

**SOUTH SNOHOMISH COUNTY
FIRE & RESCUE
REGIONAL FIRE AUTHORITY**



2018 OPERATING BUDGET



From left to right: Bob Meador, Benjamin Goodwin, David Chan, Chief Stedman, James Kenny, Jim McGaughey, Christopher Boyer, Richard Schrock

APPOINTED OFFICIALS

M. Christopher Boyer
David Chan
Benjamin Goodwin
James Kenny
Jim McGaughey
Bob Meador
Richard Schrock

ADMINISTRATIVE STAFF

Bruce Stedman, Fire Chief
Doug Dahl, Assistant Chief
Brad Reading, Assistant Chief
Scott Goodale, Assistant Chief
Kevin Zweber, Assistant Chief
Bob Eastman, Deputy Chief
Shaughn Maxwell, Deputy Chief
Jerry Job, Deputy Chief
Bill Cushman, Director of Strategic Planning
Sandra Hollenbeck, Human Resources Director
Kathleen Junglov, Finance Director

2018
Operating Budget

As Adopted November 21, 2017



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ABOUT SOUTH SNOHOMISH COUNTY FIRE & RESCUE REGIONAL FIRE AUTHORITY

A Regional Fire Authority (RFA) Planning Committee of three elected officials from each jurisdiction, supported by leadership and staff, was established in October 2016 to guide the process of forming a RFA. After 10 months of review, analysis, outreach and planning the Planning Committee proposed a RFA Plan. Both the Lynnwood City Council and the Fire District Board of Commissioners passed resolutions to forward the RFA Plan to a public vote on the August 1, 2017 ballot.

Voters in Lynnwood and Fire District 1 approved the plan creating and funding the South Snohomish County Fire and Rescue (SSCFR) Regional Fire Authority. The creation of SSCFR consolidates and standardizes resources to provide sustainable and stable funding for fire and emergency medical services. Effective October 1, 2017, existing fire personnel and equipment transferred to SSCFR.

SSCFR operates 14 fire stations with 298 employees to serve approximately 250,000 residents in South Snohomish County. The service area includes the cities of Brier, Edmonds and Mountlake Terrace who have contracted for service with SSCFR.

Initially, the SSCFR will be governed by a transitional Board of Commissioners consisting of two Lynnwood elected officials and five Fire District 1 Commissioners.

Once the RFA begins levying an EMS levy (following voter approval under RCW 84.52.069), it is anticipated that the District will submit a ballot measure to its voters to dissolve in accordance with RCW 52.10.010.

More information about the Regional Fire Authority including the plan document can be found at www.lynnwoodfd1rfa.com.

BUDGET DEVELOPMENT OVERVIEW

Due to the limited time from voter approval to the effective date of operations, it was determined that the initial budgets developed for the SSCFR would be developed at a very high level, and that early in 2018 the RFA would embark on a more detailed budget review and development process. Also contributing to this decision is that the two consolidating entities are transitioning from the leadership of the District's Interim Fire Chief Brad Reading to a new fire chief, Chief Bruce Stedman who took over the reins on October 1, 2017.

In general, the 2018 Budget Development process the following steps were taken:

- Reviewed the 2018 Budget initially adopted by the City of Lynnwood, and the SCFD#1 2018 Strategic Outlook to establish Target Program Budgets.
- Program Managers performed a high level analysis of anticipated expenses to affirm Target.
- Program Managers submitted to the Chief "Staff Reports" for new requests or to substantiate funding in excess of Target.
- Staffing was verified to assure that the total positions budgeted in 2018 did not exceed previously budgeted positions. Please refer to page 7 to review changes in staffing levels.
- Leadership Team reviewed Proposed Program Budgets.
- Apparatus and Equipment replacement schedules were reviewed and only previously identified capital purchases were include in the 2018 Budget. Please refer to the Reserve section of this document for more information on apparatus and equipment replacement.

FUND SUMMARY

SSCFR organizes its financial structure around six funds. A fund is a self-contained accounting entity that encompasses a beginning cash balance as of January 1, internal transfers of money into the fund from another fund, revenue earned by and deposited directly into the fund, expenses by the fund, transfers out to another fund, and finally, an ending cash balance as of December 31.

The Capital Reserve Fund contains three separate, self-balancing accounts: the Apparatus Reserve; the Facility/Major Maintenance (Building) Reserve; and the Equipment Reserve.

Following are summary tables for all of the funds and accounts, detailed information on each of the funds and accounts can be found in subsequent sections.

The October – December 2017 Budget has been presented as well. It is important to note that due to the timing of the receipt of revenue and the payment of expenses this number does not necessarily represent 25% of annual revenues or expenses.

GENERAL FUND	OCT-DEC	
	2017 BUDGET	2018 BUDGET
BEGINNING CASH	\$0	\$9,896,796
REVENUE		
Property Tax Revenue	\$0	\$31,576,906
Contribution from City of Lynnwood	2,719,222	2,338,216
Contribution from District 1	18,686,838	8,016,448
Grants	109,210	451,240
Contracts for Services	1,844,680	12,426,039
Transport Fees	410,000	4,803,000
Other Charges for Services	42,301	210,500
MVC Charges	24,000	0
Miscellaneous Revenue	23,000	110,000
Insurance Reimbursements	51,000	320,000
	<u>23,910,250</u>	<u>60,252,349</u>
EXPENSES		
Wages	7,668,296	32,125,250
Overtime	800,792	3,669,798
Benefits	3,036,654	12,863,907
Supplies	493,172	2,083,736
Services	2,014,541	8,050,728
	<u>14,013,455</u>	<u>58,793,419</u>
ENDING CASH	\$9,896,796	\$11,355,726

Capital Reserves - The RFA has established a number of reserves to accumulate funds for future acquisitions. The RFA also maintains detailed replacement schedules of its apparatus and equipment to support the need for these reserves. Additionally, the RFA has engaged a consultant to develop a Capital Facilities plan which will provide information on stations, apparatus and equipment. For comparisons between October – December, 2017 and the 2018 Proposed Budget please refer to the Reserve section of this document.

