <i>Not Funded</i> | | | | | | | | | |
| 594-22-64-15 Replace Apparatus 9402 (R51) | | | | \$150,000 | | | | | | | | |
| 594-22-64-16 Replace Apparatus 9501 (Fleet Services) | | | | \$70,000 | | | | | | | | |
| 594-22-64-20 Replace Apparatus 0703 (C500) | | | | \$40,000 | | | | | | | | |
| 594-22-63-05 Station 53/Administrative Facility | | | | | <i>Not Funded</i> | | | | | | | |
| 594-22-64-31 Extrication Equipment Replacement | | | | | | \$25,000 | | | | | | |
| 594-22-64-21 SCBA/Cylinder Replacement | | | | | | | \$299,500 | | | | | |
| 594-22-64-22 Apparatus 9401 (E51) Replacement | | | | | | | \$652,925 | | | | | |
| 574-22-64-02 Replace Apparatus 1301 (S591) | | | | | | | | \$17,500 | | | | |
| 594-22-63-07 Replace Roof Covering Burn Building/Tower | | | | | | | | \$6,000 | | | | |
| 594-22-64-28 Apparatus 9601 (E512) Replacement | | | | | | | | \$652,925 | | | | |
| 594-22-64-29 Apparatus 9602 (E54) Replacement | | | | | | | | | \$652,925 | | | |
| Total Expenditures | \$541,780 | \$435,406 | \$129,200 | \$298,200 | \$19,225 | \$54,941 | \$985,650 | \$723,650 | \$672,150 | \$65,725 | \$54,970 | \$0 |
| Ending Balance | \$1,159,757 | \$1,089,351 | \$1,325,151 | \$1,391,951 | \$1,737,726 | \$2,047,785 | \$1,427,135 | \$1,068,485 | \$761,335 | \$1,060,610 | \$1,370,640 | \$1,735,640 |

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Capital Budget

Table 20. Capital Projects Budget

| | | | | | 2013 Actual | 2014 Adjusted | 2015 Adopted |
|--------------|----|----|----|--|------------------|------------------|------------------|
| 594 | 22 | 64 | 05 | AED Replacement | \$9,297 | | |
| 594 | 22 | 64 | 06 | Mobile Data Computer Replacement | \$4,503 | | |
| 594 | 22 | 64 | 04 | Replace Apparatus 8601 (E542) | \$450,079 | \$49,921 | |
| 594 | 22 | 64 | 09 | Refurbish Apparatus 0701 (T54) & 0701 (T53) | \$47,667 | \$167,591 | \$206,000 |
| 594 | 22 | 64 | 12 | NEW Apparatus (502) | | \$40,000 | |
| 594 | 22 | 64 | 13 | Fitness Equipment | \$4,706 | | |
| 594 | 22 | 64 | 02 | Station 53 Classroom Renovation Project | \$36,699 | | |
| 594 | 22 | 64 | 08 | Fire 5 Radio System Upgrade | | \$160,000 | |
| 594 | 22 | 64 | 14 | Hose & Appliances | \$10,320 | \$31,054 | \$23,200 |
| 594 | 22 | 63 | 03 | Architectural and Engineering | | \$49,914 | \$20,086 |
| 594 | 22 | 64 | 23 | Image Trend Records Management System | | \$14,850 | |
| 594 | 22 | 64 | 24 | E-Mail Archive System | | \$5,300 | |
| 594 | 22 | 64 | 25 | Fit Test Upgrade (Software/Hardware) | | \$5,050 | |
| 594 | 22 | 63 | 06 | Replace Floor at Station 54 (Hall & Classroom) | | \$12,500 | |
| 594 | 22 | 63 | 08 | Station 53 Common Area Renovation | | | \$6,500 |
| 594 | 22 | 63 | 09 | Electrical Efficiency Renovation | | | \$36,620 |
| 594 | 22 | 64 | 17 | Replace Apparatus 0501 (A53) | | | \$75,000 |
| 594 | 22 | 64 | 18 | Thermal Imager Replacement | | | \$30,000 |
| 594 | 22 | 64 | 32 | Rescue Equipment Replacement | | | \$20,000 |
| 594 | 22 | 64 | 33 | Fire 1 Radio System Upgrade | | | \$18,000 |
| Total | | | | | \$563,271 | \$541,780 | \$435,406 |

Capital Projects & Justification

The following section of the Budget Document provides the description, purpose, and justification for each capital project in the current year. In addition, each project is tied to the specific strategic goals supported by each investment in capital infrastructure.

2014-594-22-64-14 Hose & Appliances

Description: As the District has had limited hose replacement in recent years, we will need to move forward with an accelerated pace to bring our hose inventory into alignment with a 15 year maximum service life. The following general approach is adopted to accomplish this task:

- Purchase 5" hose to equip the new engine and the refurbished tenders.
- Replace 1-3/4" hose incrementally, beginning with hose that has greater than 20 years of service.
- Retire and surplus 2-1/2" hose as it reaches 15 years of service.

- Replace 2-1/2" hose with 2" hose on an incremental basis (one engine annually). The change to 2" hose for high flow handlines provides greater mobility with limited staffing while maintaining a flow capability of 250 gallons per minute (gpm).
- Retire and surplus 3" hose incrementally, beginning with hose that has greater than 20 years of service.
- Purchase replacement 5" hose incrementally to allow replacement and surplus as it reaches 15 years of service (beginning with the used hose purchased in 2013).

This project is ongoing, with purchase of hose to ensure fireground water supply reliability and maximize Washington and Survey Rating Bureau credit for the District's hose inventory. The following hose purchase would be required in the 2014 budget year.

Purpose & Justification: National Fire Protection Association Standard 1961 Standard on Fire Hose (2013) specifies that fire departments should consider a 10 year maximum service life for fire hose. The Washington Survey and Rating Bureau begins to increase deficiency points assigned for fire hose inventory as it ages and provides no credit for hose that exceeds 15 years of service. 71% of CWIFR's small diameter hose (3" and smaller) exceeds 15 years of service. As such, we face the potential of significant penalty in our next rerating (should this not be corrected prior to that time).

Strategic Goals: This project supports the District's Strategic goals to maintain adequate infrastructure to support operations (Resources); to improve operational capability (Internal Processes); and to maximize effectiveness, efficiency, and value (Fiscal Stewardship).

Estimated Change in Operational Expense: This project will not impact operational expenses.

2014-594-22-63-08 Station 53 Common Area Renovation

Description: In 2013, the District renovated the Station 53 Classroom to provide office space for the Training/Recruitment Captain and Firefighter Mechanic as well as to upgrade the instructional technology in the classroom. This project continues functional improvements at Station 53 by renovating the common area between the Classroom and Offices, replacing existing cabinets and modifying existing storage space (formerly used as the server closet) to improve functionality. This project was deferred from 2014 pending the outcome of the District's Long Range Facility Study.

Purpose & Justification: This project improves the functionality of this common area and improves on the limited storage space in this fire station.

Strategic Goals: This project supports the District's Strategic goals to maintain adequate infrastructure to support operations (Resources) and to maximize effectiveness, efficiency, and value (Fiscal Stewardship).

Estimated Change in Operational Expense: This project will result in no ongoing change in operational expense.

2014-594-22-63-09 Electrical Efficiency Upgrade (Stations 51, 53, 54)

Description: This project would renovate the interior and exterior lighting systems at Stations 51, 53, and 54 to maximize energy efficiency.

Purpose & Justification: The purpose of this project is to increase the efficiency of the District's electrical infrastructure resulting in cost savings over time. This project was deferred from 2014 pending the outcome of the District's Long Range Facility Study.

Strategic Goal: This project supports the District's Strategic goal to maximize effectiveness, efficiency, and value (Fiscal Stewardship).

Estimated Change in Operational Expense: The District incurs significant electrical utility expense on an annual basis. Completion of this energy efficiency lighting project would result on a positive return on investment within 3.26 years based on estimates by North Coast Electric Company Energy Solutions.

