

Central Whidbey Island Fire-Rescue



2023 Adopted Budget-in-Brief

Professionalism • Integrity • Compassion • Excellence

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Complete Adopted Budget & Long-Term Financial Plan

Access the complete adopted budget, long-term financial plan, and other detailed information on the district from our web site: www.cwfire.org.

Mission, Vision, & Values

Mission

Partner with our community to proactively reduce risk from fire, illness, injury and other hazards.

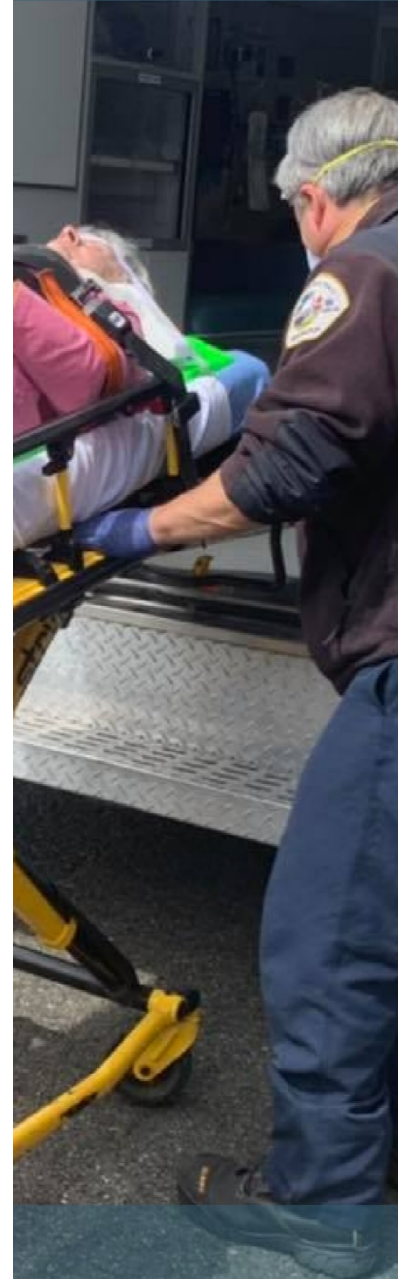
Vision

Delivery of world class fire & rescue services.

Values

The district’s governance, leadership, and operations are guided by our values of professionalism, integrity, compassion and excellence. These values have been woven throughout Central Whidbey Island Fire & Rescues human resources and operational processes.

Professionalism
Integrity
Compassion
Excellence



World class fire
& rescue service

Budget Message

Thank you for supporting Central Whidbey Island Fire & Rescue (CWIFR)! The district is transparent and fiscally responsible, operates with a balanced budget, has passed all financial and accountability audits, and maintains a AAA bond rating from Standard and Poor's. CWIFR has also received the Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA) for nine consecutive years, evidence of our commitment to best practice and continual improvement in budgeting and financial practices.

The 2023 proposed district budget increases general fund expenditures by 4.66%. Personal services expense such as salaries and benefits comprise the largest percentage of the district budget. Based on preliminary data from the Island County Assessor's Office, the district anticipates a 21.84% increase in AV (Island County Assessor, 2021) including substantial new construction added to the tax rolls which will lower the general levy rate to \$0.86/\$1,000 and maintain the bond levy rate at \$0.15/\$1,000.

The district continues to see a substantial increase in demand for service delivery, experiencing a 50.84% increase in emergency calls in the past 10 years (2012-2021). Similar to combination career and volunteer fire and rescue agencies across the county, CWIFR continues to face an uphill battle to ensure adequate volunteer staffing and turnover among part-time firefighting staff continues to impact operations. Similar to other local governments in Washington, CWIFR lives with the 1% constitutional limitation on increases in property tax revenue.

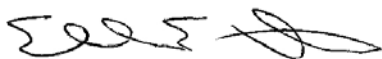
Despite these challenges, CWIFR continues to make progress in improving our capability to provide service to the community in a fiscally prudent manner. In 2021, the district took delivery of three new type one fire engines, replacing vehicles that have reached the end of their lifespan. After a nearly four-year delay in obtaining a conditional use permit and subsequent building permit from Island County Planning and Community Development, the district has begun construction on the new Station 53 on Race Road.

Due to the delays in permitting, the impact of the COVID-19 pandemic, and related ongoing supply chain issues, the cost of construction for Station 53 increased to \$2,650,000 more than anticipated. The district continues to seek additional sources of revenue for this project (e.g., grants), but will issue a commissioner approved (councilmanic), limited tax general obligation (LTGO) bond to fund completion of this project.

