

BAINBRIDGE ISLAND FIRE DEPARTMENT BOARD OF COMMISSIONERS

Meeting Minutes October 26, 2023

Chair Jay Rosenberg called the Board of Commissioners meeting to order at 4:30 PM. Present were Commissioners Scott Isenman, Tim Carey, Andrea Chymiy, and Fritz von Ibsch (remote); Fire Chief Jared Moravec; Deputy Chief Jeremy Mendola and Finance Manager Ed Kaufman.

AGENDA ADDITIONS & DELETIONS

None

PUBLIC COMMENT

None

FIRE CHIEF'S REPORT

- Pancake Breakfast Recap: Chief Moravec provided a recap of the Department's 26th Annual Pancake Breakfast. Approximately 1,200 visitors attended, raising over \$7,500 for the Bainbridge Island Volunteer Firefighters Association. Chief Moravec thanked Janine Courtemanche and Tacey Peterson for all of their efforts to put on a great event. The 2024 Pancake Breakfast is scheduled for October 5th, 2024.

GOOD OF THE ORDER

Commissioner Chymiy noted the excellent response effort during a recent medical emergency call in downtown Winslow that she witnessed.

Commissioner Isenman noted the grand opening of the Bainbridge Island Justice Center, scheduled for November 15, 2023.

Chief Moravec noted the upcoming Holiday Brunch for the Kitsap County Fire Commissioners, on December 9th at the Clearwater Resort.

CONSENT AGENDA

(Voucher numbers 35350 through 35374 totaling \$100,493.33, Meeting Minutes 10/12/23). Commissioner Carey moved to approve the Consent Agenda as presented. Commissioner Chymiy seconded the motion and the motion passed unanimously.

BUSINESS AGENDA

1. Kitsap Risk Management Group ILA

Chief Moravec presented an updated interlocal agreement (ILA) that serves as the governing document for the Kitsap Risk Management Group (KRMG). The KRMG was established in 1996 as an insurance risk pool among Kitsap County fire districts. The ILA

has been edited and updated to reflect today's practices and has been reviewed at a previous meeting of the Board. All concerns noted by the Board and staff have been addressed. In addition, the ILA has been reviewed by the Board of Commissioners of the other county fire districts, as well as by the Department's legal counsel. Commissioner Carey moved to approve the KRMG ILA as presented. Commissioner Isenman seconded the motion and the motion passed unanimously.

2. 2024 DRAFT Budget Presentation

Finance Manager Kaufman presented the 2024 DRAFT Budget for the Board's consideration. The budget includes revenues of \$13.4 million and expenses of \$14.4 million. (Please see the attached Board Information sheet regarding the 2024 DRAFT Budget for further details). All Commissioner questions regarding specific budget items have been answered by staff. No action was taken on this item. The Final 2024 Budget will be presented to the Board for approval on November 9th.

EXECUTIVE SESSION

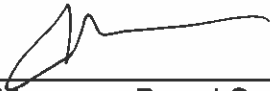
At 5:25 Commissioner Rosenberg called for an Executive Session to last 60 minutes. The Executive Session was called for collective bargaining planning per RCW 42.30.140(4)(b).

At 6:25 PM, the Executive Session was extended by 15 minutes. At 6:40 PM, the Executive Session was extended by an additional 10 minutes.

ADJOURNMENT

The meeting was adjourned at 6:50 PM.

Submitted by:



Jared Moravec, Board Secretary

Approved

November 9, 2023

Bainbridge Island Fire Department

BOARD INFORMATION

October 26, 2023

SUBJECT: 2024 DRAFT BUDGET

EXPENSE BUDGET:

The attached 2024 draft budget is presented for the Board's review and consideration. Final action on the budget will take place at a subsequent Board meeting.

Personnel costs remain the largest portion of the Department's budget (87%). The 2024 budget is consistent with the Department's 10-year planning projections.

Revenue

Revenue projections for 2024 indicate an increase of approximately 3.73% (\$482,512) over 2023. This is a result of an increase in our general fire levy and EMS levy of 1.0% (statutory maximum), new construction revenue of \$100,000 and an increase in projected interest earned on the existing fund balance.

2024 REVENUE			
	2023	2024	± % Change
General Fire Levy	\$ 7,482,197	\$ 7,621,078	+ 1.86%
EMS Levy	\$ 3,908,672	\$ 3,981,303	+ 1.86%
Other Revenue	\$ 1,536,500	\$ 1,807,500	+ 17.64%
TOTAL REVENUE	\$12,927,369	\$13,409,881	+ 3.73%

Overall, taxed assessed property values on Bainbridge Island increased 5.3% from 2023.

Expenses

The total 2024 expense budget is \$14,435,748, a 12.7% increase over the 2023 budget. Changes from 2023 include a 15.9% increase in personnel expenses, a 0.7% decrease in non-personnel expenses and no change in transfers to other funds. Personnel expenses continue to represent 87% of the operating budget, virtually unchanged from 2023. 2024 expenditures include an operating budget of \$13,635,748 and transfers to other funds of \$800,000.