	2018	2018	2018	2018
	APPARATUS	FACILITY\MAJOR MAINTENANCE	EQUIPMENT	TOTAL
Beginning Cash	4,800,657	2,172,000	1,674,738	8,647,395
REVENUE				
Property Tax Revenue	1,250,000	2,000,000	1,200,000	4,450,000
Contribution from City of Lynnwood	400,000	0	0	400,000
Total Revenue	1,650,000	2,000,000	1,200,000	4,850,000
EXPENSE				
Capital Outlay	3,275,992	325,000	2,109,911	5,710,903
Total Expenses	3,275,992	325,000	2,109,911	5,710,903
Ending Cash	3,174,665	3,847,000	764,827	7,786,492

Other Funds and Reserves - Please refer to the Reserve section of this document for additional information.

	2018	2018	2018	2018
	EMERGENCY	COMPENSATED ABSENCES	LEOFF 1	HEALTHCARE SELF-INSURANCE
Beginning Cash	2,026,000	0	1,085,319	3,417,035
REVENUE				
Property Tax Revenue	0	650,000	1,350,000	0
Other Revenue	24,312	0	34,252	3,521,137
Total Revenue	24,312	650,000	1,384,252	3,521,137
EXPENSE				
Total Expenses	0	513,302	923,320	3,530,000
Ending Cash	2,050,312	136,698	1,546,251	3,408,172

GENERAL FUND RESOURCES

Property Taxes

The RFA plan document approved by the voters authorized the Authority to levy and collect property taxes in accordance with RCW 52.26.050. The initial levy at a rate of \$1.50 per thousand of assessed valuation will be levied in November, 2017 for taxes to be collected in 2018. On September 13, 2017 the Snohomish County Assessor's office released preliminary 2017 Assessed Valuation (AV) numbers for taxes to be collected in 2018. Based on a preliminary AV of \$25,617,937,358 the Regular property tax levy for 2018 is estimated at approximately \$38.4M.

The Plan does not include an EMS levy but the Governing Board may, in the future, seek voter approval of an EMS levy. If the RFA levies an EMS levy, such levy will replace the District's and City's EMS levies. Until the RFA has an EMS Levy, the District and the City will remit all funds collected under their respective EMS levies to the RFA estimated at approximately \$10.4 M for 2018.

Service Contracts

The District has contracts with the cities of Mountlake Terrace, Brier, and Edmonds to provide Fire and EMS Services, as well as the city of Mukilteo for incident command and ladder truck services.

Additionally, an Interlocal Agreement (ILA) was entered into between the City of Lynnwood and the RFA for Fire Marshal and Inspection services.

Transport Fees

When victims of accidents, fires, or life-threatening medical conditions require transportation to hospitals and emergency rooms the RFA charges a fee. These fees provide additional funding to assure the highest level of medical care for our citizens. By a provision in the contracts with the City of Edmonds and the City of Mountlake Terrace the RFA remits transport fees collected in these cities back to the cities.

Grants

The RFA is the recipient of two Verdant Health Commission grants. One supports a Community Paramedicine Program, and the other provides funding to hire veterans to administer a Falls Prevention Program. Additionally, on occasion the RFA may receive funds from Washington State Labor and Industries for a return to work program. For reporting purposes, these funds are considered grants.

Other Miscellaneous Revenue

The RFA also receives revenue from other miscellaneous sources including Charges for Services, Reimbursement for Mobilization, Disability Insurance Reimbursements (including Labor and Industries) Donations, and Investment Interest.

General Fund Expenses

The General Fund encompasses all of the operating programs of the RFA. By operating programs we mean the governance, the administration, and the operations that support the mission and service delivery of the RFA. Detailed information on the General Fund Programs can be found on the following pages. Below you will find summary information on the General Fund expenses.

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses.

EXPENSES	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Commissioners	41,402	225,323
Transition Costs	192,630	250,000
Office of the Fire Chief	382,489	1,813,922
Human Resources	237,470	1,069,999
New Hires	115,850	1,538,401
Public Information	79,115	300,678
Non-Departmental Expense	788,000	3,402,547
Finance	102,056	514,123
GIS & Mapping	19,300	78,978
Communications/Technology	204,000	990,900
Station Operations	9,741,249	40,265,847
Volunteers	23,400	96,030
Safety	117,771	560,370
Prevention	415,875	1,367,036
EMS	600,485	2,559,419
Technical Rescue	18,755	84,435
HazMat	25,825	69,423
Physical Fitness	11,250	33,000
Training	232,570	994,648
Apparatus M & O	311,512	1,020,350
Building M & O	352,450	1,557,990
	<u>14,013,455</u>	<u>58,793,418</u>