The district entered a negative cash flow in 2022 (revenue less than expense). This was anticipated and the district has a sufficient balance in the general fund to continue current service levels in the near term. However, the district anticipates the need to present a levy lid lift to the voters in November of 2023 to sustain and improve service delivery levels and to pay the debt service on the LTGO bond

CWIFR welcomes feedback on our budget document. Please contact me via e-mail (ehartin@cwfire.org), telephone (360) 678-3602, or stop by our headquarters station at 1164 Race Road.

Sincerely,



Chief Ed Hartin, MS, EFO, FIFireE, CFO



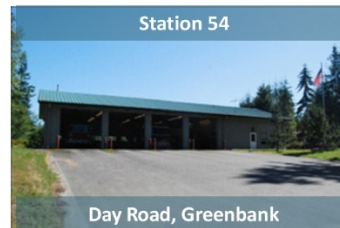
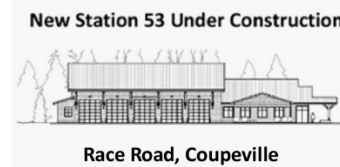
**Government Finance Officers Association
Distinguished Budget Presentation Award
2014 - 2022**

Central Whidbey Island Fire & Rescue

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, each serving a six-year term. 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. 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.

Service Area

Central Whidbey Island Fire & Rescue (CWIFR) serves an area of 50 square miles with and a population of approximately 8,600 from three fire stations. CWIFR’s response stretches from just south of Libbey Road to just north of Mutiny Bay road and spans the breadth of the island.



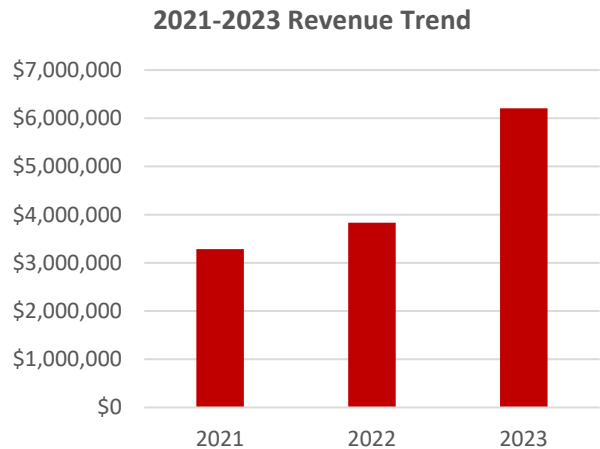
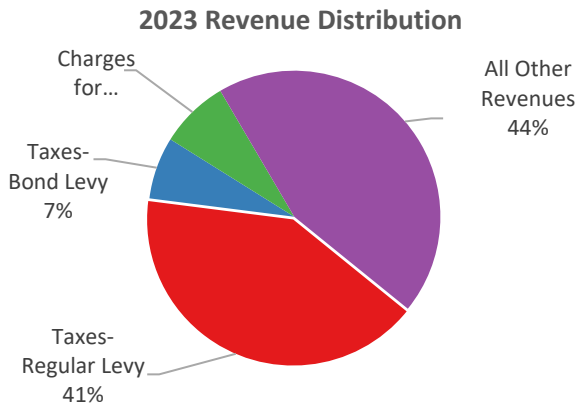
Services Provided

Central Whidbey Island Fire & Rescue (CWIFR) is an all-hazards service providing fire protection, emergency medical services, hazardous materials response, and rescue services. In addition, the district has established prevention at the core of our service to the community.



Revenue

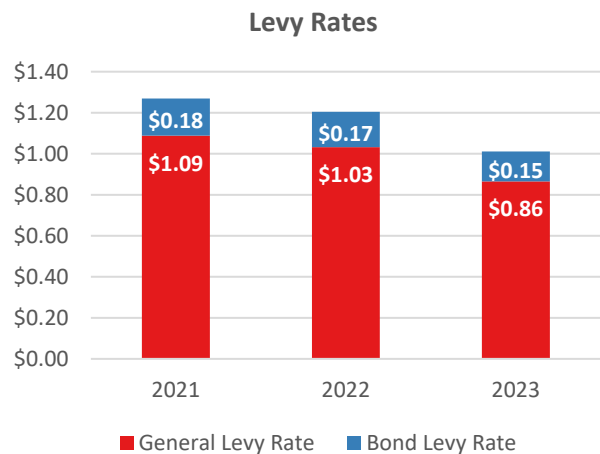
The district generally has three major revenue streams, property taxes from the district’s regular and bond levies and charges for services. 2023 revenue distribution shows a one time increase in other revenue in anticipation of issuing a \$2,700,000 bond to complete construction of the new Station 53. Debt service for this bond will be paid with general levy funds.



