

BAINBRIDGE ISLAND FIRE DEPARTMENT

BOARD OF COMMISSIONERS

Meeting Minutes

October 21, 2020

The October 21, 2020 Board of Fire Commissioners meeting was conducted “virtually” due to the restrictions put on public meetings by Governor Inslee. The restrictions were put in place due to the ongoing health concerns presented by the COVID-19 pandemic. Commissioners participated in the meeting remotely and the public was provided the opportunity to listen to the proceedings.

Chair Fritz von Ibsch called the meeting to order at 6:30 PM. Present (remotely) were Commissioners Tim Carey, YongSuk Cho, Scott Isenman, and Jack Metz; Fire Chief Hank Teran; Deputy Chief Jared Moravec; and Finance Manager Ed Kaufman.

AGENDA ADDITIONS & DELETIONS

None

FIRE CHIEF'S REPORT

- COVID-19 Update: Chief Teran provided an update on COVID-19 including the following:
 - To date, there have been 99,000 positive cases and 2,284 deaths in the State of Washington, 1,452 positive cases and 21 deaths in Kitsap County, and 63 confirmed cases on Bainbridge Island.
 - The Board was reminded of the upcoming Department wide Flu shots November 2, 4 & 6.
 - COBI's testing site is set to open on November 2nd by appointment only.
- Audit update: Finance Manager announced that the 2019 financial and accountability audit had begun. It was expected to be completed by the end of November. Commissioner Carey was named as the Board representative during this audit.
- New fire engine update: Chief Teran provided an update on the progress of the new fire engine. Assembly has begun and is expected to last several weeks. Delivery of the engine is expected by the end of 2020.
- Downtown Association update: Chief Teran noted that the annual holiday festivities hosted in downtown Winslow, including Halloween, and the Holiday Tree lighting, have been cancelled due to the pandemic.
- Fire Prevention inspections: Chief Teran briefed the Board on new inspection policies that will allow for more in person inspections by the Deputy Fire Marshal. The new procedures are necessary due to the pandemic.
- 2020 WFEA Presentation: Chief Teran noted his recent presentation to the Washington Festival & Event Association, in his role as a Board member of the State Fire Chiefs.

Emerging Issues:

- COBI update: Chief Teran briefed the Board on some personnel changes with the City including the departures of Councilman Kol Medina, Deputy City Attorney Robbie Speller and the impending departure of City Manager Morgan Smith.,

CITIZEN COMMENTS OR DISCUSSION

None

GOOD OF THE ORDER

Commissioner Isenman provide an update of recent activity of the Pre-Hospital Care Committee that he attends with the Department of Health.

Commissioner Carey inquired about the Department's peer support services. Chief Teran will provide a brief discussion of the Department's efforts at a future Board meeting.

Finance Manager Kaufman indicated that he would be meeting with each Commissioner for document signing that has been absent as a result of the pandemic.

CONSENT AGENDA

(Vouchers totaling \$164,388.86, Meeting Minutes 10/7/2020.) Commissioner Isenman moved to approve the Consent Agenda as presented. Commissioner Metz seconded the motion and the motion passed.

BUSINESS AGENDA

1. New Recruit Acceptance

Chief Teran requested conditional approval of nine (9) new recruit volunteer firefighters. The applicants have successfully completed the interview process and will now move to the administrative and physical evaluation onboarding process. The nine new recruits are:

| | |
|----------------|-------------|
| Jimmy Baggett | Eliot James |
| Alex Barrett | Tim Quinn |
| Dylan Clissold | Ron Sivonda |
| Erik Dykeman | Tim Smith |
| Marshall Hunt | |

Commissioner Isenman moved to conditionally approve the nine new recruit volunteer firefighters as presented. Commissioner Carey seconded the motion and the motion passed unanimously.

2. 2021 DRAFT Budget Presentation

Finance Manager Kaufman presented the 2021 Draft Budget for the Board's consideration. The draft budget reflects a 1.4% increase in revenue and a 0.8% increase in expenses from 2020. Personnel costs remain the largest expenditure, 86%, in the budget. Total Expense Fund expenditures are approximately \$11.2 million with revenues of \$12.3 million. Total Capital Fund expenditures are projected to be approximately \$700,000. Commissioner Cho expressed reservation with the retrofit of Rescue 22 given the age of the vehicle. The 2021 budget is consistent with the Departments 10-year financial projections. Please see the attached 2021 Draft Budget Summary Board Information sheet for budget details. Board action on the final 2021 budget is expected

at the November 4th BOC meeting. Commissioner Carey moved to approve the 2021 Draft Budget as presented. Commissioner Isenman seconded the motion and the motion passed unanimously.

ADJOURNMENT

The meeting was adjourned at 7:31 PM.

Submitted by:

A handwritten signature in blue ink, appearing to read 'H. Teran', written over a horizontal line.