BUDGETED POSITIONS

Program	Position	2017 FTE	2018 FTE	Comments
Commissioners	Executive Assistant	1.0	1.0	
Office of the Fire Chief	Fire Chief	1.0	1.0	
Office of the Fire Chief	Assistant Fire Chief	2.0	4.0	<i>Operations\Administration\Training\Prevention</i>
Office of the Fire Chief	Deputy Chief-Special Projects		1.0	<i>Reclassification</i>
Office of the Fire Chief	Executive Assistant	1.0	1.0	
Office of the Fire Chief	Administrative Assistant	2.0	2.0	
Office of the Fire Chief	Administrative Assistant-Reimbursed	1.0	1.0	
Office of the Fire Chief	Strategic Financial Planner	1.0		<i>Reclassified to Finance</i>
Human Resources	Human Resources Director	1.0	1.0	
Human Resources	Human Resources Analyst	1.0	1.0	
Human Resources	Human Resources Specialist	2.0	2.0	
Human Resources	Receptionist	1.0	1.0	
Public Information	Public Information Officer	1.0	1.0	
Finance	Finance Director	1.0	1.0	
Finance	Finance Specialist	2.0	2.0	
Finance	Strategic Financial Planner		1.0	<i>Reclassified from Office of the Fire Chief</i>
Finance	Administrative Assistant		0.5	<i>.5 FTE Temporary position for 2018</i>
GIS & Mapping	Contract Employee	1.0	1.0	
Station Operations	Deputy Chief of Operations	1.0		<i>Reclassified to the Office of the Fire Chief</i>
Station Operations	Battalion Chiefs	12.0	12.0	
Station Operations	Medical Service Officers-Shift	4.0	4.0	
Station Operations	Captains	56.0	56.0	
Station Operations	Firefighter	96.0	96.0	
Station Operations	Firefighter\Paramedic	83.0	83.0	
Safety	Safety Officer	1.0	1.0	
Prevention	Deputy Chief of Prevention	2.0	1.0	<i>Reclassification to A/C Office of the Fire Chief</i>
Prevention	Inspector\Deputy Fire Marshal	5.0	5.0	
Prevention	Public Educator	1.0	1.0	
Prevention	Administrative Assistant	1.0	1.0	
EMS	Deputy Chief of EMS	1.0	1.0	
EMS	Medical Service Officers-Days	2.0	2.0	
EMS	Community Resource Paramedics - Grant Funded	2.0	2.0	
EMS	Public Educator	1.0	1.0	
EMS	Administrative Assistant - 50% Grant Funded	0.5	0.5	
Training	Deputy Chief of Training	1.0		<i>Reclassified to the Office of the Fire Chief</i>
Training	Training Captain	2.0	3.0	<i>New position</i>
Facilities Maintenance	Purchasing\Fleet\Facilities Manager	1.0	1.0	
Facilities Maintenance	Facilities Maintenance Technician	1.0	2.0	<i>New position</i>
Facilities Maintenance	Central Stores	1.0	1.0	
	Total	293.5	296.0	
	Increase		2.5	

The RFA utilizes the Budgeting Accounting Reporting System (BARS) as prescribed by the Washington State Auditor's office for coding of expenditures. Program budgets are presented at the object code level. The following information is presented for reference should you desire more detailed information as to what type of expenses are summarized to the Salary and Wages, Personnel Benefits, Supplies and Services categories.

10 Salaries and Wages

- 11 Wages - Salaries and wages of employees.
- 12 Overtime - Compensation to employees for time worked in excess of their regularly established work schedule.

20 Personnel Benefits

- 20 Personnel Benefits & Taxes – The employer share of healthcare premiums, retirement, deferred compensation, Labor & Industries, Medicare, life and disability insurance.

30 Supplies

- 31 Office & Operating Supplies - Items purchased directly and consumed by the operating departments. Examples include: Paper, pens, envelopes, uniforms, smoke detectors, absorbent, foam, incident command supplies (ICS), and self-contained breathing apparatus (SCBA) supplies, Emergency Medical Services (EMS) medications, and software.
- 32 Fuel Consumed - Includes for operating engines and vehicles.
- 35 Small Tools & Equipment - Office equipment, furniture and fixtures, tools and equipment, Personal Protection Equipment (PPE), nozzles and appliances.

40 Services

- 41 Professional Services - Fees and expenses paid to outside parties and individuals for services. Examples are: Legal, technology support, benefits administration, third party billing agency, state audit, email archival\security, and emergency medicine supervising physician and medical program director.
- 42 Communication – Southwest Snohomish County Communications Agency (SNOCOM), Snohomish County Emergency Radio System (SERS), phone, internet, fax and data lines, postage.
- 43 Travel\Training - Expenditures for travel while on RFA business. This includes mileage, per diem, lodging, air, train and bus fares, airport shuttle, taxi services, and registration.
- 45 Operating Rental and Leases - Rent of space for occupancy or storage purposes, payments to contract cities for use of stations.
- 46 Insurance - Fire, bonds, theft, liability, other casualty, etc. Does not include insurance related to personnel benefits.
- 47 Utility Services - Payments to other agencies for the provision of utilities such as gas, water, sewer, electricity, garbage and recycling, and hazardous waste disposal.

- 48 Repairs & Maintenance - Contracted (external) labor and supplies if included in the invoice total furnished by the contractors, cleaning and repair of PPE.
- 49 Miscellaneous - Costs that are minor in amount and/or infrequent in occurrence and are not specifically described under any other object code; dues, subscription and memberships, and advertising.

01 BOARD OF FIRE COMMISSIONERS

PROGRAM DESCRIPTION

The primary function of the Board is to oversee the strategic operations of the RFA, to generate, review, and approve policies which provide clear guidance to the administrative and managerial staff in conducting their respective operational duties, and to review and acknowledge the expenditure of funds for goods and services received by the RFA. The Board holds open hearings on matters of importance to the general public. These matters include the setting of property tax levies, the acquisition of fire and EMS facilities, apparatus, and equipment required to deliver a level of service determined by the Board. Pursuant to RCW 52.14.010 and WSR 08-11-127 each of the commissioners may be compensated at \$114 per day with an annual compensation limit of \$10,944. RCW 52.14.010 also provides that every 5 years the dollar threshold will be adjusted for inflation. The next increase will be effective January 1, 2019.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE
Executive Assistant	1.0	1.0

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Board of Commissioner’s Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	19,982	154,457
Overtime	0	0
Benefits	4,870	35,916
Supplies	300	1,250
Services	16,250	33,700
Total	41,402	225,323

- Compensation for 7 Commissioners for 3 meetings per month
- Salary and Benefits for an Executive Assistant to the Board of Commissioners
- Funding for supplies, travel and miscellaneous meeting expenses

02 TRANSITION COSTS

PROGRAM DESCRIPTION

This program was established to account for the costs that will be incurred to transition the two separate organizations into one.