2014-594-22-64-17 Replace Apparatus 0501 (A53)

Description: Purchase of a ¾ ton, four-wheel drive, crew cab pickup for use as a Command Vehicle and installation of related equipment (radios, mobile data computer, etc.). This apparatus would be assigned as C500 (and apparatus 0703, currently assigned as C500 would be reassigned as A53).

Purpose & Justification: Apparatus 0501 is a 2005 Ford Expedition which was originally purchased and placed into service as a Command Unit. In 2012, this apparatus was re-designated as A53 and used as a MERV. This apparatus is anticipated to reach its end of useful life in 2015.

Apparatus 0703 is currently used as a command unit assigned as C500. It is anticipated that this apparatus will reach its end of useful life in 2017 if reassigned as A53 in 2015. Analysis indicates that a ¾ ton, crew cab pickup has a lower lifecycle cost than a full size sport utility vehicle and increases member safety by placing equipment and protective clothing outside the passenger compartment (additional data will be available on lifecycle cost prior to this date based on assessment of the performance of apparatus 1201).

Some of the communications equipment and mobile data computer may be transferred from Apparatus 0703 to the new apparatus, limiting the cost of equipment required for upfit of this vehicle.

Strategic Goal: This project supports the District's Strategic goals to maintain adequate infrastructure to support operations (Resources); to improve operational capability (Internal Processes); and to maximize effectiveness, efficiency, and value (Fiscal Stewardship).

Estimated Change in Operational Expense: This project will decrease operational expense by increasing fleet reliability (reduced future repair cost).

2014-594-22-64-19 Thermal Imager Replacement

Description: This project would replace/upgrade the District's thermal imagers.

Purpose & Justification: The District initially purchased a thermal imaging camera in 2003 and then added three more in 2004, providing this important tool on the first out engine at each station and one of the District's command units. The thermal imagers will be reaching their end of projected useful life in 2015. In addition, thermal imaging technology has evolved considerably since 2003, significantly enhancing the capability of these devices. Thermal imagers are an essential tool in assessing fire conditions and performing search in a visually obscured environment.

Strategic Goal: This project supports the District's Strategic goals to maintain adequate infrastructure to support operations (Resources); to improve operational capability (Internal Processes); and to maximize effectiveness, efficiency, and value (Fiscal Stewardship).

Estimated Change in Operational Expense: This project would have no significant impact on operational expenses.

2014-594-22-64-32 Rescue Equipment Replacement

Description: This project would replace the District's air bags (used for vehicle and machinery rescue) and rope rescue software (used for low angle and rough terrain rescue).

Purpose & Justification: The District purchased air bags for vehicle and machinery rescue in 2000. This type of equipment will reach the end of its 15 year lifespan in 2015 and will require replacement to maintain the District's heavy lift capability. The District's rescue software components such as rope and webbing have exceeded their 10 year life span and do not have a documented log of use. As such this equipment needs to be replaced. In addition, developing a robust low angle rope rescue capability necessitates additional hardware (e.g., basket stretcher, pulleys, carabineers) in order to ensure safe and effective operations.

Strategic Goal: This project supports the District's Strategic goals to maintain adequate infrastructure to support operations (Resources); to improve operational capability (Internal Processes).

Estimated Change in Operational Expense: This project will have no significant impact on operational expenses.

2014-594-22-64-33 Fire 1 Radio System Upgrade

Description: This project would fund CWIFR's share of replacing aging transmitters on the Fire 1 (Paging/Dispatch) radio system.

Purpose & Justification: The Island County Communications Center (ICOM) is upgrading the Fire 1 radio system. This system is the means by which CWIFR is dispatched to emergency incidents and our volunteer and other on-call members are paged for response. This upgrade is necessary to maintain reliability of the system by replacing aging radio transmitters.

Strategic Goal: This project supports the District's Strategic goals to maintain adequate infrastructure to support operations (Resources).

Estimated Change in Operational Expense: This project will have no significant impact on operational expenses.

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Compensated Absences Trust Fund

Overview of the Compensated Absences Trust Fund

This fund is used to account for assets held by the District for buyback of a specified percentage of unused long-term sick leave from employees at the time of their separation from the district (e.g., retirement). This benefit is currently provided to the District's executive staff (e.g., Fire Chief, Operations and Training Chief, Office Manager).

Compensated Absences Expenditures

The District's Deputy Chief resigned to accept a position with a larger fire and rescue agency in August of 2014. As provided in Standard Operating Guideline (SOG) 1.2.11 *Executive Staff Salary & Benefits*, he was paid for 240 hours of accrued and unused Long Term Sick Leave. This resulted in an expenditure of \$9,516.

Current Compensated Absences Liabilities

At present the District's liability for compensated absences is based on 240 hours of sick leave buyback for the Fire Chief and Office Manager. When the position of Deputy Chief is filled, he or she will accrue Paid Time Off (PTO) and at the end of the year may choose to transfer accrued, but unused leave to Long Term Sick Leave. Alternately, if the Deputy Chief's accrued PTO exceeds the maximum carryover specified in SOG 1.2.11 *Executive Staff Salary & Benefits*, excess PTO will automatically be transferred to Long Term Sick Leave. As such there will be no liability for compensated absences related to the Deputy Chief's Long Term Sick Leave for at least one year (and likely several years).

Table 21. Compensated Absences Liability

| Position | Hourly Rate | Buyback (Hours) | Total Liability |
|--------------------------------------|-------------|-----------------|-----------------|
| Fire Chief | \$48.85 | 240 | \$11,725 |
| Deputy Chief | \$41.93 | n/a | n/a |
| Office Manager | \$25.58 | 240 | \$6,139 |
| Total Compensated Absences Liability | | | \$17,863 |

The Compensated Absences Trust Fund is fully funded at 100% of the District's liability for Long Term Sick leave. While the District would potentially pay executive staff for unused Paid Time Off (e.g., used for annual leave, short term sick leave, and holidays), this expense would be offset by a reduction in health care and retirement expense until the position was filled.

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Debt Service Fund

The Debt Service Fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. This fund was zero-funded following retirement of the District's LTGO Bond (non-voted debt) in 2011.

In accordance with the provisions of the Revised Code of Washington (RCW) 52.16.061 General obligation bonds – Issuance – Limitations, the District is limited to an amount equal to 0.375 percent of assessed valuation for non-voted debt and 1.25 percent of assessed valuation for voted debt. Any non-voted debt issued counts as part of the overall 1.25 percent limit. At present the District has no debt. The District has no intent to issue debt within the current budget year.

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Grants Management Fund

A fund established with a contribution of assets from the State or Federal government that are to be used for a specified purpose, activity, or facility. Assets in this fund are maintained in a non-interest bearing account in compliance with federal grant requirements.

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Appendix A - Tax Increase and Budget Adoption

Tax Increase Resolution



Ordinance / Resolution No. 14-02 RCW 84.55.120

WHEREAS, the Fire Commissioner's of Central Whidbey Island Fire & Rescue #5 has met and considered
(Governing body of the taxing district) (Name of the taxing district)
its budget for the calendar year 2015; and,

WHEREAS, the districts actual levy amount from the previous year was \$ 2,146,358.23; and,
(Previous year's levy amount)

WHEREAS, the population of this district is ☐ more than or ☒ less than 10,000; and now, therefore,
(Check one)

BE IT RESOLVED by the governing body of the taxing district that an increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2015 tax year.
(Year of collection)

The dollar amount of the increase over the actual levy amount from the previous year shall be \$ 21,463.00
which is a percentage increase of 1 % from the previous year. This increase is exclusive of
(Percentage increase)

additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

Adopted this 24 day of November, 2014.

Cheryl J. Eagle
Fire Commissioner
Central Whidbey Island Fire & Rescue #5

If additional signatures are necessary, please attach additional page.

This form or its equivalent must be submitted to your county assessor prior to their calculation of the property tax levies. A certified budget/levy request, separate from this form is to be filed with the County Legislative Authority no later than November 30th. As required by RCW 84.52.020, that filing certifies the total amount to be levied by the regular property tax levy. The Department of Revenue provides the "Levy Certification" form (REV 64 0100) for this purpose. The form can be found at: <http://dor.wa.gov/docs/forms/PropTx/Forms/LevyCertf.doc>.

