

CENTRAL WHIDBEY ISLAND FIRE & RESCUE



PROPOSED DISTRICT BUDGET IN BRIEF

10/29/25

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 website: www.cwfire.org.

Mission, Vision, & Values

Mission

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

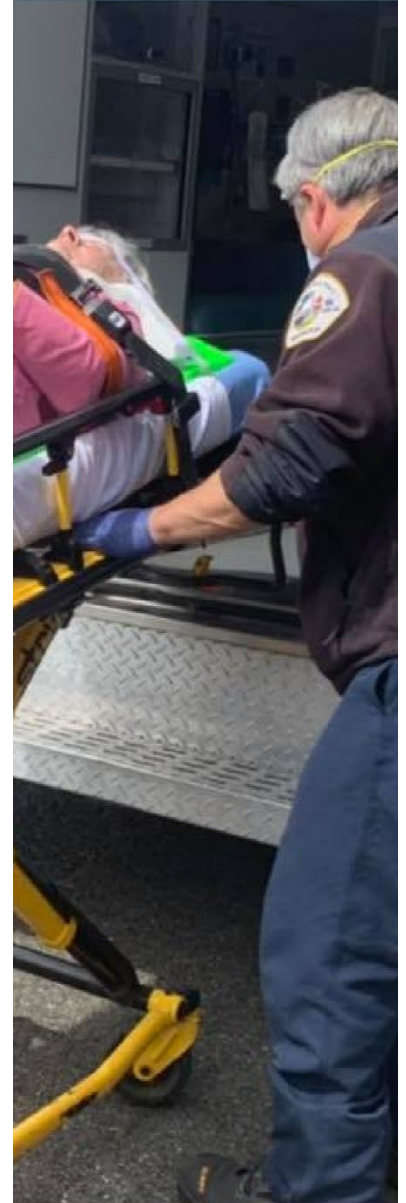
Vision

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 & Rescue's 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 provides fire and rescue services and partners with Whidbey Health in the delivery of emergency medical services. We serve approximately 10,000 residents plus visitors to Central Whidbey Island.

The district operates under a balanced budget, has passed all independent financial and accountability audits, and maintains the only AAA bond rating from Standard and Poor's in Island County. CWIFR has also received the Distinguished Budget Presentation Award from the Government Finance Officers Association for twelve consecutive years.

The 2026 proposed district budget increases the general fund expenditures by 19.23% over the previous year. While this increase is higher than the long-term financial plan goal of 3% per year, the district was notified of significant increases in medical benefits (+15%), liability insurance premiums increases (+34.5%), and L&I insurance premiums increase (+125%). It is worth noting that personal services expenses, such as salaries, benefits, and insurance, comprise the largest percentage of the district budget. As such, the majority of the 2026 expenditure increases are for the costs associated with increasing insurance premiums and maintaining pace with the median wage of employees of similar-sized organizations.

Based on preliminary data from the Island County Assessor, assessed valuations (AVs) increased 2.35% from the previous year. It's important to note that the district is normally limited to a 1% revenue increase per year by law. Included in the November 2023 lid lift was an inflation pacer that allows the district to increase its revenue based upon the June-to-June Seattle Tacoma CPI-W. This was calculated and published at 2.7% allowing the district to keep up with inflation as best we can for 2026 and raise revenue by 2.7% instead of the typical 1%.

The general levy rate for 2026 is anticipated to be \$1.19/\$1000, and the bond levy rate will be \$0.13/\$1000. The actual increase in AVs and impacts to levy rates will not be determined by the assessor's office until after January 1, 2026.

Progress

With your support, the district continues to make progress in improving service to the community. With new collaborations with neighboring agencies that are in "temporary trial" status, progress continues in finding ways to become more efficient and improve service to the community.

In 2017, voters passed a bond measure to fund two important capital projects: renovating and expanding Station 53 on Race Road and the purchase of three type one fire engines to replace others that had reached the end of their usable lives. These two major purchases are now completed and serving the public extremely well.

Challenges

The district continues to see a substantial increase in demand for service delivery. In just this year alone, we have hit new 5-year highs in 4 of the previous 8 months. Similar to combination career and volunteer fire and rescue agencies across the county and country, CWIFR continues to face an uphill battle to ensure adequate volunteer staffing that continues to impact operations. Similar to other local governments in Washington, recruitment and retention of volunteer members continues to be both a priority and a challenge.

Despite these challenges, CWIFR continues to make progress in improving our capability to provide service to the community in a fiscally prudent manner. The addition of the levy funded four new firefighter positions approved by voters in November of 2023 has been completed. However, unanticipated vacancies and promotions in other areas have left one position still unfilled. This final position is anticipated to be filled in late 2025 or early 2026, bringing the on-duty full-time employees assigned per shift to 5.