Property Taxes

The *Washington State Constitution* and related laws strictly limit the amount of property tax that local taxing districts can levy. There are two important property tax limitations for fire districts. Annual increases in property taxes levied to 1%, plus revenue from new construction and fire districts are limited to a maximum regular property tax rate of \$1.50/1,000 of Assessed Value (AV).

The district has two tax levies, the regular levy and the voter approved bond levy (for specific capital improvements). The district’s levy rates increase or decrease depending on assessed value. As assessed value increases, the levy rate goes down and if assessed value decreases, the levy rate goes up. This provides stable tax revenue. As taxable assessed valuation within the district has been increasing for several years, the district’s levy rates have decreased.



Charges for Service

CWIFR has an interlocal agreement with WhidbeyHealth Medical Center to staff a basic life support ambulance, agreements with the Town of Coupeville and Island County for fire inspection services, and the State of Washington for all-hazards mobilization and wildfire response.

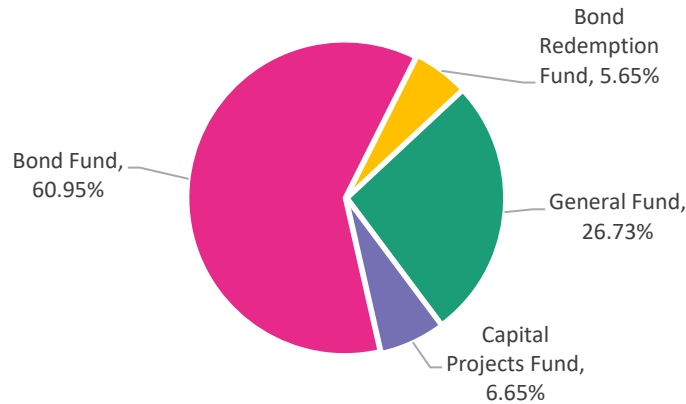
Other Revenues

Other revenues include bond revenue, investment interest, space and facilities rental, reimbursement for shared utility cost at Station 51 (which is co-owned with WhidbeyHealth) and sale of surplus assets.

Expenditures

CWIFR’s budget is divided into multiple funds, each with a specific purpose. In 2023 the district’s budget is \$11,079,188 inclusive of both operating expenditures (general fund), capital projects (Capital and Bond Funds) and debt service bonds (bond redemption fund).

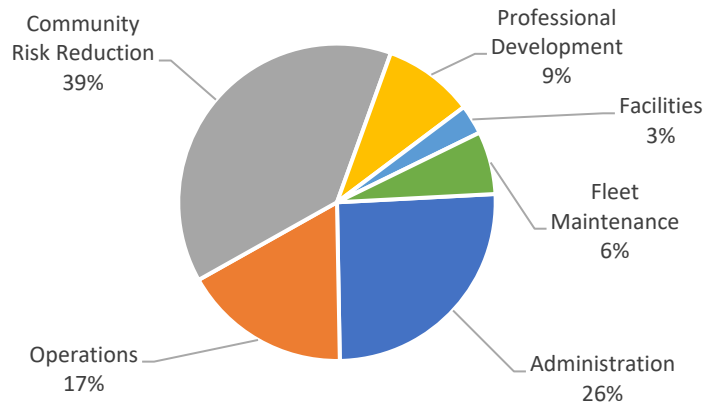
2023 Expense Distribution by Fund



General Fund

The general fund is the district’s principal operating fund. This fund accounts for all current expenditures (e.g., personal services and materials and services) not specifically accounted for in other funds. CWIFR’s general fund budget for 2022 is \$2,959,696.

2023 General Fund Expense Distribution



Capital Projects Fund

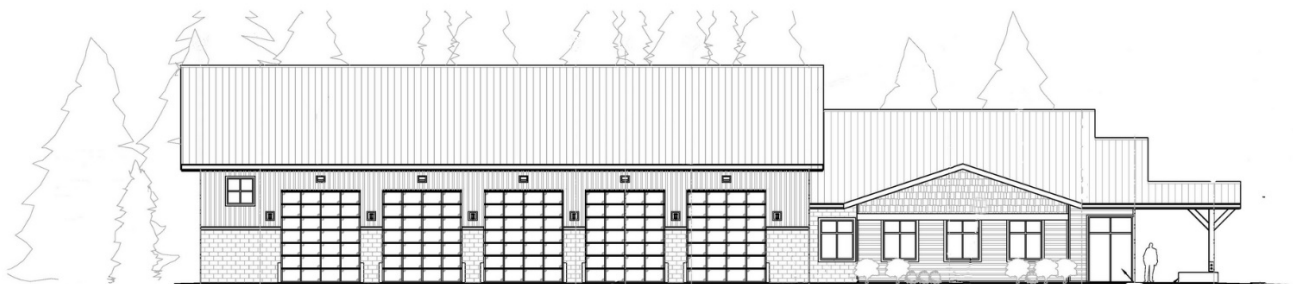
Capital assets are items having a cost greater than \$5,000 and a service life of greater than one year (e.g., major equipment, fire apparatus, and fire stations). Effective capital planning makes sure key assets are repaired or replaced before their end of service life or critical failure. In addition, a sound capital projects plan allows us to engage our community in understanding the costs and benefits of maintaining capital infrastructure.

