



**MINUTES**  
**Budget Workshop**  
**Chelan Fire and Rescue**  
**Tuesday, October 11, 2022, at 10:00 A.M.**  
**232 East Wapato, Chelan, WA**



**Commissioners in Attendance:** Russ Jones, Karyl Oules, and Phil Moller.

**Staff in Attendance:** Fire Chief Brandon Asher, Assistant Fire Chief Shawn Sherman, District Secretary Carol Kibler, and Admin Assistant Karla Mendoza.

**Others in Attendance:** Ron Simmons, Berry Leahy, and John Goyne via Zoom none

**Flag Salute**

**Roll Call**

**Call to Order at 10:00 a.m.**

**New Business:**

- **2023 Draft Budget**

This is the *DRAFT* for the 2023 Budget Proposal which is based upon our estimated revenues for 2023 and our best guess estimates for expenditures based upon our past and current operating periods (2022 financials, as of the end of September 2022) Decisions made during this *DRAFT* Budget review will affect the current proposed budget resulting in changes to budget line items before the 2023 budget approval date of November 16, 2022. This proposal will address the measurable changes in the General Fund and Operations Budgets as well as the current Capital, Reserve, and Bond Fund Accounts.

Assumptions that we must use. First, we must recognize that the figures we are using will change based on the actual balance in each fund at year-end. Secondly, a budget is a plan based on the best available information at the time. A good plan will change as new information is obtained.

**Assumptions for the 2023 Budget:**

- 2023 tax revenue is based upon 1% increase in 2022 valuation. Chelan County Assessor's Preliminary Values won't arrive until mid-October 2022. 2022 valuation \$3,457,561.00 with new construction at \$48,958.00 for a total of \$3,462,519.00. 2023 estimate \$3,492,136.61 estimated new construction \$50,000.00.
- 10-11-2022 Received the County preliminary assessed value for 2023 tax is 4,158,449,269 values may change slightly. Last year's levy amount \$3,496,283.29 2023 1% increase \$34,962.83 highest lawful levy \$3,454,612.18 1% increase \$34,546.12. New construction \$97,568.58. Annexation \$15,144.01 Refunded \$46,145.96 total preliminary value \$3,648,016.85
- Commissioner Oules stated she has not changed her mind about taking less.
- Chief Asher agrees to not take less, we need the funds for the future.
- The 2022 total revenue is currently at \$3,044,591.00 and may increase depending upon reimbursements from State Mobe for the 2022 Fire Season.
- We have yet to receive the second half of property tax collection, we expect \$1,472,955.00.
- Estimated revenue from all sources (fire protection contracts, OT repayment, state mobilization reimbursements, etc.) will be \$22,500.
- Any additional revenue (State Mobilization reimbursement on apparatus, sale of surplus equipment/apparatus, etc.) is not recognized in this budget proposal and will be allocated



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into appropriate accounts when received. Staff recommends that all unexpected revenue collected in 2022 will be transferred into the Capital Reserve Fund.

- Staff proposes that we increase the General Reserve Account to cover contingency reserves as required in SOG 103 which is \$150,000 for 2023. SOG 103 “If designated and undesignated funds are used to resolve a contingency, including but not limited to those listed in section 4.2, and the Reserve Fund Balances fall below 25%, then the Fire District shall rebuild the balance within a period not to exceed three fiscal years.” This meets this requirement.
- We have committed to allocating a minimum of \$250,000.00 annually to the Capital Reserve Investment Account (Apparatus/Capital Replacement) specifically for future apparatus replacement.
- Staff recommends an additional \$80,000 to the Capital Reserve Investment Account due to no available chassis and an update to the apparatus replacement schedule.
- Chief Asher recommended remounting brush 75 and looking at a type 3 brush truck w/crew cab. We have been using the DNR surplus trucks that are not crew cabs. Recommends looking at a newer type 3 chassis. We can make the B75 a support apparatus.
- 2023 Funding for Bond General Fund set at principal and interest with no additional payment is \$95,300.00.
- \$150,000 to Capital Reserve Investment Account to start funding towards Station 71 expansion.
- Chief Asher stated we haven’t heard anything from the US Forest Service regarding the utilization of Station 74. We need to look at expanding station 71. It would allow us to have residence. Volunteers are dending from Stations 75 and 72. Station 71 is looking to be the hub for volunteers.
- Chief Asher stated we would save \$150,000.00 for the next 5 years to earmark the expansion of station 71. Architect work is possible for around \$60,000.
- Chief Asher stated he sent a letter to the City of Chelan in favor of the airport expansion and water needs. We need to start saving for the future build-out in the airport area.
- Commissioner Jones stated it might be a good time to sell the station 75 excess property to raise additional funds for station 71 expansion.
- All other budget expense proposals are listed per account below.\*