To ask about the availability of this publication in an alternate format for the visually impaired, please call (360) 705-6715. Teletype (TTY) users, please call (360) 705-6718. For tax assistance, call (360) 534-1400.

REV 64 0101e (w) (2/21/12)

Budget Adoption Resolution



Central Whidbey Island Fire & Rescue

1164 Race Road
Coupeville, WA 98239

Professionalism • Integrity • Compassion • Excellence
(360) 678-3602

www.cwfire.org

**IN THE MATTER OF
Adopting the Budget for 2015**

)
)

Resolution 14-03

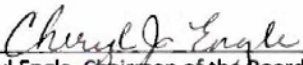
WHEREAS: The Fire Commissioners of Central Whidbey Island Fire & Rescue have made certification of the taxes to be levied to the Island County Council;

WHEREAS: The Fire Commissioners of Central Whidbey Island Fire & Rescue establishes an official budget each year to provide operating funds and capital funds.

IT IS HEREBY RESOLVED AS FOLLOWS:


1. That the attached 2015 Budget be hereby adopted as the official budget of Central Whidbey Island Fire & Rescue for calendar year 2015.
2. That the honorable Island County Council be and hereby requested to make a Regular levy for 2015 for Central Whidbey Island Fire & Rescue of \$3,000,000.
3. That the Island County Treasurer be and is hereby authorized and directed to deposit and sequester the moneys received from the collection of the tax levy specified in section 2 above in the amount and fund specified below:
 - a. \$3,000,000 Regular Levy into the General Fund of Central Whidbey Island Fire & Rescue
 - b. \$9630.23 Refund Levy into the General Fund of Central Whidbey Island Fire & Rescue.
4. That one copy of this resolution together with the 2015 Budget be delivered to the Island County Council and the Island County Assessor's office.

ADOPTED at the regular meeting of the Central Whidbey Island Fire & Rescue Board of Commissioners, this 13th Day of November, 2014.


Cheryl Engle, Chairman of the Board


Paul Messner, Commissioner


Steve Hutchinson, Commissioner

Attest: 
Kim Harpe, District Secretary

Appendix B - CWIFR Long Term Financial Plan

“All knowledge is about the past; and all our decisions are about the future” (Wilson, 2000, p. 24)

Preparing for an uncertain future requires consideration of a wide range of factors as well as direct and indirect influences on Central Whidbey Island Fire & Rescue’s success in achieving our strategic goals. As part of the Strategic Planning Process, Central Whidbey Island Fire & Rescue staff and Board of Fire Commissioners engaged in scenario based planning to consider multiple fiscal scenarios.

Scenario planning is a powerful tool in establishment of strategic direction and priorities. Scenarios provide perspective on potential events and their consequences, providing a decision-making context for policy makers and managers. Scenarios focus on the interrelated effect of multiple factors and provide alternative views of the future. Consideration of a range of possible futures, decisions are better informed, and a strategy based on this deeper insight is more likely to succeed. The District’s current Long Term Financial Plan is a spinoff from this scenario based planning process.

Financial Planning Assumptions

The District’s Annual Maintenance and Operations Budget (short term perspective) and Financial Plan (long term perspective) must out of necessity be based on assumptions about the future. Transparency in fiscal decision-making and policy require that these assumptions be clearly stated and shared to ensure a common understanding.

Revenue

CWIFR’s Long Term Financial Plan is based on six assumptions regarding revenue. The first five of these assumptions were used in development of the District’s 2015 budget. The sixth relates to a longer term outlook on new construction within the District’s boundaries.

Revenue

There are several revenue limitations based on the provisions of the Washington State Constitution and Revised Code of Washington (RCW). These limitations are accepted as given within the context of the budget process:

The Washington State Constitution limits annual increases in property taxes levied to 1%, plus revenue from new construction added to the tax rolls in the previous year (Washington State Constitution Amendment 95 Article 7 Section 2).

The Revised Code of Washington (RCW) limits fire districts to a maximum regular property tax rate of \$1.50/\$1000 of assessed value (RCW 52.16.130, 140, 160).

The RCW allows an Emergency Medical Services levy to a maximum regular property tax rate of \$0.50/\$1000 of assessed value (RCW 458.19.060). The Whidbey General Public Hospital District levies this tax and other taxing districts with the hospital district’s boundaries are precluded from levying a tax for EMS services.

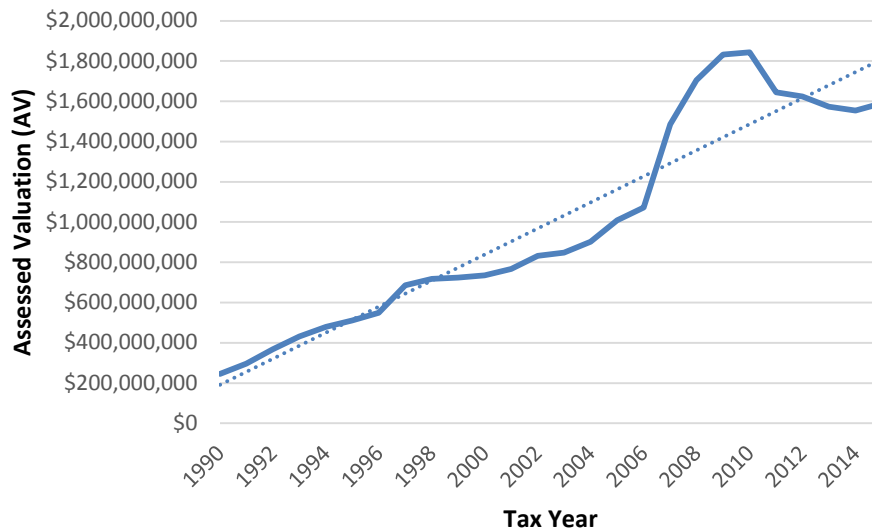
The following five revenue assumptions were used in developing the Adopted District Budget.

Assumption R1: The District's Assessed Value (AV) will stabilize and will likely increase slightly over the next year (2015).

Assumption R2: The District's AV will increase slowly over the next several years, reducing the District's levy rate while maintaining a maximum 1% increase in the District's maximum tax levy.

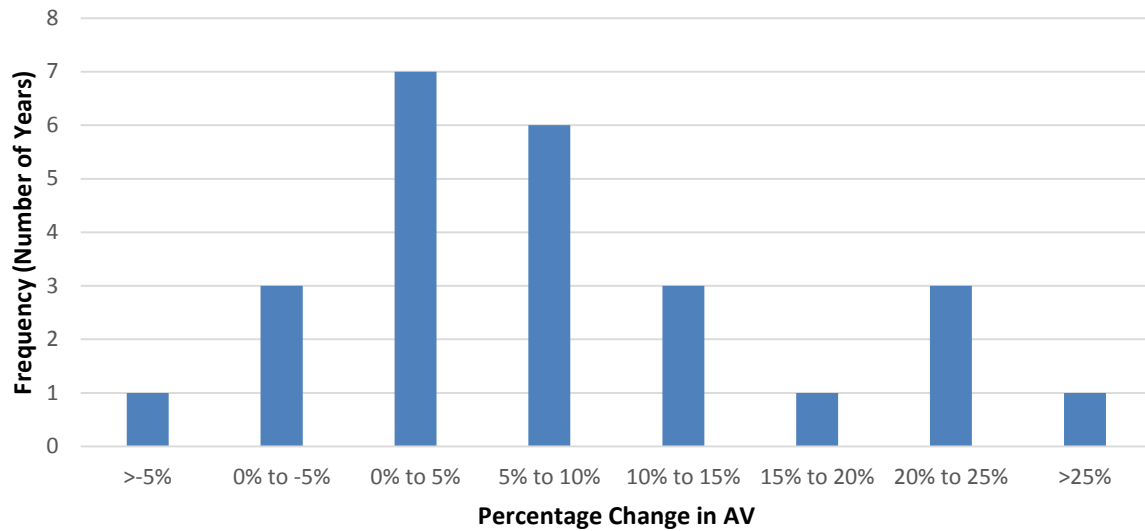
The following data support Assumptions R1 and R2. In 20 of the last 24 years, assessed valuation within the District has increased (see Figure 18). The magnitude of the change in assessed valuation has varied widely over this time period (-10.72% to 38.57%). However, the majority of years examined have seen an increase in assessed valuation of greater than five percent (as illustrated in Figure 19).