Henry A. Teran, Board Secretary

Approved

November 4, 2020

Bainbridge Island Fire Department

BOARD INFORMATION

October 21, 2020

SUBJECT: 2021 DRAFT BUDGET

EXPENSE BUDGET:

The attached 2021 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 (86%). The voter approved, multi-year levy lid lift in 2015 was designed to allow the Department to increase revenue at a rate consistent with that of salary increases due to COLA. This objective will be met in 2021 with an increase in the general levy of 1.9%. 2021 is the final year of the general fire levy lid lift. The 2021 budget is consistent with the Department's 10-year planning projections.

Revenue

Revenue projections for 2021 indicate an increase of approximately 1.4% (\$173,811) over 2020. This is a result of an increase in our general fire levy of 1.9% (COLA), and a recalibration of transport billing fees. Revenue from transport billing is projected lower than 2020 due to a reduction in transports in 2020 due to the COVID-19 pandemic. Overall, taxed assessed property values on Bainbridge Island increased 3.6% from 2020 and approximately \$88,338 of new construction revenue was added.

| 2021 REVENUE | | | |
|---------------------------|---------------------|---------------------|-------------------|
| | 2020 | 2021 | ± % Change |
| General Fire Levy | \$ 7,024,681 | \$ 7,226,392 | + 2.9% |
| EMS Levy | \$ 3,688,887 | \$ 3,774,156 | + 2.3% |
| Other Revenue | \$ 1,355,060 | \$ 1,206,891 | - 10.9% |
| Transfers to Expense | \$ 60,000 | \$ 95,000 | + 58.3% |
| 2021 TOTAL REVENUE | \$12,128,628 | \$12,302,439 | + 1.4% |

Expenses

The total 2021 expense budget is \$11,168,939, a 0.8% increase over the 2020 budget. Changes from 2020 include a 5.8% increase in personnel expenses, a 6.8% increase in non-personnel expenses and a 45% reduction in transfers to other funds, primarily the Capital Fund. Personnel expenses continue to represent 86% of the operating budget, the same as 2020. 2021 expenditures include an operating budget of \$10,568,939 and transfers to other funds of \$600,000.

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

| 2021 EXPENSES | | | |
|----------------------------|---------------------|---------------------|-------------------|
| | 2020 | 2021 | ± % Change |
| Personnel | \$ 8,548,678 | \$ 9,044,633 | + 5.9% |
| Non-Personnel | \$ 1,427,096 | \$ 1,524,306 | + 6.8% |
| Transfers to Other Funds | \$ 1,100,000 | \$ 600,000 | - 29.4% |
| 2020 TOTAL EXPENSES | \$11,075,774 | \$11,168,939 | + 0.8% |

Items of note:

- Personnel salaries have increased 1.9% for COLA.
- BIFD is projecting a 10% increase in medical premiums for 2021. Actual figures will be available prior to final approval of the budget in November.
- Cost Center 310 Fire Operations: 9.3% increase due to personnel costs and budgeting for continued expenses related to COVID-19.
- Cost Center 900 Legislative: Significant increase due to budget allocation for election costs in 2021.
- Cost Center budgets either level or lower than 2020 in Cost Centers 315, 320, 330, 360, 500, 600, 850, 915 & 940

Transfers

Fund transfers include \$100,000 to the Reserve Fund (90839) for unrealized liabilities and \$500,000 to the Capital Fund (90841) for ongoing capital apparatus and equipment. These transfers from the Expense Fund are consistent with current 10-year plan projections.

Fund Balance:

The proposed 2021 budget includes revenues/transfers of \$12,302,439 and expenses of \$11,168,939, producing a surplus budget (\$1,133,500) consistent with projections in the Department's 10-Year plan at the time of the EMS Levy renewal in February, 2019. The 10-Year financial projections indicate surplus budgets for approximately 3 years before the onset of deficit budgets. The Fund balance created by the surplus budgets will allow the Department to delay requests of voters for additional funding until the latter half of this decade as planned.

CAPITAL BUDGET:

Revenue:

Capital revenue includes a \$500,000 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 \$700,000. Major capital expenditures in 2021 include retrofit of the Utility (\$350,000) and an aid car replacement (\$200,000) along with scheduled suppression (\$37,000), EMS (\$13,000) and computer equipment (\$20,000).

RESERVE FUND:

Fund #90839 is used to provide for compensated absences, such as sick leave payouts for retiring Department members. Revenue includes a \$100,000 transfer from the Expense Fund (90838). The Department anticipates one duty staff retirement in 2021.

BOND FUND:

Fund #90840 is the Department's debt service fund. Revenue of \$1,108,038 will be collected as an assessment from taxpayers to cover principal (\$650,000) and interest (\$458,038) bond payments in 2021.

Conclusion:

The 2021 Budget has been constructed to meet the projected expense obligations of the Department in 2021, 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 staff's opinion that the budget presented meets these goals.

Submitted for review by: Fire Chief Hank Teran
