

# **2022 Second Quarter Report & Proposed Budget Adjustments June 9, 2022**

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## Introduction

Central Whidbey Island Fire & Rescue expended 41.6 % of its Maintenance and Operations (M&O) budget through the month of June, 2022. This is within our historical general fund expense at this point in the year of 43.27%. However, based on analysis of expenditures and projections, we have identified a number of areas within the M&O and Capital budgets which are recommended for adjustment.

### Budget Adjustment Format

District Executive Staff have worked to provide clear, simple explanation for proposed adjustments in the Proposed Budget Change report and have provided expanded justification for major changes as required by *Standard Operating Guideline (SOG) 1.3.1 Budget* (defined as an adjustment of any line that is greater than \$2000).

The *2022 Second Quarter Report and Proposed Budget Adjustment* is comprised of this narrative report and the *2022 Proposed Budget Changes* report (attached).

### Budget Adjustment Overview

The *2022 Proposed Budget Changes* report (attached) details proposed adjustments to the General Fund budget on a line-by-line basis. This report identifies:

- Original (Adopted) Budget Amount
- Proposed (Adjusted) Budget Amount
- Difference (Increase or Decrease)
- Remarks providing explanation and justification

## General Fund Adjustments

This section includes expanded explanation and justification of proposed changes (decrease) greater than \$2000. Explanation and justification of proposed changes of less than or equal to \$2000 are included directly on the *2022 Proposed Budget Changes* report (attached).

Increases in multiple lines within the General Fund Budget total \$110,576.00. This is offset by a decrease in multiple lines within the General Fund Budget totaling \$110,576.00 resulting in a “net zero” budget adjustment. Lines in deficit by less than \$1000 were not adjusted if the division budget, fund budget (e.g., general fund), and overall district budget remain balanced.

The largest adjustments are related to vacancy in the non-exempt training and recruitment captain position and reclassification of his position to an exempt professional development division chief position. The other major change was based on substantially higher legal expenses than budgeted.

**522 10 11 07 Command Duty Officer Stipend**

Based on replacement of the non-exempt training and recruitment captain position with an exempt professional development division chief position. All command duty pay is integrated into chief officers' base pay and not paid as standby pay.

It is recommended that this line be decreased by \$3,946.

**522 10 18 02 Deputy Chief Longevity**

Funds were budgeted for 2022, but the deputy chief was not paid longevity from 4/1/21 to present. This adjustment provides for retroactive pay for 2021.

It is recommended that this line be increased by \$4,000.

**522 10 31 02 Computer Software**

This adjustment provides funds for expanded capability with the district's records management system providing improved analytics to assist with development of the community risk assessment and standard of coverage.

It is recommended that this line be increased by \$3,100.

**522 10 41 01 Legal**

Human resource and labor relations related legal expenses have been greater than anticipated.

It is recommended that this line be increased by \$13,000.

**522 10 41 02 Accounting**

Movement of finance and accounting from district hosted software to cloud based SAS resulted in higher than budgeted expense, but provides greater reliability and data security.

It is recommended that this line be increased by \$4,000.

**522 10 41 08 Consulting**

Expenses related to public communications consulting for potential 2023 lid lift require an increase in budgeted funds for consulting.

It is recommended that this line be increased by \$5,000

**522 20 48 09 Respiratory Protection Equipment R&M**

Expense for annual compressor testing and flow testing of SCBA was higher than anticipated.

This line is recommended to be increased by \$2,500.

**522 30 10 01 Full-Time FF/LT Wages**

It is anticipated that the expense for wages will be higher than budgeted pending ratification of the collective bargaining agreement between the district and Local 4299 International Association of Firefighters.

This line is recommended to be increased by \$5,000.

**522 20 35 01 Fire Equipment**

The expense of standardizing the inventory of type five and type one engines is greater than budgeted.

This line is recommended to be increased by \$6,587.

**522 30 23 01 Full-Time Firefighter/Lieutenant Medical/Dental**

It is anticipated that the expense for medical and dental insurance will be higher than budgeted pending ratification of the collective bargaining agreement between the district and Local 4299 International Association of Firefighters.

This line is recommended to be increased by \$6,500.

**522 45 11 01 Training Captain Wages**

This position has been vacant since February 2022 and has been reclassified to professional development division chief as such expenditures in this line have been considerably lower than budgeted..

This line is recommended to be decreased by \$77,700.