Through mandates from the Washington State Department of Health surrounding our interlocal agreement with Whidbey Health BLS transports, Central Whidbey Island Fire and Rescue is now a licensed BLS transport agency! While we still collaborate and partner with Whidbey Health for the delivery of emergency medical services, the district now operates its own transport ambulance. The 2026 budget also includes some added costs for running and maintaining our own ambulance. This capacity is critical in maintaining the level of service previously provided to the public through our partnering agency agreements.

Our ability to respond to the second or third back-to-back call is still proving to be a challenge. To date, we have received 1542 calls for service in 2025, averaging over 154 calls per month. On average, nearly 20 calls per month happen at the same time as another call. Additionally, having only one staffed station makes responding to our most populated areas a bit delayed. With the long, narrow geographic characteristic of our district, having only one staffed station requires us to maintain a centralized location, even if the population is heavier towards the north. As we move towards the future and identify areas for improvement, adding full-time staffing to Station 51 in Coupeville will ensure response times to our most populated and call-saturated area are dramatically decreased.

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

Sincerely,



Chief Jerry Helm, BS, FO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Central Whidbey Island Fire & Rescue
Washington**

For the Fiscal Year Beginning

January 01, 2025

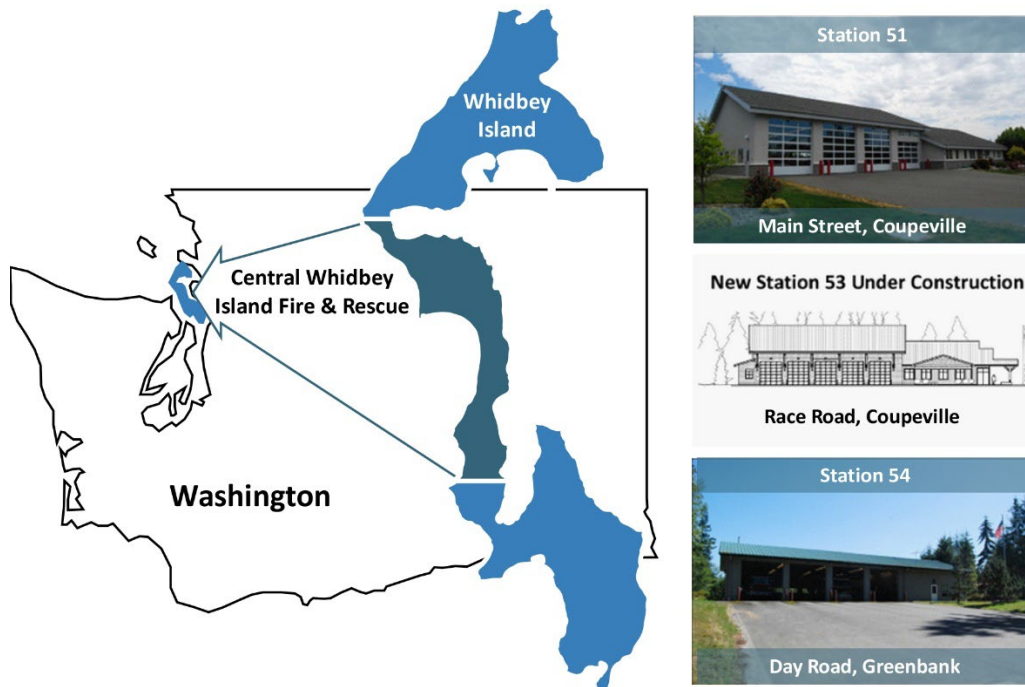
Christopher P. Monell
Executive Director

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 a population of approximately 9,000 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.

