

**Memorandum to:** Orcas Fire Board of Commissioners

**Date:** November 14, 2015

**Subject:** October 2015 Financial Summary

I am pleased to present to you the financial summary for the month of October. The following is an outline of revenue and expenditures for the year-to-date, along with a comparison to last year. Discussion on specific budget lines is detailed further below.

Category	1/1/15 - 10/31/15		1/1/14 - 10/31/14	
	Dollars	% of Budget	Dollars	% of Budget
Revenue	\$ 1,911,019	86.40%	\$ 1,926,041	93.10%
Operating Expenditures	1,718,268	80.50%	1,343,266	79.00%
Capital Expenditures	134,103	74.10%	108,826	41.90%

### **Revenue:**

Year to date revenue totals \$1,911,019 compared to \$1,926,041 in 2014. It continues to track slightly lower than last year, and as mentioned previously, I have concluded that this is likely due to a more precise 2015 revenue budget. In addition, October 31<sup>st</sup> – the deadline for property taxes – was on a Saturday this year which likely has delayed property tax receipts on a temporary basis and pushed back recorded receipts into November.

### **Expenditures:**

With the month of October wrapped up, we are now 83.33% through this fiscal year and again, the District continues to track below this expenditure rate (80.5% in October) – this has been running for five months in a row! Exceptions to this trend are noted below – and you will recognize most of the descriptions from prior month reports.

Description	Tracking %age	Reason
<u>Legislative:</u>		
Insurance	119.00%	As outlined in prior reports, there have been several delayed invoices received this year, which has continued to affect the tracking of this account. With an additional station online, total costs have increased. While the 2016 budget will better reflect anticipated tracking, a 2015 adjustment may be necessary if the excess cannot be offset within other existing budget funds. Please note that there was no account utilization for the third month in a row.
State Audit	283.30%	As outlined in prior reports, all invoices have now been received and thus all costs associated with the audit have been paid. As you are aware, the audit that was completed was originally budgeted for 2014.
<u>Administration:</u>		
Supplies	103.00%	This account continues to track over budget and the 2016 budget has been adjusted to reflect current tracking.
Equipment	157.90%	As you are aware, capital asset policy adopted at the end of 2014 has caused us to budget for equipment purchases differently than in the past. As part of this transition, the 2016 budget has been adjusted to reflect current tracking. There was no account utilization during the month.
Professional Svcs	109.80%	The account continues to track over budget for reasons previously discussed. The 2016 budget has been adjusted to reflect current tracking.
<u>Operations:</u>		
Wages	92.20%	Changes to the organizational structure continue to be reflected in higher tracking for this account. However, it also continues to be offset by lower tracking in administration wages.
Benefits	105.20%	Similar to wages, changes to the organizational structure continue to be reflected in higher tracking for this account. Again, this is being offset by lower tracking in administration benefits.
Supplies	107.90%	Tracking on this account continues to be skewed because of one-time purchases earlier in the year.
Equipment	165.70%	This relates to the purchase of computers over a two month period early in the year and as more recently discussed, to purchase pagers for the new recruits. Again, there was no account utilization during the month.
Response Reimb	104.00%	Response reimbursements to close out 4th quarter of 2014, along with monthly payments in 2015 have caused tracking to be high - that is to say that we have now reimbursed for more than an entire year of responses. This was a known item going into the year and as such, the account is expected to run overbudget for the year.

Grant:

Benefits	96.20%	After approval of the 2015 budget, the grant was amended to maintain a common benefit level between all District employees. Because this benefit is fully reimbursable under the grant, the budget variance is not a concern. The 2016 budget has been adjusted to account for this change.
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Facilities:

Equipment	2643.50%	As previously noted - in dollar terms, the overage is not material, and relates to the purchase of needed facilities items. The 2016 budget has been adjusted to reflect current tracking (and the adoption of the capital asset policy).
Professional Svcs	156.70%	As previously discussed this account has been tracking high due to mandatory alarm testing. The 2016 budget has been adjusted to reflect this.
Facility Leases	197.30%	This account is tracking high due to the two-year lease payment made to the Bond Estate.
Misc	220.90%	In dollar terms, the overage is not material, and relates to real estate taxes due on District property. There was no usage of the account for the seventh month in a row. The 2016 budget has been adjusted to reflect this tracking.

Apparatus Maint:

Wages	92.70%	As previously discussed, extra help wages have been included in this program. The 2016 budget reflects a reallocation of time between operations and maintenance.
Benefits	88.50%	As noted in wages above, the 2016 budget reflects a reallocation of time between operations and maintenance.
Supplies	279.70%	As previously discussed, needed apparatus supply items drive account utilization. The 2016 budget has been adjusted to reflect current tracking.
Professional Svcs	99.60%	While the variance tracking is significant, the dollar amount is not. For the eight month in a row, the account was not utilized.
Travel	140.90%	While the variance appears significant, in dollar terms it is not. The overage reflects travel related to apparatus maintenance.
R & M	153.20%	As previously discussed, carryforward items from 2014, along with significant outside repair activity has occurred this year due to changes in the District's maintenance program.