Figure 18. Change in Assessed Value (AV) within the District's Boundaries



The average change in AV of 8.23% between 1990 and 2015 is a bit misleading as it is substantially influenced by the 38.5% increase occurring in 2007 and several other years in which AV saw a substantial increase. It is more useful to examine the frequency with which ranges of percentage change occurred. As illustrated in Figure 19, it has been most common for AV to experience an increase ranging from 0% to 5%, but is that if AV changed to a greater extent was typically in a positive direction.

Figure 19. Histogram of Percentage Change in AV



Over the last year, the median price for all homes (detached, townhouses, condominiums) has increased 6% (Island County Real Estate Market Guide, 2014). Data provided by the Island County Assessor indicates that the Assessed Value (AV) for property within the District increased by 2.35% in 2014 (for the 2015 tax year). While lower than historical annual increases in AV, this reverses the trend of four successive years in which AV decreased a total of 16.35%.

Assumption R3: The District will collect 96% of property taxes in the year in which they are levied (based on historical data for tax collection within the District).

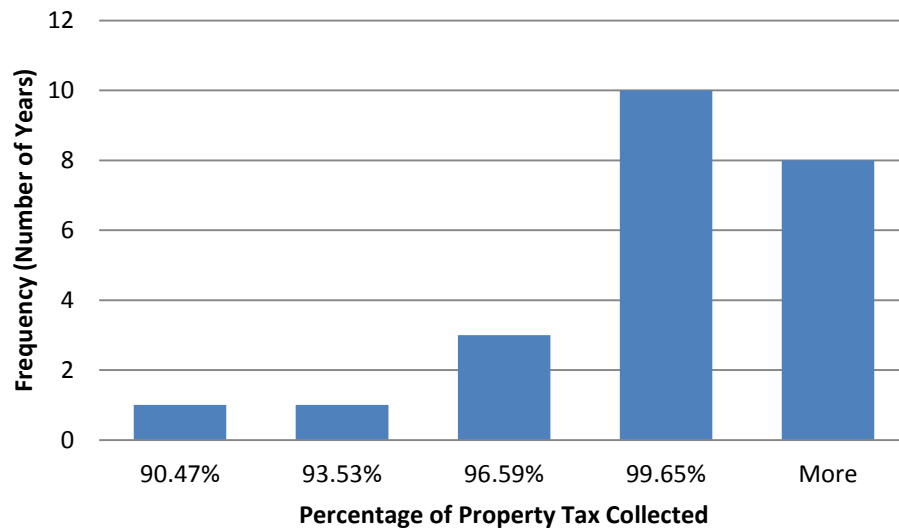
Assumption R4: Revenue generated through Interlocal Agreement between the District and Whidbey General Hospital to staff a Basic Life Support Ambulance will continue through 2015.

Assumption R5: The Interlocal Agreement between the District and Whidbey General Hospital to staff a Basic Life Support Ambulance will continue with the same general terms beyond the end of 2015.

Assumption R6: In 2014, the District saw a 100% increase AV added to the tax rolls due to new construction. It is not anticipated that this level of increase will be sustained, but that new construction will slowly rebound and maintain a consistent level in the near to mid-term.

Assumption R3 is supported by historical data on the percentage of the property tax levied in a given year that is collected in that year. As illustrated in Figure 20, the District's property tax levy collection rate has been above 96% on a fairly consistent basis (the only instances of a lower collection rate occurred in the early 1990s).

Figure 20. Percentage of CWIFR's Property Tax Collected in the Year Levied



Assumption R4 is supported by the existing Interlocal Agreement between the District and WGH that expires on December 31, 2015. Assumption R5 is supported by the ongoing nature and mutual benefit provided by this agreement which has been in place between the District and WGH since 2009.

Assumption R6 is supported by Island County building permit data.

Expense

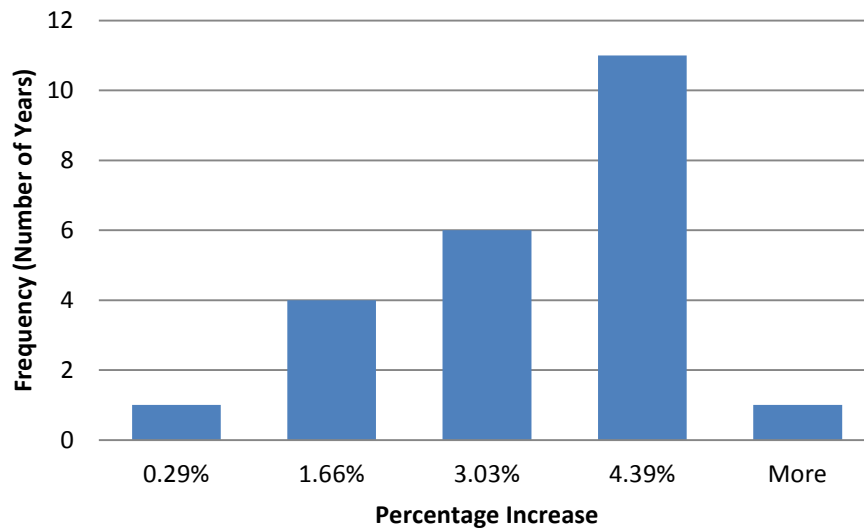
CWIFR's Long Term Financial Plan is based on two assumptions regarding revenue.

Assumption E1: The Consumer Price Index (CPI) is likely to increase between 2% and 3% per year over the next several years.

Assumption E2: The cost of equipment and services not included in the CPI are also likely to increase between 2% and 3% per year over the next several years.

Assumptions E1 and E2 are supported by historical Consumer Price Index data for Seattle. Over the last 54 years, the CPI-U has increased in each year.

Figure 21. Historical Changes in the Seattle-Tacoma CPI-U



Projections by Conway Pedersen Economics, Inc. forecast an increase in the CPI-U of 2.1% in 2015 and 2.3% each year for the next several years. However, the historical change in CPI indicates probability that the increase will be higher over time.

Assumption E3: Regional increases in minimum wage to \$15.00/hour and potential for an increase in the state minimum wage will have a direct or indirect impact on personal services expense for the District's part-time staff (and potentially full-time staff due to compression between the lower and higher pay grades).

The District's part-time staff is currently paid above minimum wage and compensation is targeted to the median of other agencies in the region using part-time firefighters and emergency medical technicians. However, current compensation is significantly less than \$15.00/hour.

Measuring and Evaluating Fiscal Condition

Measuring and evaluating fiscal condition of a municipal corporation such as a fire district is complex and whatever framework is used, evaluation requires knowledge of the jurisdiction and experienced judgment. Measurement and evaluation of fiscal condition is an ongoing process that must consider both internal factors and the influence of the external environment.

Assessment of fiscal conditions generally attempts to answer the ability of a governmental entity to do one or more of the following (Ramsey, 2013):

- Pay current bills
- Balance the annual budget
- Satisfy long-term financial obligations
- Meet current service level requirements
- Meet future service level requirements

CWIFR is working towards implementation of Fiscal Environment Analysis (FEA) (Kavahagh, 2007) as a method for measuring and evaluating fiscal condition and integration of more comprehensive long term fiscal planning into the District's strategic planning process in 2015.

Political and Economic Considerations

The Washington State constitution and related laws strictly limit the amount of property tax that local taxing districts can levy. While tax limitations are complex, there are two particularly important limitations for fire districts. First is Initiative 747, passed by the state's voters in 2001 which changed the state constitution to limit annual increases in property taxes levied to 1%, plus revenue from new construction added to the tax rolls in the previous year (Washington State Constitution Amendment 95 Article 7 Section 2). The second important limitation is the maximum regular tax rate for fire districts specified by state law. The Revised Code of Washington (RCW) limits fire districts to a maximum regular property tax rate of \$1.50/\$1000 of assessed value (RCW 52.16.130, 140, 160).