**522 45 11 02 Division Chief Salary**

This position will be filled in August. Funds in this line must be budgeted through the end of 2022.

This line is recommended to be funded with \$36,700.

**522 45 13 01 Training Captain Educational Incentive**

This position has been vacant since February 2022 and has been reclassified to professional development division chief as such expenditures in this line have been considerably lower than budgeted.

This line is recommended to be decreased by \$2,700.

**522 45 19 01 Training Captain Deferred Compensation**

This position has been vacant since February 2022 and has been reclassified to professional development division chief as such expenditures in this line have been considerably lower than budgeted.

This line is recommended to be decreased by \$2,700.

**522 45 19 02 Division Chief Deferred Compensation**

This position will be filled in August. Funds in this line must be budgeted through the end of 2022.

This line is recommended to be funded with \$3,300.

**522 45 22 04 Training Captain Deferred L&I**

This position has been vacant since February 2022 and has been reclassified to professional development division chief as such expenditures in this line have been considerably lower than budgeted.

This line is recommended to be decreased by \$3,070.

**522 45 24 01 Training Captain LEOFF**

This position has been vacant since February 2022 and has been reclassified to professional development division chief as such expenditures in this line have been considerably lower than budgeted.

This line is recommended to be decreased by \$4,260.

**522 45 25 02 Division Chief LEOFF**

This position will be filled in August. Funds in this line must be budgeted through the end of 2022.

This line is recommended to be funded with \$2,130.

**522 45 25 01 Training Captain Medical/Dental**

This position has been vacant since February 2022 and has been reclassified to professional development division chief as such expenditures in this line have been considerably lower than budgeted.

This line is recommended to be decreased by \$17,500.

**522 45 25 02 Division Chief Medical/Dental**

This position will be filled in August. Funds in this line must be budgeted through the end of 2022.

This line is recommended to be funded with \$7,981.