The breakdown of personnel and non-personnel costs, as well as the total Expense Fund budget is detailed below.

2024 EXPENSES			
	2023	2024	± % Change
Personnel	\$10,281,197	\$11,908,261	+ 15.9%
Non-Personnel	\$ 1,739,575	\$ 1,727,487	- 0.7%
Transfers to Other Funds	\$ 800,000	\$ 800,000	+ 0.0%
TOTAL EXPENSES	\$12,814,538	\$14,435,748	+ 12.7%

Items of note:

- Personnel expenses include budgeting for the hiring of six (6) additional duty staff members in order to meet service level objectives and contain overtime expenditures. Total paid staff will include 45 duty staff, 3 dayshift responder positions and 10 administrative positions.
- Personnel salaries are increasing due to Cost-Of-Living Adjustment (COLA) for all employees. Final COLA will be determined when current collective bargaining negotiations are complete.
- Healthcare premiums are increasing 3.0%.
- Cost Center 310 *Fire Operations* budget includes a 16.6% increase due primarily to the hiring of additional duty personnel. Non-personnel expenses have decreased 12%.
- Cost Center 320 *Community Risk Reduction* budget includes a 6% increase due to personnel expenses and an increase in CRR supplies cost.
- Cost Center 360 *Emergency Medical Services* budget includes a 10.7% increase due to an increase in personnel expenses, medical supplies inflation factors and new purchase of equipment including two carbon monoxide monitors and a stair chair.
- Cost Center 500 *Training & Safety* includes a 6.2% increase in total expenses primarily due to increased personnel costs.
- Cost Center 600 *Vehicles* budget includes an 8% increase due to personnel expenses, supplies inflation factors, and vehicle fuel purchases.
- Cost Center 700 *Facilities & Grounds* budget includes a 5.2% decrease due to reduced expenses for grounds maintenance, water and sewer, and heating fuels.
- Cost Center 750 *Information Technology* budget includes a 1.1% increase due to an increase in personnel expenses and slight decrease in non-personnel IT expenses.
- Cost Center 850 *Fire Code Management* budget includes a 9.1% increase due primarily to an increase in personnel expenses.
- Cost Center 900 *Legislative* budget includes a 35% decrease due to zero projected election costs in 2024.
- Cost Center 910 *Administrative Personnel* budget includes a 15.7% increase due to personnel expenses including sick leave bank payouts to non-

- represented employees and budgeting for a part-time Human Resources Manager.
- Cost Center 915 *General Business* budget includes a 24.3% increase due to an increase in liability insurance rates and increases for Legal & Other Professional Services such as the audit, Standard of Cover, and the branding initiative.
 - Cost Center 940 *Volunteer Services* budget includes a 30.9% decrease to better reflect actual expenses and pending a programmatic review in 2024.

Transfers

Fund transfers include \$800,000 to the Capital Fund (90841) for ongoing capital apparatus and equipment. This transfer from the Expense Fund is consistent with current 10-year plan projections.

Fund Balance:

The proposed 2024 budget includes revenues and transfer of funds of \$13,538,081 and expenses/transfers of \$14,435,748, producing a deficit budget of (\$897,667), consistent with projections in the Department's 10-Year plan. The 10-Year financial projections indicate that 2024 will be the first of several years of deficit spending. The current fund balance is sufficient to absorb the deficit spending prior to a Department request of voters for additional funding in the latter half of this decade.

CAPITAL BUDGET:

Revenue:

Capital revenue includes a \$800,000 transfer from the Expense Fund (90838) to pay for capital expenses such as apparatus or other equipment replacement as scheduled.

Expenses:

Capital Expense budget is \$1,613,200. Major capital expenditures in 2024 include the following:

- Two aid car replacements (\$600,000)
- Engine replacement (\$850,000)
- Facilities improvements (\$40,000)
- Suppression equipment (\$55,000)
- IT equipment (\$18,200)

RESERVE FUND:

Fund #90839 is used to provide for unrealized liabilities, such as sick leave payouts for retiring Department members and LEOFF1 healthcare obligations. 2024 Expenses

include \$128,200 for sick leave bank payouts per the revised Non-Represented Employee Handbook.

BOND FUND:

Fund #90840 is the Department's debt service fund. Revenue of \$1,105,788 will be collected as an assessment from taxpayers to cover principal (\$750,000) and interest (\$355,788) bond payments in 2024.

Conclusion:

The 2024 Budget has been constructed to meet the projected expense obligations of the Department in 2024, given the projected revenue. It is also designed to fulfill the Department's future obligations, including the sustainability of the staffing model as outlined in the Strategic Plan. It is the staff's opinion that the budget presented meets these goals.

Submitted for review by: Fire Chief Jared Moravec