The rationale behind the way that the tax structure is set up in the state constitution and related laws is that the amount that it costs to deliver essential government services such as fire protection, rescue, and emergency medical care is not based on the value of your property. Cost should be based on the level of service desired by the community, with the cost shared equitably based on property value.

While it is necessary to present a Adopted lid lift to the voters when additional funds are needed to maintain the District's service level, success of such measures is dependent on public trust, desire to maintain current service level, and economic conditions.

Fiscal Indicators

There are a multitude of measures that can be used to assess the fiscal health of a municipal corporation such as a Fire Protection District. It is essential to consider both internal financial data and economic, political, and legislative factors. For example, fund balances and a positive cash flow in the short term must be considered in light of the constitutional and legislative limitations on taxation to support fire district operations.

Central Whidbey Island Fire & Rescue established a strategic goal to ensure sustainable funding for service delivery. Several measures may be used to assess the District's fiscal health, including:

- Percentage to which the District's levy rate is below \$1.50/\$1000 AV.
- Percentage increase in the annual budget in comparison to the annual revenue change.
- Maintenance of a balanced budget (revenues less expenses)
- Multi-year trend in beginning fund balances (increasing or decreasing)
- Adequacy of the general fund beginning balance (established by policy as a minimum of 43% of budgeted maintenance and operations expenses, inclusive of a 10% contingency reserve)

As illustrated in Table 22, CWIFR will maintain a positive General Fund cash flow through 2022, but will not be able to maintain a General Fund beginning balance of greater than or equal to 43% of budgeted maintenance and operations expense past 2020 given the assumptions in this long term financial plan.

Given the constitutional and statutory constraints on tax revenue and historical inflation, it has been periodically necessary to present request for a levy increase to the voters. Continuation of current services and meeting projected capital needs will require some form of revenue increase within the near future. This is consistent with projections made prior to the levy increase approved by the voters in 2011. In future years, this plan will be adjusted based on current and projected conditions, providing improve accuracy in the near term.

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Table 22. CWIFR Long Term Cash Flow Projection (Revision 5.15)

| General Fund | Actual | Adjusted | Adopted | Projected | | | | | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|---------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Beginning General Fund Balance | \$1,302,782 | \$1,810,117 | \$1,531,102 | \$1,528,602 | \$1,486,207 | \$1,403,269 | \$1,277,121 | \$1,106,026 | \$888,188 | \$621,755 | \$304,814 | (\$64,611) | (\$488,558) |
| Contingency | | | | | | | | | | | | | |
| 10% Contingency (Administrative) Fund | \$166,875 | \$180,184 | \$205,172 | \$211,327 | \$217,667 | \$224,197 | \$230,923 | \$237,850 | \$244,986 | \$252,336 | \$259,906 | \$267,703 | \$275,734 |
| Revenue | | | | | | | | | | | | | |
| Investment Interest | \$5,190 | \$2,500 | \$2,500 | \$2,500 | \$2,500 | \$2,500 | \$2,500 | \$2,500 | \$2,500 | \$2,500 | \$2,500 | \$2,500 | \$2,500 |
| Property Taxes (Includes New Construction) | \$2,118,231 | \$2,144,078 | \$2,165,519 | \$2,187,174 | \$2,209,046 | \$2,231,136 | \$2,253,448 | \$2,275,982 | \$2,298,742 | \$2,321,729 | \$2,344,947 | \$2,368,396 | \$2,392,080 |
| Other Taxes/State Assessed Property | \$934 | \$2,280 | \$2,280 | \$2,280 | \$2,280 | \$2,280 | \$2,280 | \$2,280 | \$2,280 | \$2,280 | \$2,280 | \$2,280 | \$2,280 |
| WGH Contract | \$199,519 | \$201,495 | \$201,495 | \$201,495 | \$201,495 | \$201,495 | \$201,495 | \$201,495 | \$201,495 | \$201,495 | \$201,495 | \$201,495 | \$201,495 |
| Other Deposits | \$47,725 | \$43,920 | \$43,920 | \$43,920 | \$43,920 | \$43,920 | \$43,920 | \$43,920 | \$43,920 | \$43,920 | \$43,920 | \$43,920 | \$0 |
| Voided Warrants & Vendor Credits | \$315 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Operating Revenues | \$2,371,914 | \$2,394,273 | \$2,415,714 | \$2,437,369 | \$2,459,241 | \$2,481,331 | \$2,503,643 | \$2,526,177 | \$2,548,937 | \$2,571,924 | \$2,595,142 | \$2,618,591 | \$2,598,355 |
| Expenditures | | | | | | | | | | | | | |
| Vouchers (M&O General Fund) | \$1,615,364 | \$1,999,513 | \$2,051,719 | \$2,113,271 | \$2,176,669 | \$2,241,969 | \$2,309,228 | \$2,378,505 | \$2,449,860 | \$2,523,356 | \$2,599,056 | \$2,677,028 | \$2,757,339 |
| Investment Fee | \$297 | \$310 | \$310 | \$310 | \$310 | \$310 | \$310 | \$310 | \$310 | \$310 | \$310 | \$310 | \$310 |
| Tax Adjustment | \$0 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 | \$200 |
| Correction & Vendor Credits | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Expenditures | \$1,615,661 | \$2,000,023 | \$2,052,229 | \$2,113,781 | \$2,177,179 | \$2,242,479 | \$2,309,738 | \$2,379,015 | \$2,450,370 | \$2,523,866 | \$2,599,566 | \$2,677,538 | \$2,757,849 |
| Interfund Transfers | | | | | | | | | | | | | |
| To Compensated Absences Trust Fund | \$1,918 | \$13,265 | \$984 | \$984 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| To General Capital Projects Fund | \$247,000 | \$660,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 |
| Total Transfers | \$248,918 | \$673,265 | \$365,984 | \$365,984 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 |
| Ending General Fund Balance | \$1,810,117 | \$1,531,102 | \$1,528,602 | \$1,486,207 | \$1,403,269 | \$1,277,121 | \$1,106,026 | \$888,188 | \$621,755 | \$304,814 | (\$64,611) | (\$488,558) | (\$1,013,052) |
| General Capital Projects Fund | Actual | Budgeted | Adopted | Projected | | | | | | | | | |
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Beginning Capital Projects Fund Balance | \$1,357,808 | \$1,041,537 | \$933,671 | \$863,265 | \$1,099,065 | \$1,165,865 | \$1,511,640 | \$1,821,699 | \$1,201,049 | \$842,399 | \$535,249 | \$834,524 | \$1,144,554 |
| Interfund Transfers | | | | | | | | | | | | | |
| From General Fund | \$247,000 | \$660,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 | \$365,000 |
| Expenditures | | | | | | | | | | | | | |
| Vouchers (Capital Projects Fund) | \$563,271 | \$767,866 | \$435,406 | \$129,200 | \$298,200 | \$19,225 | \$54,941 | \$985,650 | \$723,650 | \$672,150 | \$65,725 | \$54,970 | \$0 |
| Ending Capital Projects Fund Balance | \$1,041,537 | \$933,671 | \$863,265 | \$1,099,065 | \$1,165,865 | \$1,511,640 | \$1,821,699 | \$1,201,049 | \$842,399 | \$535,249 | \$834,524 | \$1,144,554 | \$1,509,554 |
| Compensated Absences Trust Fund | Actual | Budgeted | Adopted | Projected | | | | | | | | | |
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Beginning Compensated Absences Balance | \$12,005 | \$13,923 | \$17,672 | \$17,672 | \$17,672 | \$22,704 | \$27,736 | \$27,736 | \$27,736 | \$27,736 | \$27,736 | \$27,736 | \$27,736 |
| Interfund Transfers | | | | | | | | | | | | | |
| From General Fund | \$1,918 | \$13,265 | \$0 | \$0 | \$5,032 | \$5,032 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Expenditures | | | | | | | | | | | | | |
| Vouchers (Compensated Absences) | \$0 | \$9,516 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ending Compensated Absences Balance | \$13,923 | \$17,672 | \$17,672 | \$17,672 | \$22,704 | \$27,736 | \$27,736 | \$27,736 | \$27,736 | \$27,736 | \$27,736 | \$27,736 | \$27,736 |
| All Funds | Actual | Budgeted | Adopted | Projected | | | | | | | | | |
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Total Ending Balance (All Funds) | \$2,865,577 | \$2,482,445 | \$2,409,539 | \$2,602,944 | \$2,591,838 | \$2,816,497 | \$2,955,461 | \$2,116,973 | \$1,491,890 | \$867,799 | \$797,649 | \$683,732 | \$524,238 |