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. On August 3, 2017, District 1 Commissioners authorized \$250,000 of funding for transitions costs. Specifically authorized was \$70,000 for technology and \$75,000 for HR and Payroll integration. Other items identified were \$30,000-\$50,000 for professional branding, \$20,000 for an October newsletter, and \$25,000 for overtime.

According to the Interlocal agreement between the District and the RFA, the RFA will pay District expenses. Included in the 2018 Transition Cost Budget is compensation to District Commissioners for one District meeting a month.

When the 2018 Budget is reopened it is anticipated additional funding may be requested.

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	5,130	6,840
Overtime	0	0
Benefits	0	0
Supplies	0	0
Services	187,500	243,160
Total	192,630	250,000

03 OFFICE OF THE FIRE CHIEF

PROGRAM DESCRIPTION

The primary function of the Office of the Fire Chief is to oversee the specific operations of the RFA, to assure compliance with RFA policies, to delegate operating authority and responsibility to the Assistant and Deputy Chiefs to assist staff in conducting their respective duties, and to initiate the expenditure of funds for the receipt of goods and services received by the RFA. The Administration manages the conduct and affairs of the RFA on a daily and detailed basis to assure the highest level of service consistent with the resources approved by the Fire Commissioners.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE	Comments
Fire Chief	1.0	1.0	
Assistant Fire Chief	2.0	4.0	<i>Operations\Administration\Training\Prevention</i>
Deputy Chief-Special Projects		1.0	<i>Reclassification</i>
Executive Assistant	1.0	1.0	
Administrative Assistant	2.0	2.0	
Administrative Assistant-Reimbursed	1.0	1.0	
Strategic Financial Planner	1.0		<i>Reclassified to Finance</i>
Total	8.0	10.0	

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Office of the Fire Chief’s Budget includes the following:

	<u>OCT-DEC</u> <u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Wages	257,333	1,294,598
Overtime	30,000	2,000
Benefits	76,057	415,324
Supplies	600	1,000
Services	18,500	101,000
Total	382,489	1,813,922

- Funding for supplies and miscellaneous expenses
- Professional services for Standards of Coverage, EMS Levy
- Travel and Training

04 HUMAN RESOURCES

PROGRAM DESCRIPTION

The Human Resources Program (HR) oversees all human resource activities. Activities include labor negotiations, compensation and benefits, health care contract management and administration, and staffing management which includes advertising, testing, interviewing, and orientation for new administrative employees.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE
Human Resources Director	1.0	1.0
Human Resources Analyst	1.0	1.0
Human Resources Specialist	2.0	2.0
Receptionist	1.0	1.0
Total	5.0	5.0

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Human Resources Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	82,000	422,389
Overtime	1,500	3,000
Benefits	28,320	161,310
Supplies	150	750
Services	125,500	482,550
Total	237,470	1,069,999

- Professional Services for labor related legal fees, Employee Assistance Program and HRA Third Party Administrator
- Funding for supplies and miscellaneous expenses

05 NEW HIRES

PROGRAM DESCRIPTION

The New Hires program captures the cost of recruiting, advertising, interviewing, screening, hiring, and initial Fire Academy training of all new career suppression personnel additions and those who replace retirees, as well as costs to send two employees to the paramedic school at Harborview. This program also captures the cost of new member’s initial uniforms and required protective equipment and the salaries and benefits for new or additional suppression members while attending a Fire Academy, and overtime for Trainers.

With the addition of a new Assistant Chief of Training, the RFA is actively pursuing establishing and operating its own fire academy for new hires, in lieu of the North Bend Academy. It is anticipated that when the 2018 Budget is reopened this program will be realigned.

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 New Hire Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	15,000	655,594
Overtime	69,750	194,828
Benefits	18,500	364,467
Supplies	5,100	184,466
Services	7,500	139,046
Total	115,850	1,538,401

- Costs associated with hiring and training up to 20 new Firefighters and/or Firefighter Paramedics.
- Costs associated with sending two employees to the paramedic school at Harborview, including back fill overtime to cover their shifts; and housing while at school.

09 PUBLIC INFORMATION

PROGRAM DESCRIPTION

The Public Information program serves as the official communications channel for the RFA in promulgating technical, financial, and operational data to the media and the general public. The channels include direct interviews with the print and visual media, newsletters, informational flyers, brochures, management of the website, press releases, coordinating RFA involvement in community events, and on-scene media relations.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE
Public Information Officer	1.0	1.0

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Public Information Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	24,965	103,022
Overtime	0	3,000
Benefits	10,500	44,556
Supplies	150	2,250
Services	43,500	147,850
Total	79,115	300,678

- Printing and Postage for newsletters\educational materials
- Funding for supplies and miscellaneous expenses

15 NON-DEPARTMENTAL EXPENSES

PROGRAM DESCRIPTION

The Non-Departmental Expenses program is designed to incorporate all RFA expenses not otherwise assigned to a specific operations program. This program captures major organizational expenses that arise from Commissioner Policy directives and which are not under the discretionary control of the Fire Chief and management staff, such as legal services, insurance, on-going fire service contracts, Interlocal agreements, and interagency programs.

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Non-Departmental Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	0	0
Overtime	0	0
Benefits	0	0
Supplies	3,000	10,000
Services	785,000	3,392,547
Total	788,000	3,402,547

- Funding for supplies and postage
- Professional services for legal fees, transport billing agency, GEMT Consultant
- Transport fees remitted to the cities of Mountlake Terrace and Edmonds
- General insurance package as well as early retirement healthcare incentive offered in 2011
- SNOCOM\SERS assessments
- Election Costs

18 FINANCE

PROGRAM DESCRIPTION

The Finance program employs non-uniformed professional staff that develops annual budgets with forecasted revenue and expenses, processes the timely payment of payroll and claims expenses incurred by the operating and reserve components of the RFA, generates billings RFA receivables, provides treasury and oversight services for the Snohomish County Emergency Medical Services and Trauma Care Council, and provides treasury and administrative services to the Snohomish County Special Operations Policy Board. The Program prepares monthly and quarterly financial performance reports showing the status of revenue and expenses measured against the adopted budget. At year end, the Program also prepares and publishes an annual report open for public inspection and submitted to the State Auditor's Office.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE	Comments
Finance Director	1.0	1.0	
Finance Specialist	2.0	2.0	
Strategic Financial Planner		1.0	<i>Reclassified from Office of the Fire Chief</i>
Administrative Assistant		0.5	<i>.5 FTE Temporary position for 2018</i>
Total	3.0	4.5	

