

# **BAINBRIDGE ISLAND FIRE DEPARTMENT**

## **BOARD OF COMMISSIONERS**

### Meeting Minutes

August 11, 2016

Vice-Chair Scott Isenman called the meeting to order at 6:30 PM. Present were Commissioners Bruce Alward, YongSuk Cho, and Fritz von Ibsch; Fire Chief Hank Teran; Assistant Chief Luke Carpenter; Volunteer Program Coordinator Jay Rosenberg; Finance Manager Ed Kaufman; and other Department members. Commissioner Tim Carey was excused.

### AGENDA ADDITIONS & DELETIONS

None

### FIRE CHIEF'S REPORT

- Kitsap County Fire Commissioner meeting reminder: Chief Teran noted the upcoming KCFCA meeting on August 23 at Station 71 in Poulsbo.
- Brian Snure presentation to BIFD Board of Commissioners: Brian Snure will be providing mandatory Commissioner training regarding the open public meetings act. Several potential dates were discussed and the Board agreed upon September 6 to hold a Special Meeting to complete the training pending confirmation with Commissioner Carey. The Commissioners also requested that the training begin at 4:00 PM if possible.
- Washington State Fire Chiefs presentation: Chief Teran serves as a liaison between the Washington State Fire Chiefs Association and the Washington State Fire Marshals Association and will be making a presentation to State Fire Chiefs Association in Spokane on September 14.
- COBI Fuel ILA: Finance Manager Kaufman informed the Board that an interlocal agreement with the City of Bainbridge Island is being completed that will provide the framework for BIFD using COBI's fueling facilities while Station 21 is under construction. The ILA will be presented to the Board for approval at a future meeting.

### GOOD OF THE ORDER

Chief Teran and AC Carpenter briefed the Board on the emergency response training held at Bainbridge High School on August 11. This was a joint training exercise with the Police Department, School District, BI Ambulance Association, North Kitsap Fire & Rescue and BIFD.

Chief Teran noted a letter to the editor of the Bainbridge Review praising the professionalism of the fire and police departments during a recent emergency call.

Chief Teran also informed the Commissioners of an upcoming discussion about various activities involving the Board. Topics include Commissioner assignments and Board

logistics. This item will be on the Board agenda when all five Commissioners are scheduled to be present.

#### CITIZEN COMMENTS OR DISCUSSION

None

#### CONSENT AGENDA

(Vouchers totaling \$411,982.67, July Payroll, Meeting Minutes 7/28/2016). Commissioner Alward moved to approve the Consent Agenda as presented. Commissioner Cho seconded the motion and the motion passed unanimously.

#### BUSINESS AGENDA

##### 1. Taylor Road Property

Finance Manager Kaufman provided a current status report on the disposition of the Taylor Road property. A feasibility study on the property conducted in 2015 noted that a "wet season evaluation" was required to determine if the ground soil was acceptable for septic purposes. Commissioners were asked to approve expenditures in order to complete the wet season evaluation. Commissioner Isenman made a motion to allow staff to obtain bids to complete the ground work for the wet season evaluation, to proceed with the work if the bid does not exceed \$15,000 or to bring the item back to the Board if costs exceed \$15,000. Commissioner Alward seconded the motion and the motion passed.

##### 2. 2017 Budget Assumptions

Chief Teran requested the concurrence of the Board with the financial assumptions presented for the 2017 budget. Finance Manager Kaufman outlined the most significant financial assumptions evaluated in the Department's 10-year financial projections. (Please see the attached Board Information sheet for further details). The 10-year financial plan provides the framework for each year's budget keeping an eye on future revenue and expenditure projections. Staff will provide a draft 2017 budget for review by the Board in October. The Board had no objections or revisions to the 2017 budget assumptions as presented.

#### ADJOURNMENT

The meeting was adjourned at 7:41 PM.

Submitted by:



Henry A. Teran, Board Secretary

Approved

August 25, 2016

# **Bainbridge Island Fire Department**

## **BOARD INFORMATION**

**August 11, 2016**

**SUBJECT:** 2017 Budget Assumptions

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### **BACKGROUND INFORMATION:**

The Finance Manager is requesting the Board of Commissioners to consider several financial assumptions for the development of the 2017 budget. The 2017 budget will be developed in concert with the Department's 10-year plan to assure financial sustainability into the future. The following assumptions will be considered in the development of the 2017 budget:

- An 11% increase in taxed assessed value for 2017. This is the preliminary figure provided by the Kitsap County Assessor. Final figures will be available prior to final budget approval.
- Taxed assessed value beyond 2017 will remain at 4% for future year projections.
- The COLA rate for personnel expenses in 2017 is anticipated to be approximately 2.3%, which is lower than the 4% figure the Department uses for planning purposes.
- Healthcare expenses are assumed to grow at a rate of 8% per year in the Department's 10-year projections.
- Non-personnel related expenses are projected to increase by 3.5% annually.
- The expense budget will be developed to increase the fund balance to be consistent with the Department's 10-year projections.
- General fire levy revenue assumptions will be increased by 2.3% (COLA) to match personnel cost increases as a result of COLA.
- 10-Year financial projections will assume a renewal of the current EMS Levy in 2020 at \$0.40.
- Capital expenditures in the 2017 budget will reflect the capital improvement project for Stations 21, 22 & 23. All expenditures associated with the rebuilding of Station 21 & 22 and for the improvements at Station 23 will be paid for by bond revenue. All debt service in 2017 for the bonds will be paid for by tax revenue collected from Island residents.

Staff will prepare a 2017 budget that is consistent with the Department's 10-year projections and maintains financial sustainability through 2030.

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**FINANCIAL IMPACT:**

Staff anticipates entering 2017 with an expense fund balance of approximately \$4.9 million. Our current 2017 projections, using estimated revenue and expenses for 2016 and assumptions such as COLA, assessed values, and healthcare costs, indicate the Department will run a surplus budget in 2017, consistent with 10-year financial projections..

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**RECOMMENDATION:**

Concurrence of 2017 Budget assumptions as guided by the Department's 10-year financial projections.

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**SUBMITTED FOR DISCUSSION BY:** Fire Chief Hank Teran

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