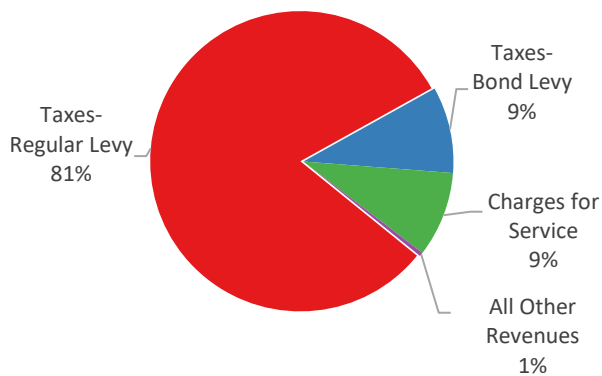


Revenue

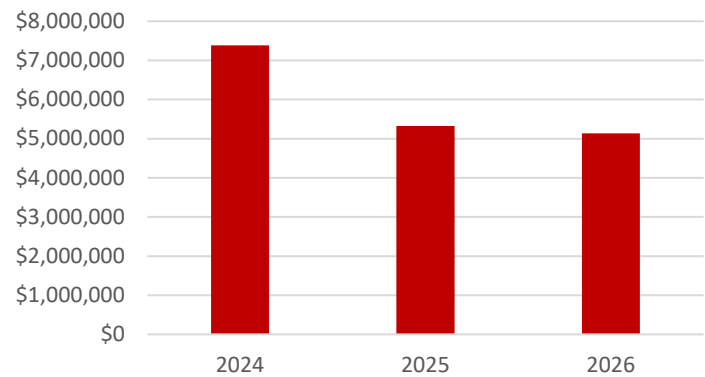
The district generally has three major revenue streams: property taxes from the district's regular and bond levies, and charges for services. 2024 revenue distribution showed a one-time increase in other revenue from issuing a \$2,700,000 bond to complete construction of the new Station 53. Debt service for this bond was paid off with the Washington State LCP grant funds in September of 2024. As reflected in the graphs below, the revenue trend has returned to a more consistent path.

Revenue	Proposed 2026
General Levy (Property Tax)	\$4,172,532.38
Bond Levy (Property Tax)	\$478,500.00
Charges for Service	\$473,000.00
Other & Miscellaneous Revenue	\$21,327.19
Total Revenue	\$5,145,359.57

2026 Revenue Distribution



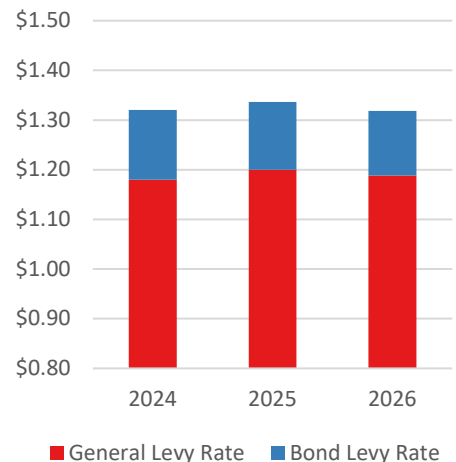
2024-2026 Revenue Trend



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 are limited to a 1% increase each year (unless a temporary inflation pacing mechanism is approved by voters), and fire districts are limited to a maximum regular property tax rate of \$1.50/1,000 of Assessed Value (AV). As you can see from the chart to the right, the voter-approved inflation pacer of 2023 has allowed the district to keep the total levy rate relatively consistent from 2024-2026. 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. Paired with the voter-approved inflation pacer, this provides a more stable and predictable tax revenue.

Levy Rate



Charges for Service

CWIFR has an interlocal agreement with Whidbey Health 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.

Year	2024	2025	2026
WhidbeyHealth EMS	\$180,000	\$360,000	\$360,000
Projected WhidbeyHealth EMS	\$180,000	\$540,000	\$360,000
Town of Coupeville-Inspections			
Projected Town of Coupeville-Inspections	\$9,312	\$8,000	\$8,000
County Inspections			
Projected County Inspections	\$826	\$1,500	\$1,500
State & EMAC Mobilization		\$132,116	\$100,000
Projected State & EMAC Mobilization	\$0	\$132,116	\$100,000
Actual Other Charges for Service			
Projected Other Charges for Service		\$1,500	\$3,500
Total Revenue-Fee for Service	\$190,138	\$683,116	\$473,000

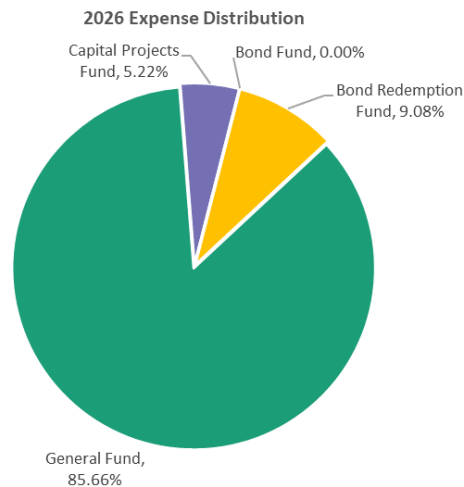
Other Revenues

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

Expenditures

CWIFR's budget is divided into multiple funds, each with a specific purpose. In 2026, the district's budget is \$5,266,287 (see last page for details), inclusive of both operating expenditures (general fund), capital projects (Capital and Bond Funds), and debt service bonds (bond redemption fund).