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Finance Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	68,856	347,550
Overtime	1,500	3,000
Benefits	26,200	155,473
Supplies	500	1,250
Services	5,000	6,850
Total	102,056	514,123

- Funding for supplies and miscellaneous expenses

21 GEOGRAPHIC INFORMATION SYSTEMS (GIS) MAPPING

PROGRAM DESCRIPTION

The GIS Mapping program provides digital mapping services for the RFA's needs and is available for mapping services work to outside agencies on a reimbursement basis.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE
Contract Employee	1.0	1.0

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 GIS Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	13,750	41,354
Overtime	0	0
Benefits	2,550	17,874
Supplies	3,000	13,750
Services	0	6,000
Total	19,300	78,978

- Funding for supplies

32 COMMUNICATIONS & TECHNOLOGY

PROGRAM DESCRIPTION

The Communications and Technology program provides for the estimated cost of placing an array of electronic and office equipment into service at the administrative and operational levels of the RFA.

It also includes the maintenance and service agreements for the software and the hardware the RFA uses, as well as professional services required to maintain. It provides the RFA with both data, voice communications (this includes mobile and portable radios) and the conductivity required for department operations.

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 CommTech Budget includes the following:

	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Wages	0	0
Overtime	0	0
Benefits	0	0
Supplies	7,500	144,000
Services	196,500	846,900
Total	204,000	990,900

35 STATION OPERATIONS

PROGRAM DESCRIPTION

The Station Operations program covers the cost of managing, equipping, staffing, and operating fourteen fire stations to prepare for all hazard mitigation to include fire suppression and EMS related incidents. This program is established with the goal of meeting all standards of response objectives as established by the Department and our contract cities we serve, in a safe and effective manner.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE	Comments
Deputy Chief of Operations	1.0		<i>Reclassified to the Office of the Fire Chief</i>
Battalion Chiefs	12.0	12.0	
Medical Service Officers-Shift	4.0	4.0	
Captains	56.0	56.0	
Firefighter	96.0	96.0	
Firefighter\Paramedic	83.0	83.0	
Total	252.0	251.0	

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Station Operations Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	6,512,612	26,642,060
Overtime	543,482	2,750,000
Benefits	2,596,193	10,672,887
Supplies	66,462	108,500
Services	22,500	92,400
Total	9,741,249	40,265,847

- Funding for supplies, small equipment and miscellaneous expenses

36 VOLUNTEERS

PROGRAM DESCRIPTION

The Volunteer program identifies the cost of maintaining a volunteer staff of trained personnel who assist and support the suppression crews during tactical operations.

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Volunteer Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	5,800	57,600
Overtime	600	2,000
Benefits	2,000	0
Supplies	5,000	13,000
Services	10,000	23,430
Total	23,400	96,030

- A quarterly stipend for up to 24 Volunteers
- Overtime for Training Captains who oversee the program
- Funding for supplies, small equipment and miscellaneous expenses

37 SAFETY

PROGRAM DESCRIPTION

The Safety and Health program is responsible for managing and enforcing the rules, regulations, and policies relating to the safe operation of the Fire Department. The Safety Officer responds to emergency activities, manages the personal protection equipment (PPE) program, the SCBA program, the Wellness Program and the Exposure Control Program among several others. The Safety Officer coordinates with Training on new and existing programs designed to ensure the continued safety of all RFA personnel.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE
Safety Officer	1.0	1.0

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Safety Budget includes the following:

	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Wages	33,650	140,811
Overtime	1,500	0
Benefits	11,675	38,559
Supplies	66,446	311,750
Services	4,500	69,250
Total	117,771	560,370

- Funding for uniform and PPE replacement and maintenance, excluding costs associated with branding

38 PREVENTION & EDUCATION

PROGRAM DESCRIPTION

The Prevention and Education program provides fire and life-safety education and training services throughout the RFA and contract cities. The RFA collaborates with the County Fire Marshal’s Office on construction projects and tenant improvements within the unincorporated service areas served by the RFA. Additionally, fire marshal services are provided to contract cities, including: fire cause and origin investigations, construction plan reviews, building inspection and codes, standards and ordinance development.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE	Comments
Deputy Chief of Prevention	2.0	1.0	<i>Reclassification to A/C Office of the Fire Chief</i>
Inspector\Deputy Fire Marshal	5.0	5.0	
Public Educator	1.0	1.0	
Administrative Assistant	1.0	1.0	
Total	9.0	8.0	

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Prevention and Education Budget includes the following:

	OCT-DEC	
	2017 BUDGET	2018 BUDGET
Wages	265,469	958,728
Overtime	14,460	32,000
Benefits	119,354	323,308
Supplies	6,381	21,000
Services	10,212	32,000
Total	415,875	1,367,036

- Overtime for Prevention staff as well as staffing events and classes
- Funding for supplies and miscellaneous expenses