2022 SECOND QUARTER REPORT & PROPOSED BUDGET ADJUSTMENTS

Line	Description	Budgeted	Expended	Remaining	% Expended	Adjustment	Notes
522 10 11 01	Fire Chief Salary	\$130,873.00	\$65,017.07	\$65,855.93	49.68%	\$1,874.00	Six months command duty stipend (July-December) added as part of base salary
522 10 11 02	Deputy Chief Salary	\$112,228.00	\$55,986.21	\$56,241.79	49.89%	\$1,874.00	Six months command duty stipend (July-December) added as part of base salary
522 10 11 07	Command Duty Officer Stipend	\$11,243.00	\$1,796.56	\$9,446.44	15.98%	(\$3,946.00)	Shift of command duty stipend to base salary of fire chief and deputy chief
522 10 18 02	Deputy Chief Longevity	\$5,611.00	\$6,236.63	(\$625.63)	111.15%	\$4,000.00	Deputy Chief was not paid longevity from 4/1/21 to present (2021 retro pay \$3,889.18)
522 10 31 02	Computer Software	\$10,694.00	\$5,259.68	\$5,434.32	49.18%	\$3,100.00	ImageTrend Continuum (improved analytics for fire and EMS data)
522 10 40 02	Legislative Election Fees	\$2,000.00	\$2,601.83	(\$601.83)	130.09%	\$602.00	Higher than anticipated cost for commissioner election in 2021.
522 10 41 01	Legal	\$3,500.00	\$15,025.02	(\$11,525.02)	429.29%	\$13,000.00	Higher than anticipated legal cost due to labor and human resources issues.
522 10 41 02	Accounting (Springbrook)	\$2,750.00	\$6,470.84	(\$3,720.84)	235.30%	\$4,000.00	Moved finance and accounting from district hosted software to cloud based SAS
522 10 41 08	Consulting	\$3,600.00	\$5,845.00	(\$2,245.00)	162.36%	\$5,000.00	Liz Loomis retainer for public communication consulting for 2023 lid lift
522 10 49 02	Subscriptions	\$1,496.00	\$1,520.50	(\$24.50)	101.64%	\$800.00	National Fire Code subscription price increase & off-site access for Niiro & Lindenstein
522 20 22 01	Overtime L&I	\$960.00	\$684.78	\$275.22	71.33%	\$1,000.00	Error in budgeted amount.
522 20 26 04	Volunteer Life Insurance	\$39.00	\$178.60	(\$139.60)	457.95%	\$441.00	Error in budget (budgeted for one month's expense rather than 12 months)
522 20 35 01	Fire Equipment	\$3,493.00	\$3,922.18	(\$429.18)	112.29%	\$6,587.00	Type five and type one engine standardization
522 20 41 03	Recruitment & Testing	\$770.00	\$1,358.15	(\$588.15)	176.38%	\$1,000.00	Increased volunteer recruitment, lieutenant assessment center
522 20 41 04	Medical & Psychological	\$5,830.00	\$5,288.22	\$541.78	90.71%	\$1,000.00	Increased volunteer recruitment
522 20 48 03	Fire Equipment R&M	\$750.00	\$1,182.37	(\$432.37)	157.65%	\$1,000.00	Higher than anticipated expenses due to TI repair and battery replacement
522 20 48 09	Respiratory Protection Equipment R&M	\$1,500.00	\$3,638.23	(\$2,138.23)	242.55%	\$2,500.00	Higher than anticipated expenses for annual compressor service and SCBA flow testing
522 30 10 01	Full-Time FF/LT Wages	\$672,451.00	\$330,947.00	\$341,504.00	49.22%	\$5,000.00	Anticipate wage increase based on new CBA
522 30 23 01	Full-Time FF/LT Medical & Dental	\$119,011.00	\$58,868.88	\$60,142.12	49.47%	\$6,500.00	Anticipated increase in medical/dental expense based on new CBA
522 45 11 01	Training Captain Wages	\$102,250.00	\$24,522.78	\$77,727.22	23.98%	(\$77,700.00)	Reclassified position, staffed January through February 2022, position vacant
522 45 11 02	<i>Division Chief Salary</i>	\$0.00	\$0.00	\$0.00	0.00%	\$36,700.00	Reclassified position, will be staffed starting in August 2022
522 45 14 01	Project Overtime (Captain)	\$1,401.00	\$0.00	\$1,401.00	0.00%	(\$1,400.00)	Reclassified as an exempt position
522 45 13 01	Training Educational Incentive	\$4,090.00	\$1,291.62	\$2,798.38	31.58%	(\$2,700.00)	Reclassified no educational incentive for the position
522 45 16 02	<i>Division Chief Longevity</i>	\$0.00	\$0.00	\$0.00	0.00%	\$0.00	New line for reclassified position, no longevity due to new employee
522 45 19 01	Training Captain Deferred Compensation	\$4,090.00	\$1,291.70	\$2,798.30	31.58%	(\$2,700.00)	Reclassified, staffed January through February 2022, position vacant
522 45 19 02	<i>Division Chief Deferred Compensation</i>	\$0.00	\$0.00	\$0.00	0.00%	\$3,300.00	Reclassified position, will be staffed starting in August 2022
522 45 21 01	Training Captain Medicare Only	\$1,565.00	\$409.20	\$1,155.80	26.15%	\$1,150.00	Reclassified, staffed January through February 2022, position vacant
522 45 21 02	<i>Division Chief Medicare Only</i>	\$0.00	\$0.00	\$0.00	0.00%	\$580.00	Reclassified position, will be staffed starting in August 2022
522 45 22 04	Training Captain L&I	\$4,689.00	\$1,609.90	\$3,079.10	34.33%	(\$3,070.00)	Reclassified, staffed January through February 2022, position vacant
522 45 22 05	<i>Division Chief L&amp;I</i>	\$0.00	\$0.00	\$0.00	0.00%	\$1,407.00	Reclassified position, will be staffed starting in August 2022
522 45 25 01	Training Captain Medical/Dental	\$23,492.00	\$5,985.00	\$17,507.00	25.48%	(\$17,500.00)	Reclassified, staffed January through February 2022, position vacant
522 45 25 02	<i>Division Chief Medical/Dental</i>	\$0.00	\$0.00	\$0.00	0.00%	\$7,981.00	Reclassified position, will be staffed starting in August 2022
522 45 24 01	Training Captain LEOFF	\$5,961.00	\$1,691.80	\$4,269.20	28.38%	(\$4,260.00)	Reclassified, staffed January through February 2022, position vacant
522 45 24 02	<i>Division Chief LEOFF</i>	\$0.00	\$0.00	\$0.00	0.00%	\$2,130.00	Reclassified position, will be staffed starting in August 2022
522 60 11 01	FT FF Mechanic Wages	\$97,180.00	\$46,613.52	\$50,566.48	47.97%	\$750.00	Anticipate wage increase based on new CBA
<b>Total</b>						<b>\$0.00</b>	

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