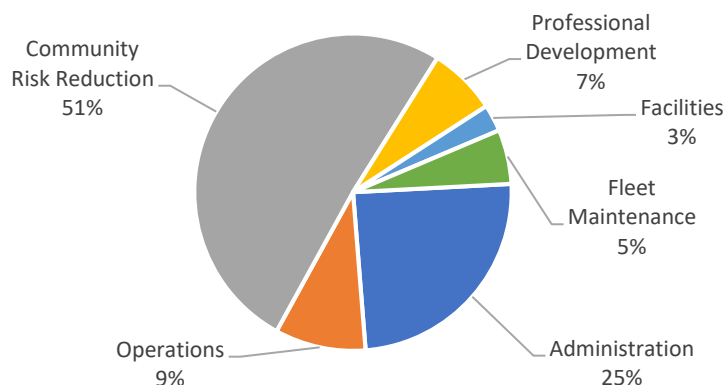
Expenditures	
General Fund	\$4,512,787
Capital Fund	\$275,000
Bond Fund	\$0
Bond Redemption Fund	\$478,500
Compensated Absences Fund	\$0
Total Expenditure	\$5,266,287



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 expenditure budget for 2026 is \$4,519,161. If we add the 2026 beginning fund balance with 2026 revenue, and then subtract the 2026 expenditures, this leaves a 2026 ending fund balance (2027 beginning fund balance) of \$4,054,237 (see last page).

2026 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 2026, this fund is projected to be 114% fully funded for future capital projects, and cash flow is sufficient to meet current capital project requirements. Capital projects planned in 2026 include the replacement of the leaky roof of Station 51, required server and Microsoft operating system upgrades, radio system upgrades (Locution station alerting), and the maintenance division vehicle lift that was deferred from 2023. These projects total \$275,000.

Bond & Debt Service Fund

In 2017, the district's voters approved a bond for the purchase of three type one fire engines and to expand facilities at the Race Road fire station. Both of these projects are completed and are now funded through the collection and repayment of the 2017 UTGO bond. Fulfillment and payoff of this bond is expected to be completed by 2037.

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

2026 Budget Summary

General Fund	Adjusted 2024	Adopted 2025	Proposed 2026
Beginning General Fund Balance	\$3,013,033	\$3,936,388	\$4,447,786
Revenues	\$6,811,670	\$4,866,083	\$4,715,210
Expenditures	\$5,551,678	\$3,784,839	\$4,512,787
Non-Expenditures	\$2,707,003	\$8,250	\$8,250
Transfers to Other Funds	\$190,138	\$683,116	\$473,000
Total Ending General Fund Balance	\$3,936,388	\$4,447,786	\$4,061,249
Contingency			
Contingency Set Aside	\$555,168	\$378,484	\$451,279
Capital Projects Fund			
Beginning Capital Projects Fund Balance	\$2,447,005	\$1,432,814	\$3,006,784
Revenue	\$336,676	\$1,573,970	\$508,820
Expenditures	\$1,350,867	\$0	\$275,000
Transfers to Other Funds	\$0	\$0	\$0
Ending Capital Projects Fund Balance	\$1,432,814	\$3,006,784	\$3,240,604
Bond Fund			
Beginning Bond Fund Balance	\$1,057,963	\$1,047,563	\$28,152
Revenue	\$444,246	\$457,400	\$478,500
Expenditures	\$0	\$0	\$0
Transfers to Other Funds	\$454,646	\$457,400	\$478,500
Ending Bond Fund Balance	\$1,047,563	\$28,152	\$28,152
Bond Redemption Fund			
Beginning Bond Redemption Fund Balance	\$48,574	\$4,368	\$4,368
Revenue	\$454,646	\$457,400	\$478,500
Expenditures	\$498,852	\$457,400	\$478,500
Ending Bond Redemption Fund Balance	\$4,368	\$4,368	\$4,368
Compensated Absences Fund			
Beginning Compensated Absences Balance	\$108,713	\$136,882	\$162,366
Revenue	\$28,169	\$25,484	\$26,695
Expenditures	\$0	\$0	\$0
Transfers to Other Funds	\$0	\$0	\$25,000
Ending Compensated Absences Balance	\$136,882	\$162,366	\$164,062
Grants Management Fund			
Beginning Grants Management Balance	\$31,114	\$31,114	\$31,114
Revenue	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0
Ending Grants Management Balance	\$31,114	\$31,114	\$31,114
All Funds			
Total Ending Balance (All Funds)	\$6,911,779	\$8,059,055	\$7,980,828