42 EMERGENCY MEDICAL SERVICES

PROGRAM DESCRIPTION

The Emergency Medical Services (EMS) program provides for the oversight, management, licensing and certification and quality control of EMS operations and training, and funds equipment maintenance and disposable supplies used when responding to EMS incidents. The program coordinates paramedic school training and integration. Provides oversees EMS billing and electronic medical reporting system. This program also encompasses the Community Para-medicine program implemented in 2014 with a grant from Verdant Health Commission. Additionally, this program includes the following community outreach programs, including Senior Fall Prevention, Public First-aid, and CPR/AEDs. Community Emergency Response Teams, Map Your Neighborhood and other disaster preparation and Fire Corps/Veteran activities. The EMS division also oversees EMS dispatch, cardiac arrest registry, bike medic team, exposure control program/hazardous waste collection and through a contract, the Mukilteo EMS program. Represents the agency and participates in the development of procedures, rules and performance metrics at the county, state and national levels. EMS is also responsible for one Snohomish County EMS Employee.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE
Deputy Chief of EMS	1.0	1.0
Medical Service Officers-Days	2.0	2.0
Community Resource Paramedics - Grant Funded	2.0	2.0
Public Educator	1.0	1.0
Administrative Assistant - 50% Grant Funded	0.5	0.5
Total	6.5	6.5

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 EMS Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	207,000	689,689
Overtime	60,000	310,470
Benefits	69,660	333,653
Supplies	124,091	700,350
Services	139,734	525,257
Total	600,485	2,559,419

- Overtime for Paramedic training
- Funding for EMS Supplies, primarily medications
- Professional services including the EMS Supervising Physician

43 TECHNICAL RESCUE

PROGRAM DESCRIPTION

The Technical Rescue Program covers the cost of training a cadre of highly specialized personnel in rescue operations including high and low angle rescue, liquid and frozen water surfaces, confined space and urban search and rescue. Highly specialized equipment is utilized in the conduct of these rescue operations. In November 2012 the RFA entered into a Special Operations Full Participating Agency Interlocal agreement. Assessments are split between Technical Rescue and Hazardous Materials-Program 44.

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Technical Rescue Budget includes the following:

	OCT-DEC	
	2017 BUDGET	2018 BUDGET
Wages	0	0
Overtime	3,000	37,000
Benefits	225	0
Supplies	15,530	47,435
Services	0	0
Total	18,755	84,435

- Overtime for training, meetings and equipment maintenance
- Funding for miscellaneous supplies, equipment, and equipment maintenance

44 HAZARDOUS MATERIALS

PROGRAM DESCRIPTION

The HazMat program identifies the cost of training and developing a cadre of highly specialized personnel who may safely confront and control a field operation involving hazardous materials utilizing expert techniques and dedicated equipment. In November 2012 the RFA entered into a Special Operations Full Participating Agency Interlocal agreement. Assessments are split between Hazardous Materials and Technical Rescue-Program 43.

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Hazardous Materials Budget includes the following:

	OCT-DEC	
	2017 BUDGET	2018 BUDGET
Wages	0	0
Overtime	10,500	37,000
Benefits	0	0
Supplies	9,325	19,485
Services	6,000	12,938
Total	25,825	69,423

- Overtime for training, meetings and equipment maintenance
- Funding for miscellaneous supplies, equipment, and equipment maintenance

45 PHYSICAL FITNESS & WELLNESS

PROGRAM DESCRIPTION

The Physical Fitness and Wellness program accounts for the cost of providing a variety of physical strength and stamina training to operational staff under the tutelage of trained instructors.

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Physical Fitness & Wellness Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	0	0
Overtime	4,500	2,000
Benefits	0	0
Supplies	4,500	11,000
Services	2,250	20,000
Total	11,250	33,000

- Overtime for training
- Funding for miscellaneous supplies, equipment, and equipment maintenance

46 TRAINING

PROGRAM DESCRIPTION

The Training Budget supports the overall goals of organizational compliance with Federal, State, and local laws, rules, regulations, and codes governing emergency response and employee preparedness. The budget also supports the organizational career development goals that are defined by industry best standards and practices and include both formal education and competency based evaluations.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE	Comments
Deputy Chief of Training	1.0		<i>Reclassified to the Office of the Fire Chief</i>
Training Captain	2.0	3.0	<i>New position</i>
Total	3.0	3.0	

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Training Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	97,500	297,549
Overtime	60,000	289,500
Benefits	38,350	187,599
Supplies	21,720	21,000
Services	15,000	199,000
Total	232,570	994,648

- Company overtime for training
- Miscellaneous Supplies and other expenses

60 APPARATUS MAINTENANCE

PROGRAM DESCRIPTION

This program budgets for the cost of vehicle maintenance and operations. The RFA currently maintains a fleet of apparatus including:

- 14 Fire Engines
- 4 Ladder Trucks
- 17 Medic\Aid Units
- 7 First Responder Command Vehicles
- 1 Air\Light Unit
- 1 Technical Rescue Unit
- 2 Boats
- 14 Administrative Command Staff Vehicles
- Reserve Engines, Ladders, Medic\Units, and First Responder Command Vehicles
- Reserve Administrative Command Vehicles, Pool cars, Trailers, and other support vehicles

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Apparatus Maintenance Budget includes the following:

	OCT-DEC 2017 BUDGET	2018 BUDGET
Wages	0	0
Overtime	0	2,000
Benefits	0	0
Supplies	126,417	323,500
Services	185,095	694,850
Total	311,512	1,020,350

- Funding for supplies and services to maintain the assets listed above
- Overtime for Apparatus Replacement Committee members

62 FACILITIES MAINTENANCE

PROGRAM DESCRIPTION

This program budgets for the cost of repairing and maintaining all of the buildings owned by the RFA. The RFA currently fully maintains 10 stations, headquarters, a training facility, a classroom, and two pieces of vacant land. Additionally the RFA is partially responsible for maintenance at four stations owned by our contract cities.

PROGRAM STAFFING

Position	2017 FTE	2018 FTE	Comments
Purchasing\Fleet\Facilities Manager	1.0	1.0	
Facilities Maintenance Technician	1.0	2.0	<i>New position</i>
Central Stores	1.0	1.0	
Total	3.0	4.0	

Budget Narrative

The October – December, 2017 Budget has been presented as well. It is important to note that due to the timing of the payment of expenses this number does not necessarily represent 25% of annual expenses. The 2018 Facilities Maintenance Budget includes the following:

	OCT-DEC	
	2017 BUDGET	2018 BUDGET
Wages	59,250	313,009
Overtime	0	2,000
Benefits	32,200	112,981
Supplies	27,000	148,000
Services	234,000	982,000
Total	352,450	1,557,990

- Funding for supplies and services to maintain the facilities listed above

RESERVE FUNDS

00 EMERGENCY RESERVE

PROGRAM DESCRIPTION

Emergency Reserve Created: It is in the best interest of The RFA and the communities it serves to establish a long-range financial plan; therefore the Commissioners created a separate Emergency Reserve Account. The target of not less than \$2 Million dollars has been reached.