Table 21. CWIFR Long Term Cash Flow Projection (Revision 5.14) (Continued)

| Fiscal Performance Measures | Actual | Budgeted | Adopted | Projected | | | | | | | | | |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|----------|----------|-----------|------------|-------------|
| | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| General Fund Cash Flow | | | | | | | | | | | | | |
| Revenue - Expenses | \$756,252.51 | \$394,250.00 | \$363,484.78 | \$323,588.40 | \$282,062.02 | \$238,852.42 | \$193,904.72 | \$147,162.36 | \$98,567 | \$48,059 | (\$4,425) | (\$58,947) | (\$159,494) |
| GF Beginning Balance | | | | | | | | | | | | | |
| Percentage of GF Expense | 80.63% | 90.50% | 74.61% | 72.32% | 68.26% | 62.58% | 55.29% | 46.49% | 36.25% | 24.64% | 11.73% | -2.41% | -17.72% |
| Capital Projects Fund | | | | | | | | | | | | | |
| Percentage Funded | 52.14% | 72.66% | 72.66% | 78.41% | 83.10% | 87.00% | 90.30% | 93.12% | 95.57% | 97.70% | 99.58% | 101.25% | 100.01% |
| Compensated Absences Trust Fund | | | | | | | | | | | | | |
| Percentage Funded | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |

Fiscal Analysis

Analysis of CWIFR's fiscal position must be considered on multiple dimensions. These include:

- The District's ability to maintain a balanced budget as indicated by a positive, **General Fund Cash Flow** (Table 21).
- Multi-year trends in **Beginning Fund Balance** (increasing or decreasing) for each fund. (Table 21).
- Adequacy of the **General Fund Beginning Balance** of at least 43% of budgeted maintenance and operations expenses (Inclusive of a **Contingency Reserve** of 10%) (Table 21).

General Fund Cash Flow

As illustrated in Table 21, the District maintains a balanced budget (Revenue minus General Fund Expense) through 2021. However, this is only part of the picture as the District needs to transfer money to the reserve funds (General Capital Projects and Compensated Absences Trust) and must maintain an adequate Contingency Fund and General Fund Beginning Balance.

Beginning Fund Balance Trends

The General Fund Beginning Balance decreases each year from 2013 to 2023 (the balance may not be negative as shown in 2024 and 2025). This decrease was anticipated due to increasing expense and in part as a result of transfer of money to the General Capital Projects Fund (catching up on investment for future capital purchases).

The General Capital Projects Fund Beginning Balance fluctuates as a result of the timing of capital projects. As illustrated in Table 21, the District will have sufficient funds to meet capital expenditure requirements over the next 10 years. The District is transferring sufficient money from the General Fund to increase the percentage to which the General Capital Project Fund is fully funded with a target of achieving 100% by 2025. However, without a decrease in expenses or an increase in revenue, it will not be possible to sustain this level of capital investment beyond 2020.

The Compensated Absences Trust Fund is fully funded and is projected to remain so.

Adequacy of the General Fund Beginning Balance

The General Fund Beginning Balance must be sufficient to meet the District's operational expenses from January through March as tax revenue is received in April and November. The District has an established policy to maintain a minimum General Fund Beginning Balance of 43% of Maintenance and Operations Expenses (inclusive of a 10% Contingency Reserve). As illustrated in Table 21, the District will maintain a General Fund Beginning Balance in excess of this minimum through 2020 while maintaining adequate Contingency and transfer to reserves for Capital and Compensated Absences.

Contingency Fund

As illustrated in Table 21, the District will maintain a Contingency Fund (within the General Fund) of 10% of Maintenance and Operations Expense.

Considerations

As shown in Table 21, the District will need to either decrease expenses (below the projected 3% increase used in the Long Term Cash Flow Projection) or increase revenue to sustain current service levels beyond 2020. Personal services expenses increased significantly from 2012 to 2015 in large part due to negotiated increases in compensation to position District wages at the median of comparable agencies. At present the District is considerably closer to the median across all job classifications than in 2012. The District will be entering negotiations with Local 4299 International Association of Firefighters in 2015 and anticipates the District's fiscal position and market position related to compensation as a key topic of discussion. While personal services costs for volunteer members is considerably lower than that of part-time or full-time members, the expense of training and equipping a volunteer remains significant. Strengthening volunteer staffing will also have a fiscal impact.

The annual increase in the maintenance and operations budget in 2015 is 2.82%. In addition, it is likely that increases in expense will average less than 3% over the period of this projection, which will increase the time over which we will be able to maintain current service levels. In addition to controlling increases in expenditure, the District continues to explore options for generating additional revenue through shared services (e.g., Basic Life Support Ambulance Agreement with WGH EMS and Fire Inspection Services for the Town of Coupeville and Island County).

One fiscal performance measure that is not illustrated in Table 21 is the District's Levy Rate. The levy rate fluctuates based on the Assessed Valuation (AV) of taxable property within the District. As noted earlier, the levy rate is reduced if property values increase and increases if property values decrease (with a maximum value of \$1.50/\$1000 AV). If property values increase sufficiently, it will be possible for the District to present a lid lift to the voters at some point in the future to ensure that service delivery levels meet community needs. Alternately, the Board of Fire Commissioners may choose to use a voter approved bond to fund some capital expenditures which would have some impact on the level of funds transferred from the General Fund to General Capital Projects Fund on an annual basis.

The Bottom Line

While the Long Term Cash Flow Projection illustrated in Table 21, shows an eventual negative General Fund Cash Flow and General Fund Beginning Balance, the District may not run a deficit. This projection simply serves to identify the point at which the District would no longer be able to sustain current service levels. In actuality, revenues would be increased to maintain current service levels or expenses would be decreased to maintain a balanced budget and continue to provide the best service possible (even if at a reduced level).

Appendix C - Glossary of Terms

Account: A term used to identify an individual asset, liability, expenditure, revenue, or fund balance.

Accounting System: The total set of records and procedures used to record, classify, and report information on the financial status and operations of an entity.

Accreditation: Accreditation is a comprehensive self-assessment and evaluation model that enables organizations to examine past, current, and future service levels and internal performance and compare them to industry best practices. This process leads to improved service delivery. This process leads to improved service delivery by helping fire departments to: 1) Determine community risk and safety needs. 2) Evaluate the performance of the department. 3) Establish a method for achieving continuous organizational improvement.

Acting-in-Capacity (AIC): Working out of classification (e.g., a Firefighter working as a Lieutenant). Represented full-time employees are paid 5% AIC compensation when working at the next highest classification if they are fully qualified for this position, and 3% AIC compensation if they are not fully qualified.

Actual: Monies which have already been used or received as opposed to budgeted monies which are estimates of funds that may be spent or received.

Adopted Budget: The adopted budget is an annual financial plan approved by a resolution passed by the Board of Fire Commissioners which forms the basis for annual appropriation and expenditure of funds.

Adoption: Formal action in the form of a resolution by the Board of Fire Commissioners which sets the spending limits for the fiscal year.

Agency/Trust Funds: Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments and/or other funds.

Aid Unit: A vehicle licensed and equipped to provide Basic Life Support (BLS) emergency medical care. CWIFR operates one Transport Capable Aid Unit (under an Interlocal agreement with Whidbey General Hospital). In addition, the District has seven licensed aid vehicles (two Command Units, one Engine, two Brush Engines, rescue, and a medical emergency response vehicle (MERV).

Apparatus Number: A numerical designation used to identify district vehicles. The first two digits of this number are the year purchased and the second two digits reflect the sequence in which the vehicle was purchased in that year (e.g., 1301 would indicate that this was the first vehicle purchased in 2013).