**General Fund** (these are our current best estimates):

	<b>2023</b>
Starting Fund:	\$1,241,052.00
Tax Revenue:	\$3,489,158.00
New Construction	\$ 97,568.00
Annexations	\$ 15,144.00
Refunds	\$ 46,145.00
Other Revenue:	\$ 5,000.00
Transfer In	<u>\$ 0.00</u>
<b>Sub-Total:</b>	<b><u>\$4,894,068.00</u></b>
 Expenses:	 \$2,493,904.00



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Transfer to Capital	\$ 825,424.00
To General Reserve Investment	\$ 150,000.00*
To Capital Reserve Investment	\$ 250,000.00*
Transfer Out Bond	<u>\$ 95,300.00</u>
<b>Sub-Total</b>	<b>\$3,814,628.00</b>
<b>Ending Balance:</b>	<b>\$1,079,439.00</b>
Desired Carry Over:	\$ 950,000.00
Uncommitted Funds	<b><u>\$ 129,439.00*</u></b>

**General Reserve Investment:**

General Reserve Investments cover contingency expenses, meet seasonal cash flow shortages, and upgrade or maintain the Fire District’s credit rating. Board has the option to add to this account for 2023.

	<b>2023</b>
Starting Fund:	\$ 39,300.00
Tax Revenue:	\$ 0.00
Other Revenue:	\$ 0.00
Transfer In	<u>\$150,000.00</u>
<b>Total:</b>	<b><u>\$189,300.00</u></b>
Expenses:	\$0.00
<b>Ending Balance:</b>	<b><u>\$189,300.00</u></b>

**Capital Expenditure Fund:**

Capital Reserve Funds cover the cost of capital projects that have been approved. This area has been set up to show items that are budgeted as listed in 2023 Capital Requests.

	<b>2023</b>
Starting Fund:	\$ 0.00
Transfer In from General Fund	\$825,424.00
<b>Total:</b>	<b><u>\$825,424.00</u></b>

**Capital Expenditure Fund:**

	<b>2023</b>	<b>2024</b>
<b>Administration</b>		
• Server Replacement – Cloud Base	\$ 20,000.00	\$ 0.00
• Door Lock change out	<u>\$ 600.00</u>	<u>\$ 618.00</u>
	<b>\$ 20,600.00</b>	<b>\$ 618.00</b>



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**Suppression Equipment**

• Structural Protective Clothing	\$ 11,200.00	\$ 11,536.00
• Structural Helmets	\$ 1,540.00	\$ 1,586.00
• Wildland Protective Clothing/Helmets	\$ 4,750.00	\$ 4,892.00
• Fire Hose & Appliances	\$ 20,000.00	\$ 3,700.00
• Thermal Imaging Camera	\$ 3,500.00	\$ 235.00
• Chainsaws/Circular Saw	\$ 5,150.00	\$ 700.00
• Ventilation Fan	\$ 5,500.00	\$ 550.00
• Rescue Struts	\$ 3,000.00	\$ 300.00
• PF Equipment Request	\$ 4,000.00	\$ 400.00
• Rescue Rope Equipment/PPE	\$ 7,000.00	\$ 2,000.00
• Battery Powered Extrication Tool	\$ 1,000.00	\$ 3,340.00
• Dry Wall Hook 6"	\$ 220.00	\$ 15.00
• All Purpose Hook	\$ 250.00	\$ 17.00
• Generator	<u>\$ 4,200.00</u>	<u>\$ 420.00</u>
	<b>\$ 71,310.00</b>	<b>\$29,675.00</b>

**Public Education**

• Misc	<u>\$ 0.00</u>	<u>\$ 0.00</u>
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**Prevention**

Misc.	<u>\$ 0.00</u>	<u>\$ 0.00</u>
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**Training**

• Training Props (Station 74)	\$ 3,000.00	\$ 3,000.00
• Fog Machine	<u>\$ 1,600.00</u>	<u>\$ 160.00</u>
	<b>\$ 4,600.00</b>	<b>\$ 3,160.00</b>

**Fleet**

• Spartan Pymt and Tax	\$256,818.00	\$ 0.00
• 550 Chassis Replacement (B-75)	\$ 80,000.00	\$ 0.00
• CH71 Replacement	<u>\$ 75,000.00</u>	<u>\$ 0.00</u>
	<b>\$411,818.00</b>	<b>0.00</b>