Source of Funds:

- Contributions by Amount or Percentage: Each year, as part of the annual budget process, the Commissioners shall set, as a fixed dollar amount or a percentage of annual property taxes, the amount of the annual contribution.
- Lump Sum Contribution: Periodically a sum of money may be identified as a one-time, lump-sum contribution. The amount may be specified during the regular budget process or upon notice that the sum is available.
- Interest: Interest earned from the account’s invested balance shall accrue to the account.

Usage of Emergency Reserve: The account may be drawn upon for situations declared by the Commissioners to be of an emergency basis.

	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Beginning Cash	0	2,026,000
 <u>REVENUE</u>		
Contribution from District 1	2,020,000	0
Other Revenue	6,000	24,312
Total Revenue	<u>2,026,000</u>	<u>24,312</u>
 <u>EXPENSE</u>		
Transfer Out	<u>0</u>	<u>0</u>
Total Expenses	<u>0</u>	<u>0</u>
 Ending Cash	 <u>2,026,000</u>	 <u>2,050,312</u>

61 APPARATUS RESERVE ACCOUNT

PROGRAM DESCRIPTION

The RFA desires to set aside a portion of its annual revenues for the future acquisition of apparatus; therefore the Commissioners created a separate account.

Source of Funds:

- Contributions by Amount or Percentage: Each year, as part of the annual budget process, the Commissioners shall set, as a fixed dollar amount or a percentage of annual property taxes, the amount of the annual contribution.
- Lump Sum Contribution: Periodically a sum of money may be identified as a one-time, lump-sum contribution. The amount may be specified during the regular budget process or upon notice that the sum is available.
- Interest: Interest earned from the account’s invested balance shall accrue to the account.

Usage of Apparatus Replacement Reserve: The account may be drawn upon for the acquisition of, either a new addition to the fleet or as a replacement of an existing vehicle(s) which have been declared to be in the need of replacement.

	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Beginning Cash	0	4,800,657
 <u>REVENUE</u>		
Property Tax Revenue	0	1,250,000
Contribution from City of Lynnwood	2,459,117	400,000
Contribution from District 1	3,355,040	0
Other Revenue	7,500	0
Total Revenue	<u>5,821,657</u>	<u>1,650,000</u>
 <u>EXPENSE</u>		
Capital Outlay	<u>1,021,000</u>	<u>3,275,992</u>
Total Expenses	<u>1,021,000</u>	<u>3,275,992</u>
 Ending Cash	 <u>4,800,657</u>	 <u>3,174,665</u>

Expenditures anticipated in the 2018 Budget include (4) Medic\Aid Remounts, (2) Engines, (1) Ladder, and (2) Command Staff Vehicles. Staff continually reviews the status of the fleet. As a result, other apparatus replacement may take priority over those that have been anticipated.

63 FACILITY/MAJOR MAINTENANCE RESERVE ACCOUNT

PROGRAM DESCRIPTION

The RFA desires to set aside a portion of its annual revenues for the future acquisition new facilities, facility improvements, remodeling, or major repairs; therefore the Commissioners created a separate account.

Source of Funds:

- Contributions by Amount or Percentage: Each year, as part of the annual budget process, the Commissioners shall set, as a fixed dollar amount or a percentage of annual property taxes, the amount of the annual contribution.
- Lump Sum Contribution: Periodically a sum of money may be identified as a one-time, lump-sum contribution. The amount may be specified during the regular budget process or upon notice that the sum is available.
- Interest: Interest earned from the account’s invested balance shall accrue to the account.

Usage of Facility/Major Maintenance Reserve Funds: The account may be drawn upon as full or partial payment of a capital investment in any RFA building, facility or new facility. The use of funds in the Facility/Major Maintenance Reserve is for capital investments, and not a source for on-going maintenance needs.

	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018</u>
Beginning Cash	0	2,172,000
 <u>REVENUE</u>		
Property Tax Revenue	0	2,000,000
Contribution from District 1	2,225,800	0
Other Revenue	6,200	0
Total Revenue	<u>2,232,000</u>	<u>2,000,000</u>
 <u>EXPENSE</u>		
Capital Outlay	<u>60,000</u>	<u>325,000</u>
Total Expenses	<u>60,000</u>	<u>325,000</u>
 Ending Cash	 <u>2,172,000</u>	 <u>3,847,000</u>

Expenditures anticipated in 2018 are professional services for the Capital Facilities Plan Phase II and III, and a reserve for an unforeseen major maintenance or repair. Expenditures from this reserve have been placed on hold pending the completion of the Capital Facilities Plan.

67 EQUIPMENT REPLACEMENT RESERVE ACCOUNT

PROGRAM DESCRIPTION

The RFA desires to set aside a portion of its annual revenues for the future acquisition of new or replacement equipment; therefore, the Commissioners created a separate account.

Source of Funds:

- Contributions by Amount or Percentage: Each year, as part of the annual budget process, the Commissioners shall set, as a fixed dollar amount or a percentage of annual property taxes, the amount of the annual contribution.
- Lump Sum Contribution: Periodically a sum of money may be identified as a one-time, lump-sum contribution. The amount may be specified during the regular budget process or upon notice that the sum is available.
- Interest: Interest earned from the account’s invested balance shall accrue to the account.

Usage of Equipment Reserve Funds: The fund may be drawn upon for the acquisition of either a new piece of equipment or for replacement of existing equipment.