In 2012 district established the capital projects fund to increase transparency and accountability of fiscal resources used for capital projects. This fund functions like a savings account to accumulate funds for future capital projects. In 2023, this fund is projected to be 95.83% fully funded for future capital projects and cash flow is sufficient to meet current capital project requirements. Capital projects in 2023 include replacement of the district’s rescue boat which was irreparably damaged in an accident during marine rescue operations, fleet maintenance truck and utility terrain vehicle (UTV), and portable radios.

Bond & Debt Service Fund

In 2017, the district’s voters approved a bond for purchase of three type one fire engines and to expand facilities at the Race Road fire station. The three fire engines built by Rosenbauer America were delivered in the 4th quarter of 2021. Architectural and engineering studies determined that replacing the existing facility would be more cost effective than renovation due to current seismic code requirements. The long delay in the permitting process along with the impacts of the COVID-19 pandemic and related supply chain issues resulted in this project costing \$2,650,000 more than anticipated. This created the need for the district to issue a non-voted limited tax general obligation (LTGO) bond to complete this critical project. Debt service on the LTGO bond will be approximately \$200,000 per year and will be paid with general levy revenue.

New Race Road Fire Station



Compensated Absence Fund

The compensated absence fund is used to manage the district’s liability for payout to employees for accrued compensated absences upon retirement or other separation from employment.

Budget Summary

General Fund	Actual 2021	Adjusted 2022	Proposed 2023
Beginning General Fund Balance	\$3,486,831	\$3,850,578	\$3,773,183
Revenues	\$2,884,543	\$3,422,554	\$3,083,937
Expenditures	\$2,506,858	\$2,835,852	\$2,961,971
Non-Expenditures	\$0	\$2,000	\$2,060
Transfers to Other Funds	\$13,937	\$662,096	\$495,458
Total Ending General Fund Balance	\$3,850,578	\$3,773,183	\$3,397,631
Contingency			
Contingency Set Aside	\$250,686	\$283,585	\$296,197
Capital Projects Fund			
Beginning Capital Projects Fund Balance	\$1,789,160	\$1,463,003	\$2,015,179
Revenue	\$7,927	\$650,477	\$284,145
Expenditures	\$334,084	\$15,444	\$736,917
Transfers to Other Funds	\$0	\$82,857	\$0
Ending Capital Projects Fund Balance	\$2,131,171	\$2,046,068	\$3,036,242
Bond Fund			
Beginning Bond Fund Balance	\$7,426,934	\$5,427,297	\$4,091,888
Revenue	\$440,371	\$504,818	\$3,156,500
Expenditures	\$2,038,758	\$1,428,627	\$6,753,700
Transfers to Other Funds	\$401,250	\$411,600	\$426,500
Ending Bond Fund Balance	\$5,427,297	\$4,091,888	\$68,188
Bond Redemption Fund			
Beginning Bond Redemption Fund Balance	\$127,493	\$4,368	\$4,368
Revenue	\$278,125	\$411,600	\$626,500
Expenditures	\$401,250	\$411,600	\$626,500
Ending Bond Redemption Fund Balance	\$4,368	\$4,368	\$4,368
Compensated Absences Fund			
Beginning Compensated Absences Balance	\$72,238	\$72,475	\$105,816
Revenue	\$237	\$33,341	\$24,676
Expenditures	\$0	\$0	\$50
Transfers to Other Funds	\$0	\$0	\$0
Ending Compensated Absences Balance	\$72,475	\$105,816	\$130,541
Grants Management Fund			
Beginning Grants Management Balance	\$0	\$0	\$0
Revenue	\$82,857	\$0	\$0
Expenditures	\$82,857	\$0	\$0
Ending Grants Management Balance	\$0	\$0	\$0
All Funds			
Total Ending Balance (All Funds)	\$11,736,574	\$10,304,908	\$6,933,167