**Facilities**

• St71 Building Expansion	\$150,000.00	\$ 150,000.00
• Dorm Mattresses	\$ 400.00	\$ 80.00
• Crew Quarters Recliners (5)	\$ 3,500.00	\$ 350.00
• Crew Office Flooring (main-floor)	\$ 36,000.00	\$ 1,800.00
• Admin and Training Floors	\$ 5,000.00	\$ 5,150.00
• ST-71 AC Units	\$ 15,000.00	\$ 15,000.00
• ST-71 Building Sign	\$ 6,500.00	\$ 0.00
• ST-71 Roof Repair	\$ 10,000.00	\$ 10,000.00
• St-71 Chip Seal Back Parking	\$ 21,500.00	\$ 0.00
• ST-73 Domestic Water Improvement	\$ 10,000.00	\$ 10,000.00
• ST-73 Cistern Float Upgrade	\$ 500.00	\$ 515.00
• ST-75 Suppression Water Source	<u>\$ 10,000.00</u>	<u>\$ 10,000.00</u>
	<b>\$268,400.00</b>	<b>\$ 203,195.00</b>

**SCBA**

• SCBA Composite Bottles	\$ 3,834.00	\$ 3,949.00
• SCBA Packs & Harnesses	\$ 19,062.00	\$ 19,633.00



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• SCBA Mask	\$ 1,350.00	\$ 1,390.00
	<u>\$ 24,246.00</u>	<u>\$ 24,973.38</u>

**MARINE**

• Operational Upgrades	\$ 5,000.00	\$ 5,000.00
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**EMS**

• AED Replacement (2 units)	\$ 12,300.00	\$ 2,000.00
• Rescue Swimmer Gear	<u>\$ 7,150.00</u>	<u>\$ 9,225.00</u>
	<b>\$ 19,450.00</b>	<b>\$ 10,225.00</b>

<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$825,424.00</b>	<b>\$277,864.00</b>
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**Capital Reserve Investment Fund:**

This account is set up for apparatus and equipment replacement. This fund has been recognized as a critical need for funding in order to replace critical apparatus and equipment and will have a minimum of \$250,000.00. See the apparatus replacement schedule.

Reference: Updated Apparatus Replacement Schedule

	<b>2023</b>
Starting Fund:	\$ 20,077.00
Tax Revenue:	\$ 0.00
Other Revenue:	\$ 0.00
Transfer In*	\$ 250,000.00*
Transfer to Capital Expenditure	<u>\$ 0.00</u>
<b>Total:</b>	<b>\$ 270,077.00</b>

**Bond General Fund:**

Station 75 non-voter approved bonds. 2022 Ending balance owed \$695,000.00 pay off 2030. We will be transferring the amount below from the General Fund to the Bond Fund to make the annual interest \$25,300.00 and the principal \$70,000.00 payments for 2023.

	<b>2023</b>
Starting Fund:	\$ 695,000.00**
Tax Revenue:	\$ 0.00
Other Revenue:	\$ 0.00
Transfer In from General	<u>\$ 95,300.00</u>
<b>Total:</b>	<b>\$ 95,300.00</b>
Expenses:	
• Interest Payment:	\$ 25,300.00
• Principal Payment	<u>\$ 70,000.00</u>
	<b>\$ 95,300.00</b>



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**Fund Totals:**

	<b>2023</b>	
General Revenues	\$4,894,068.00	
General Expenditures	-\$2,493,904.00	
Transfer outs	<u>-\$1,320,724.00</u>	* Bond pymt., Capital exp, and savings
<b>Ending Balance:</b>	<b>\$1,079,439.00</b>	
Capital	\$675,424.00	
Capital Expenditures	<u>-\$675,424.00</u>	
Ending Balances	0.00	
General Investment End Balance	\$189,300.00	
Capital Investment End Balance	\$270,077.00	
<b>Grand Totals</b>	<b>\$1,538,816.00</b>	

**\*Budget General Expense Proposals 2023 (2022 Budgeted Amounts)**

**Legislative: 2023 - \$24,395.00 (\$19,255.21)**

- 2023 Board members to stay at three elected officials.
- No change to salary and benefits.
- Reduced legislative misc. from \$5,700.00 to \$1,200.00.
- Estimated expense for 2023 Commissioner Election is \$10,000

**Administrative: 2023 - \$615,005.68 (\$617,691.32)**

- Administrative staff for 2023 will be 4 personnel (Chief, Assistant Chief, Administrative Office Manager, and Administrative Assistant.)
- Salary increases for 2023 are budgeted at 5%. The CPI-U (West-Size Class B/C) is 8.3% for June 2021-July 2022.
- The Fire District's medical health premiums increase in 2023 by 2.5%
- Increase professional services for an attorney and IT support.