Emergency

Medical:

Supplies	108.60%	Needed medical supplies are driving the overage for 2015.
Professional Svcs	84.40%	The revised contract with Dr. Sullivan will cause this account to run over-budget through the rest of 2015.



R & M	1396.30%	Major maintenance of stretchers occurred earlier in the year, along with the MRx service contract was paid in March (which had previously been expended as a 'capital' item). A change in the 2016 budget will be necessary. Again, the account was not utilized during the month.
<u>Capital:</u>		
Equipment	101.30%	As previously discussed, this is primarily a situation of non-recurring expenditures carried forward from 2014. Expected capital and other significant expenditures were reviewed at the August board meeting and as such, it is known that this account will not track to budget for the rest of this year.

**Cash and Reserves:**

As we have previously discussed, the primary for lower cash tracking is the now monthly response payments being made to volunteers as well as timing related to the expenditure and receipt of grant funds. Nonetheless, the District will continue to maintain operations and capital acquisitions as anticipated.

<b>Description</b>	<b>10/31/2015</b>	<b>10/31/2014</b>
Total Cash & Reserves	\$ 1,238,774	\$ 1,497,551
Less: Accounts Payable	(43,838)	(32,489)
Available Cash & Reserves	<u>\$ 1,194,936</u>	<u>\$ 1,465,062</u>

I look forward to presenting this information to you at our meeting on November 19<sup>th</sup>. If you have any questions, please do not hesitate to contact me.

**Orcas Island Fire Department**  
**Budget vs. Actual**  
 January through October 2015

	Jan - Oct 15	Budget	% of Budget
<b>Ordinary Income/Expense</b>			
<b>Income</b>			
3100000 · Tax Revenue			
3111000 · Property Tax Revenue	1,842,966.69	2,006,315.00	91.9%
3121000 · Timber Harvest Tax	390.42		
3172000 · Leasehold Tax	2,429.16	3,000.00	81.0%
3100000 · Tax Revenue - Other	0.00	0.00	0.0%
<b>Total 3100000 · Tax Revenue</b>	<b>1,845,786.27</b>	<b>2,009,315.00</b>	<b>91.9%</b>
3319708 · Federal SAFER Grant	28,475.00	178,922.00	15.9%
3340000 · State Grant Revenue			
3349000 · Regional EMS Council Fire/Hosp	1,341.00	2,000.00	67.1%
3383000 · Fire Protection DNR	0.00	12,000.00	0.0%
<b>Total 3340000 · State Grant Revenue</b>	<b>1,341.00</b>	<b>14,000.00</b>	<b>9.6%</b>
3400000 · General Government Revenue			
3229022 · Fire Permits	0.00		
3360231 · Federal Pymt in Lieu of Taxes	0.00	3,500.00	0.0%
3382225 · Fire Marshal Reimbursement	9,225.19		
3417000 · Sale of Merchandise	397.00		
3426000 · Ambulance BLS	1,064.00		
3478010 · EMS & First Aid Training	1,684.00	2,000.00	84.2%
<b>Total 3400000 · General Government Revenue</b>	<b>12,370.19</b>	<b>5,500.00</b>	<b>224.9%</b>
34922 · Fire Protection - Interdept	20.00		
3600001 · Other Revenue Sources			
3416900 · Photocopies, Certificate, Fax	6.81		
3611107 · Investment Income	664.98	500.00	133.0%
3621000 · Rental Income	500.00		
3670000 · Donations	6,081.21	4,000.00	152.0%
3691000 · Sale of Surplus & Junk	1,769.39		
3694000 · Judgements & Settlements	241.34		
3696300 · OPALCO Capit'I Credit	795.43		
3699040 · Cleaning Cost for Meeting Room	100.00		
3699300 · Reimbursement	165.47		
3699600 · Small Refund from Vendor	77.96		
3980000 · L&I Insurance Recoveries	12,623.97		
<b>Total 3600001 · Other Revenue Sources</b>	<b>23,026.56</b>	<b>4,500.00</b>	<b>511.7%</b>
<b>Total Income</b>	<b>1,911,019.02</b>	<b>2,212,237.00</b>	<b>86.4%</b>
<b>Expense</b>			
5111000 · Legislative			
5221110 · Commissioner Stipend	3,990.00	6,156.00	64.8%
5221120 · Commissioner Benefits	176.38	471.00	37.4%
5221141 · Professional Services	3,039.69	4,000.00	76.0%
5221143 · Travel	103.59	250.00	41.4%
5221146 · Insurance	48,780.06	41,000.00	119.0%
5221149 · Miscellaneous	0.00	1,000.00	0.0%
5221151 · Election Services	0.00	2,500.00	0.0%
5221152 · State Audit	14,166.58	5,000.00	283.3%
<b>Total 5111000 · Legislative</b>	<b>70,256.30</b>	<b>60,377.00</b>	<b>116.4%</b>
5221000 · Fire Administration			
5221010 · Wages	200,156.31	295,821.00	67.7%
5221020 · Benefits	52,944.55	108,747.00	48.7%
5221031 · Supplies	10,300.70	10,000.00	103.0%
5221035 · Equipment	3,947.20	2,500.00	157.9%
5221041 · Professional Services	54,364.68	49,500.00	109.8%
5221042 · Communications	15,949.69	21,000.00	76.0%
5221043 · Travel	3,066.47	7,500.00	40.9%
5221044 · Taxes & Assessments	0.00	100.00	0.0%
5221045 · Rentals	0.00	100.00	0.0%
5221048 · Repair & Maintenance	356.68	1,000.00	35.7%
5221049 · Miscellaneous	5,832.56	18,175.00	32.1%
<b>Total 5221000 · Fire Administration</b>	<b>346,918.84</b>	<b>514,443.00</b>	<b>67.4%</b>