Appropriation: The legal authorization granted by the Board of Fire Commissioners to make expenditures and incur obligations. An appropriation is usually limited in amount and as to the time when it may be expended.

Assessed Valuation: The assessed valuation is the value set for real estate or other property by the County Assessor as a basis for levying property taxes.

Assets: Property which has monetary value.

Audit: An examination to determine the accuracy and validity of records and reports by an agency whose duty it is to make sure the District conforms with established procedures and policies.

Balanced Budget: Appropriations limited to the total of estimated revenues and the unencumbered fund balances estimated to be available at the close of the current fiscal year. At the fund level, a balanced budget is defined as funds total resources comprised of beginning fund balance, revenues, and other funds are equal to the total of expenditures, other fund use, and the funds ending balance.

BARS: Stands for Budgeting, Accounting, Reporting System. The manual the State of Washington requires governmental entities (i.e., counties and cities) to use.

Basis of Accounting: A term used to refer to when revenues, expenditures, expenses, and transfers, and the related assets and liabilities, are recognized in the accounts and reported on the financial statements. It relates to the timing of the measurements made, regardless of the nature of the measurement, on either the cash or accrual method.

Beginning Cash Balance: The amount of unexpended funds carried forward from one fiscal year to the next.

Benefits: Employer contributions paid by the Fire District as part of the conditions of employment. Examples include: health/dental insurance, state public employees' retirement system, and employment security.

Bond: A written promise to pay a specific sum of money (principal) at a specified future date along with periodic interest rate. Bonds are typically used for long-term debt to pay for a particular capital expenditure.

Brush Engine: A small fire engine designed for vegetation (brush) fires (See Engine).

Budget Amendment: A change to a budget adopted in accordance with state law. A budget may be amended to increase expenditures/expenses at the fund level by Board approval with or without public notice or public hearing requirements, when unanticipated revenues occur or emergencies exist.

Budget Calendar: The schedule of key dates involved in the process of adopting and then executing an adopted budget.

Budget Document: The instrument used by the budget-making authority to present a comprehensive financial program to the appropriating body. The budget document usually consists of two parts. The first part contains a message from the budget-making authority, together with a summary of the Adopted expenditures and the means of financing them. The second consists of schedules supporting

the summary. These schedules show in detail the information as to the past years' actual revenues, expenditures, and other data used in making the estimates.

Budget Hearing: The public hearings conducted by the Board of Fire Commissioners to consider and adopt the annual budget.

Budget Message: The opening section of the budget which provides the Board of Fire Commissioners and the Public with a general summary of the most important aspects of the Adopted budget in comparison with the current and prior years.

Budget Policy: An overall plan to guide present and future courses of action regarding the coordination of revenues and expenditures.

Budget: A plan of financial operation embodying an estimate of Adopted expenditures for a given period and the Adopted means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. The term "budget" is used in two senses in practice. Sometimes it designates the financial plan presented to the appropriating body for adoption and sometimes the plan finally approved by that body. It is usually necessary to specify whether the budget under consideration is preliminary or approved.

Budgetary Reporting: The requirement to present budget-to-actual comparisons in connection with general purpose external financial reporting. Budgetary reporting is required in connection with the basic financial statements for both the general fund (current expense) and individual major special revenue funds with legally adopted annual budgets. Budgetary reporting is also required within the comprehensive annual financial report to demonstrate compliance at the legal level of control for all governmental funds with legally adopted annual budgets.

Capital Assets: Land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, works of art, infrastructure, and all other tangible or intangible assets that are used in operations and have a value of greater than \$5,000 and a useful life greater than three years.

Capital Budget: A plan of Adopted capital outlays and the means of financing them.

Capital Projects Plan: A plan for capital expenditures to be incurred each year over a fixed period of years, identifying the expected beginning and ending date, and the amount to be expended in each year and the method of financing those expenditures.

Capital Outlay: Fixed assets which have a value of \$5,000 or more and have a useful economic lifetime of more than three years.

Capital Projects: Projects which purchase or construct capital assets.

Captain: A Company Officer serving as a second level supervisor who is responsible for managing Lieutenants, Firefighters, and Emergency Medical Technicians. Volunteer Captains are responsible for managing volunteer members assigned to their station. The Full-Time Captain serves as the Training and

Recruitment Officer. The Full-Time Captain is also certified as an EMT, Volunteer Captains may be certified as EMTs.

Cash Basis Accounting: The method of accounting where revenues are recorded when received and expenditures are recorded when paid.

Center for Public Safety Excellence: The Center for Public Safety Excellence (CPSE) promotes the continuous quality improvement of fire and emergency service agencies that serve communities worldwide by providing training and career resource information. As a nonprofit, 501(c)(3) corporation, CPSE supports and encourages agencies and personnel to meet international performance standards through various programs and the work of two commissions: the Commission on Fire Accreditation International (CFAI) and the Commission on Professional Credentialing (CPC).

Chart of Accounts: The classification system used by a governmental agency to organize the accounting for various funds.

Command Unit: A vehicle equipped with communications equipment and configured as a mobile office for an officer responsible to function as the Incident Commander (IC) at incidents requiring multiple resources such as a structure fire, marine rescue, or major vehicle accident.

Commission on Fire Accreditation International (CFAI): A CFAI is the component of the Center for Public Safety Excellence responsible for fire department accreditation.

Commissioner: Elected Official responsible for overall management of the District's affairs. The Fire Commissioners (as a body) appoint and supervise the Fire Chief.

Community Risk Reduction (CRR): CRR includes proactive and response measures taken by a community to reduce the impact of risk.

Consumer Price Index (CPI): A statistical description of price levels provided by the US Department of Labor. The index used as a measure of the increase in the cost of living.

Contingency: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Cost of Living Adjustment (COLA): An increase in salaries to offset the adverse effect of inflation on compensation.

Debt Service Fund: Governmental fund type used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Debt Service: The annual payment of principal and interest on the District's indebtedness.

Deficit: The excess of the liabilities of a fund over its assets or excess of expenditures over revenues during an accounting period.

Deputy Chief: Chief Officer serving as second in command to the Fire Chief and is the District's Chief Operating Officer. CWIFR's Deputy Chief supervises the Full-Time Lieutenants and Volunteer Captains.

District Secretary: An appointed position responsible for preparing agendas, keeping minutes, and other administrative tasks for the Board of Fire Commissioners. This function is filled by the Office Manager.

Division: The term is used to administratively categorize the operational areas of the District (e.g., Administration, Operations, Life Safety/Community Risk Reduction, Training/Recruitment, Facilities, and Vehicle Maintenance).

Emergency Medical Technician: An emergency responder certified as an Emergency Medical Technician (EMT) Basic.

Engine: Fire apparatus equipped with a pump, water tank, and hose. CWIFR's has two types of fire engines, Type 1 (Structural) and Type 6 (Wildland). CWIFR's Type 1 engines are designated by the letter "E" and have a 1250 or 1500 gallon per minute pump, 750 or 1000 gallon water tank and a substantial complement of hose and tools. CWIFR's Type 6 engines are designated by the letter "B" (Brush) have a 375 gallon per minute pump, a 300 gallon water tank, and a small complement of hose and tools.

Executive Staff: Senior staff comprised of the Fire Chief, Deputy Chief, and Office Manager/Finance Officer.

Exempt Employees: Employees who are exempt from the overtime provisions of the Federal Fair Labor Standards Act (FLSA). The District Fire Chief, Deputy Chief, and Office Manager are exempt.

Expenditures: Decreases in net current assets. Expenditures include debt service, capital outlays, and those current operating costs which require the use of current assets.

Finance Officer: A civilian member of the District's executive staff responsible for budgeting, accounting, and reporting. This function is filled by the Office Manager.

Fire Chief: Chief Executive Officer of the District. The Fire Chief supervises the Deputy Chief, Office Manager, Training/Recruitment Captain, and Firefighter Mechanic.

Firefighter/EMT: A firefighter who is also certified as an Emergency Medical Technician (EMT) Basic. Full-Time and Part-Time Firefighters are also certified as EMTs, Volunteer Firefighters may be certified as an EMT.