**Suppression: 2023 - \$1,257,648.00 (\$841,422.63)**

- Career staffing will increase to 10 Firefighters/EMTs with 3 captains and 2 Firefighters/EMTs for each of the three shifts and the 10<sup>th</sup> Firefighter/EMT floating to cover Kelly Comp Time (work week reduction.)
- The seventh position is a floater. For the additional firefighters, we can use 2 on shift and not fill the 3<sup>rd</sup> position with OT.
- Seasonal position sometimes covers the OT shift as needed. Mobe sometimes pays for the OT hours when on fire.
- Salary increases for 2023 are budgeted at 4% and addressed in the CBU agreement.
- The Fire District's medical health premiums increase in 2023 by 2.5%
- An additional new line item to separate OT cost of training from actual shift work, duty officer rotation, and emergency response.
- Added 3<sup>rd</sup> party annual hose and ladder testing 3-year contract \$5,620 per year.

**Seasonal Firefighter: 2023 - \$84,144.00 (\$89,690.00)**



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- Estimated costs to maintain 3 Seasonal firefighters which will enable us to staff 4 Firefighters/EMTs during the peak season in 2023 (7 months.) This program allows us to handle back-to-back calls, quickly meet the 2 in 2 out requirement, and help significantly decrease career OT costs. Staff recommends funding this program for the 2023 season.

**Public Education: 2023 - \$12,500.00 (~~\$12,500.00~~)**

- Maintains current line-item expenses in public education accounts to support the 2023 goal of improving community relations through effective community risk reduction programs.

**Prevention: 2023 - \$5,000.00 (~~\$5,000.00~~)**

- Increase Prevention Operational Supplies to reflect actual expenses.
- No other program changes

**Training: 2023 - \$43,500.00 (~~\$49,500.00~~)**

- Reduced professional services
- Explore training cost-share opportunities with CCFD #5 who will be building a training center. Chief Asher wants to look at training with CCFD5 and not put funding into our training building at station 74.
- Under capital we did budget \$5,000 annually but we will look at joint training with CCFD5.
- Created a training overtime line item, under Suppression to identify OT from training OT.

**Facilities: 2023 - \$70,500.00 (~~\$76,500.00~~)**

- Future Capital projects are identified in the Capital Replacement Schedule and these expenses are reflected in Capital Expenses.
- Decreased Facility Supplies, professional services, and R&M services.
- Commissioner Moller requests us to put the exhaust system into station 71 through capital funds. It is a health risk, let's look into what that costs and put it in the plan.
- Chief Asher will research the station 71 truck bay exhaust system and bring it to the next commissioner meeting for discussion.

**Fleet: 2023 - \$211,540.00 (~~\$214,522.00~~)**

- Fleet staffing to remain unchanged with one Fleet Manager.
- Salary increases for 2023 are budgeted at 5%. The CPI-U (West-Size Class B/C) is 8.3% for June 2021-July 2022.
- The Fire District's medical health premiums increase in 2023 by 2.5%. decreased due to the calculation 2022 was at 100%, not 85% employer. Individual premium reduced from 2022.
- 3% increase in Fleet Fuel

**Marine: 2023 - \$3,500.00 (~~\$500.00~~)**

- Increased Fuel, operational supplies, professional services, and R&M.
- Russ stated we have everything we need for the monitor, we just need to test it. The haul will last another 20 years the engines will need to be replaced before than. Chief will add marine 71 in the apparatus list.

**Communications: 2023 - \$48,400.00 (~~\$62,400.00~~)**

- Decreased due to reformulated fee per call through Rivercom
- We have grant funds from the Rivercom911 tax program of \$25,000 for radio and maintenance as reimbursement.



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**EMS and Aid: 2023 - \$12,221.00 (\$11,021.00)**

- There will be a capital expenditure increase to outfit new employees with PPE.

**Reserve FF (Volunteers): 2023 - \$104,550.00 (\$226,361.00)**

- Maintains current point system reimbursement for volunteer firefighter emergency response, training, and special events.
- This program is restrictive under FLSA guidelines in that stipend member earnings cannot exceed more than 20% of full-time Firefighter wages (2022 - \$12,904.44.)
- Reduced points and stipend and uniforms.

Chief Asher reviewed the apparatus schedule.

The focus is on apparatus replacement, and facility expansion, and continue to apply for grants.

Chief Asher will research the purchase of an ambulance for BLS calls.

Commissioner Moller stated the budget looks fine and we are staying within budget, how you spend the money in the proposed outline looks fine. Commissioner Jones and Oules stated the budget looks fine.

The resolution and certificate for the 2023 Levy will be drafted and presented at the next regular commissioner meeting on October 19, 2022.

**Adjourned:** There was no more business before the Board of Commissioners the meeting closed at 11:27 a.m.

**Chelan County Fire Protection District 7**  
**Board of Commissioners:**

\_\_\_\_\_  
Commissioner, Phil Moller

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Commissioner, Russ Jones

\_\_\_\_\_  
Chairman, Karyl Oules

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Carol Kibler, Secretary