	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Beginning Cash	0	1,674,738
 <u>REVENUE</u>		
Property Tax Revenue	0	1,200,000
Contribution from District 1	2,032,698	0
Other Revenue	5,500	0
Total Revenue	<u>2,038,198</u>	<u>1,200,000</u>
 <u>EXPENSE</u>		
Capital Outlay	<u>363,460</u>	<u>2,109,911</u>
Total Expenses	<u>363,460</u>	<u>2,109,911</u>
 Ending Cash	 <u>1,674,738</u>	 <u>764,827</u>

Purchases anticipated for 2018 are as follows: hose replacement, Self-Contained Breathing Apparatus (SCBA), Extrication tools, outfitting of (2) Reserve\Training Apparatus, Technology Equipment, Payment #1 Powered Stretchers, and Payment #2 Lifepak 15’s.

Staff is currently consolidating equipment replacement schedules. It is anticipated that in 2019-2020 there will be several large purchases that may require additional funding to this reserve. Additional items already identified include (3) Lifepak 15, (2) O2 Filling Stations and (2) Video Laryngoscopes.

68 LEOFF 1 RETIREE MEDICAL EXPENSE RESERVE

PROGRAM DESCRIPTION

The Commissioners created a separate Fund, and contribute to this fund, amounts necessary for maintaining sufficient funds to meet annual and future medical claims for retired LEOFF 1 employees.

Source of Funds:

- Contributions by Amount or Percentage: Each year, as part of the annual budget process, the Commissioners shall set, as a fixed dollar amount or a percentage of annual property taxes, the amount of the annual contribution.
- Lump Sum Contribution: Periodically a sum of money may be identified as a one-time, lump-sum contribution. The amount may be specified during the regular budget process or upon notice that the sum is available.
- Interest: Interest earned from the account’s invested balance shall accrue to the account.

LEOFF 1 Retiree Medical Reserve Funds Usage: The fund may be drawn upon to pay the annual medical claims and expenses for LEOFF 1 retirees.

LEOFF 1 Retiree Medical Reserve Fund Balance: Any contributions to the LEOFF 1 Medical Reserve Fund will remain in the fund until the liability has been extinguished and the funds are declared surplus by a resolution of the Board of Commissioners.

	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Beginning Cash	0	1,085,319
<u>REVENUE</u>		
Property Tax Revenue	0	1,350,000
Contribution from City of Lynnwood	97,200	0
Contribution from District 1	1,196,819	0
Other Revenue	3,000	34,252
Total Revenue	<u>1,297,019</u>	<u>1,384,252</u>
<u>EXPENSE</u>		
Healthcare Claims	172,200	403,954
Professional Service	3,000	12,116
Insurance	36,500	507,251
Total Expenses	<u>211,700</u>	<u>923,320</u>
Ending Cash	<u>1,085,319</u>	<u>1,546,251</u>

74 COMPENSATED ABSENCES RESERVE ACCOUNT

PROGRAM DESCRIPTION

The Commissioners created a separate Fund, and contribute to this fund, amounts necessary to maintain an average target ending cash balance of approximately 5% of the compensated absences liability.

Source of Funds:

- Contributions by Amount or Percentage: Each year, as part of the annual budget process, the Commissioners shall set, as a fixed dollar amount or a percentage of annual property taxes, the amount of the annual contribution.
- Lump Sum Contribution: Periodically a sum of money may be identified as a one-time, lump-sum contribution. The amount may be specified during the regular budget process or upon notice that the sum is available.
- Interest: Interest earned from the account’s invested balance shall accrue to the account.

Usage of Compensated Absences Reserve Funds: The fund may be drawn upon for paying all or a portion of vacation and sick bank payout expenses upon the retirement of employees in situations where the annual operating budget does not provide sufficient funds.

The RFA may begin to experience a number of retirements as a number of its employees are nearing retirement eligibility. Should this occur additional funding to this reserve may be required.

	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Beginning Cash	0	0
 <u>REVENUE</u>		
Property Tax Revenue	0	650,000
Contribution from District 1	237,664	0
Other Revenue	300	0
Total Revenue	<u>237,964</u>	<u>650,000</u>
 <u>EXPENSE</u>		
Other Expenses	<u>237,964</u>	<u>513,302</u>
Total Expenses	<u>237,964</u>	<u>513,302</u>
 Ending Cash	 <u>0</u>	 <u>136,698</u>

HEALTHCARE SELF-INSURANCE FUND

This program was established as a standalone fund to record the activity of the RFA's Healthcare Self-Insurance Program. The program is administered by a Third Party Administrator, and is reinsured through the purchase of individual and aggregate stop loss insurance. Participants in the Self-Insurance program are prior District 1 employees.

The program consists of 3 plans. Plans 1 and 3 include only employees who are eligible for the State of Washington's LEOFF 1 retirement with Plan 3 for those who are Medicare eligible. The activity for these plans is recorded in the LEOFF 1 Medical Reserve as reported on Page 37.

Plan 2 includes all other active former District 1 employees and their families, as well as District 1 retirees who opt to self-pay to be covered under the RFA's program. Former City of Lynnwood employees are receiving their healthcare benefits from Northwest Firefighters Trust.

The RFA is monitoring the status of the Affordable Care Act and potential impacts to this program.

	OCT-DEC	
	<u>2017 BUDGET</u>	<u>2018 BUDGET</u>
Beginning Cash	0	3,417,035
<u>REVENUE</u>		
Employer Contribution	4,203,722	3,227,604
Other Contribution	66,813	269,292
Investment Interest	4,500	24,241
Total Revenue	<u>4,275,035</u>	<u>3,521,137</u>
<u>EXPENSE</u>		
Healthcare Claims	750,000	3,100,000
Professional Service	39,000	180,000
Insurance	69,000	250,000
Total Expenses	<u>858,000</u>	<u>3,530,000</u>
Ending Cash	<u>3,417,035</u>	<u>3,408,172</u>



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