Firefighter: Emergency responder certified at least to the Firefighter 1 and Hazardous Materials Operational levels.

Fiscal Year: Any yearly accounting period, without regard to its relationship to a calendar year. The fiscal year for Central Whidbey Island Fire & Rescue begins on January 1 and ends on December 31.

Fixed Assets: Assets intended to be held or used for the long term, such as land, buildings, and improvements other than machinery, and equipment.

FTE: Acronym for Full-time Equivalent. FTE is a numerical expression that indicates a given position's budgeted proportion to a "full-time" position. A position budgeted at 40 hours per week for 12 months equals 1.0 FTE. Other frequently budgeted levels are 20 hours per week (.5 FTE) to show a position that has been split between two funds because the employee's responsibilities directly affect two funds.

Full-Time: Employees who are regularly scheduled for 40 hours per week or more are classified as Full-Time.

Fund Balance: The excess of a fund's assets of a fund over its liabilities and reserves.

Fund: A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

General Fund: The general operating fund of the District. It is used to account for all financial resources except those that are required to be accounted for in other fund types.

General Obligation Bonds: Bonds for which the full faith and credit of the issuing government are pledged for payment.

GFOA: The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training and leadership.

Grants: A contribution of assets (usually cash) by one governmental unit or other organization to be used or spent for a specified purpose, activity, or facility. Typically, these contributions are made to local governments from the State and Federal governments.

Interfund Transfers: Amounts transferred from one District fund to another (i.e., General Fund to General Capital Projects Fund or Compensated Absences Trust Fund).

Interfund: Activity between the District's funds.

Intergovernmental Revenue: Grants, entitlements, shared revenues and payment for goods and services by one government to another.

Intergovernmental: Transactions conducted between two or more governments.

Interlocal Agreement (ILA): An agreement made between local government units (such as cities, towns, and special purpose districts) in accordance with the Revised Code of Washington (RCW) 39.34 Interlocal Cooperation Act.

Internal Control: A plan of organization for purchasing, accounting, and other financial activities, which provides that, (1) The duties of employees are subdivided so that no single employee handles a financial action from beginning to end, (2) Proper authorizations from specific responsible officials are obtained before key steps in the processing of a transaction are completed, and (3) Records and procedures are arranged appropriately to facilitate effective control.

Lean Process: In the public sector, the core idea of Lean process is to maximize community value while minimizing waste.

Levy Rate: The rate at which taxes, special assessments or service charges are imposed. For example, the real and personal property tax levy is the rate at which property is taxed per \$1,000 of assessed valuation. The rate is determined by calculating the ratio of the maximum amount of property tax revenue allowable under state law and the total assessed valuation within the taxing district.

Levy: (Noun) The total amount of taxes, special assessments, or service charges imposed by a government.

Levy: (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities.

Lieutenant: A Company Officer serving as a first level supervisor who is responsible for managing firefighters and emergency medical technicians. Volunteers and Full-Time employees may serve as Lieutenants. Full-Time Lieutenants manage a (budget) division or major program within the Operations Division (e.g. emergency medical services). Full-Time Lieutenants are also certified as EMTs, Volunteer Lieutenants may be certified as an EMT.

Line Item: A specific item or group of similar items defined by detail in a unique account in the financial records.

Medical Emergency Response Vehicle (MERV): A vehicle that may be staffed by a volunteer to provide emergency medical response in addition to the on-duty crew. Use of the MERV aids in the District's ability to minimize response time, provide adequate staffing for medical emergencies and respond to concurrent calls for service. The District's MERV is a SUV.

Non-Exempt Employees: Employees who are covered by the overtime provisions of the Federal Fair Labor Standards Act (FLSA). All District employees with the exception of the Fire Chief, Deputy Chief, and Office Manager are non-exempt.

Non-Represented Employees: Employees for whom terms and conditions of employment are not bargained by a union are designated as non-represented. CWIFR's Fire Chief, Deputy Chief, and part-time employees are non-represented.

Object (or Object Code): Used as expenditure classifications. This term applies to the article purchased or the service obtained. Typical object codes include personnel services (wages and

salaries), contracted services (utilities, maintenance contracts, etc.) supplies and materials, and capital outlays.

Office Manager: A civilian member of the District's executive staff responsible for managing the Administrative Division. The Office Manager supervises Part-Time Office Staff.

Operating Budget: This budget presents a plan of current expenditures and the Adopted means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled.

Operating Revenues: Those revenues received within the present fiscal year.

Operating Transfer: The regular, recurring transfers of cash from one fund (usually the general fund) to another, appropriated through the budget process.

Other Comprehensive Basis of Accounting (OCBA): OCBA refers to a system of accounting other than Generally Accepted Accounting Principles (GAAP). As a Fire Protection District, CWIFR is required to use the Cash Basis of Accounting as an OCBA.

Paid Time Off (PTO): PTO is leave provided to the District's executive staff in place of Annual Leave, Sick Leave, and Holiday Leave.

Part-Time: Employees who are regularly scheduled for 35 hours per week or 150.5 hours per month are classified as Part-Time.

PERS: Stands for Public Employees Retirement System provided for all regular City employees, other than law enforcement and fire fighter personnel, by the State of Washington.

Program: A broad function or area of responsibility of government services. It is a basic organizational unit of government that is composed of a group of specific activities and operations directed at attaining a common purpose or goal.

Adopted Budget: Financial and operating program prepared by the budget officer and submitted to staff for consideration.

Represented Employees: These are employees for whom terms and conditions of employment are bargained by a union are designated as represented. CWIR's full-time Firefighters, Lieutenants, and Captain are represented by Local 4299 International Association of Firefighters (IAFF).

Rescue: A fire apparatus designed to carry a substantial complement of rescue equipment. CWIFR's rescue primarily serves as a breathing air support unit (refilling the air cylinders used with self-contained breathing apparatus) and as a lighting plant (electrical generator and lights).

Reserve Fund: A fund used to segregate a portion of equity as legally set aside for a specific future use.

Reserve: A segregation of assets to provide for future use toward a specified purpose.

Revenue Estimate: A formal estimate of how much revenue will be earned from a specific source for some future period; typically, one year.

Revenues: Monies received or anticipated to be received during the year to finance District services. It includes such items as property taxes, interest income, and miscellaneous revenue.

Salaries and Wages: Amounts paid for services rendered by employees in accordance with rates, hours, terms and conditions authorized by law or stated in employment contracts. This category also includes overtime and seasonal help.

Strategic Plan: A plan that defines organizational strategy, or direction, and provides a basis for making decisions on allocating its resources to pursue this strategy, including its capital and people.

Target Hazards: Occupancies or locations that present a significant or unusual risk and/or which may require a large or specialized resource commitment in the event of an emergency incident are designated as Target Hazards.

Taxes: Compulsory charges levied by a government for the purpose of financing services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments, or charges for services rendered only to those who pay.

Transfers: Internal movements of revenue and expenses among funds in the budget to provide needed sources of funding for expenses incurred on behalf of another fund.

Trust Fund: Funds used to account for assets held by a government in a trustee capacity for individuals, private organizations, other governments, and/or other funds.

Unappropriated Fund Balance: Where the fund balance at the close of the preceding year is not included in the annual budget, this term designates that portion of the current fiscal year's estimated revenues, which has not been appropriated. Where the fund balance of the preceding year is included, this term designates the estimated fund balance at the end of the fiscal period.

Unit Designation: The unit designation (e.g., E51) identifies the nature of the unit (e.g., Engine, Water Tender, Command Unit, Support Vehicle) and the station assignment (e.g., Station 51) or specific unit (e.g., C501 is the Fire Chief).

Volunteer: Members who volunteer their services. Volunteer members are paid a stipend that is dependent on their rank and role, but not on the number of hours of service provided (as long as they meet the District's minimum activity standard).

Water Tender: Mobile water supply apparatus with a pump, large water tank and hose. CWIFR's water tenders are equipped with a 500 or 750 gallon per minute pump and a 2000 or 2500 gallon water tank.

Working Capital: The year-end balance of current assets less current liabilities.

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