**Orcas Island Fire Department**  
**Budget vs. Actual**  
**January through October 2015**

	Jan - Oct 15	Budget	% of Budget
<b>5222000 · Fire &amp; EMS Operations</b>			
5222010 · Wages	437,243.58	474,104.00	92.2%
5222020 · Benefits	148,573.88	141,189.00	105.2%
5222021 · Volunteer Duty Shift	4,570.00	10,300.00	44.4%
5222022 · Volunteer Benefits	46,064.40	135,900.00	33.9%
5222031 · Supplies	33,676.18	31,200.00	107.9%
5222032 · Fuel	15,081.38	21,000.00	71.8%
5222035 · Equipment	19,467.45	11,750.00	165.7%
5222041 · Professional Services	9,964.78	20,000.00	49.8%
5222043 · Travel	2,928.60	4,000.00	73.2%
5222049 · Response Reimbursement	87,400.00	84,000.00	104.0%
<b>Total 5222000 · Fire &amp; EMS Operations</b>	<b>804,970.25</b>	<b>933,443.00</b>	<b>86.2%</b>
<b>5222200 · SAFER Grant</b>			
5222210 · Wages - Volunteer Coord	31,385.66	37,440.00	83.8%
5222220 · Benefits - Volunteer Coord	10,208.65	10,607.00	96.2%
5222221 · Insurance Benefits - Volunteers	0.00	46,145.00	0.0%
5222222 · Air Ambulance - Volunteers	1,436.81	5,530.00	26.0%
5222223 · Screenings - Volunteers	6,366.63	13,200.00	48.2%
5222224 · AFG Duty Shift	22,500.00		
5222231 · Supplies	93.46		
5222241 · Services	0.00	30,000.00	0.0%
5222264 · PPE	26,522.98	36,000.00	73.7%
<b>Total 5222200 · SAFER Grant</b>	<b>98,514.19</b>	<b>178,922.00</b>	<b>55.1%</b>
<b>5222300 · BLM Grant</b>			
5222331 · Supplies	1,705.82		
<b>Total 5222300 · BLM Grant</b>	<b>1,705.82</b>		
<b>5223000 · Prevention &amp; Public Education</b>			
5223031 · Supplies	4,866.36	6,500.00	74.9%
5223035 · Equipment	0.00	100.00	0.0%
5223041 · Professional Services	2,574.57	11,000.00	23.4%
5223043 · Travel	0.00	100.00	0.0%
5223049 · Miscellaneous	0.00	250.00	0.0%
<b>Total 5223000 · Prevention &amp; Public Education</b>	<b>7,440.93</b>	<b>17,950.00</b>	<b>41.5%</b>
<b>5223100 · Fire Marshal</b>			
5223110 · Wages, Fire Marshal	15,220.00	22,000.00	69.2%
5223120 · Personnel Benefits	1,238.30	1,683.00	73.6%
<b>Total 5223100 · Fire Marshal</b>	<b>16,458.30</b>	<b>23,683.00</b>	<b>69.5%</b>
<b>5224500 · Fire &amp; EMS Training</b>			
5224510 · Training Stipend	1,700.00		
5224531 · Supplies	1,906.29	5,400.00	35.3%
5224535 · Equipment	0.00	100.00	0.0%
5224541 · Professional Services	27,555.50	42,000.00	65.6%
5224543 · Travel	12,989.66	16,000.00	81.2%
5224549 · Drill Reimbursements	11,369.52	15,000.00	75.8%
<b>Total 5224500 · Fire &amp; EMS Training</b>	<b>55,520.97</b>	<b>78,500.00</b>	<b>70.7%</b>
<b>5225000 · Fire Control Facilities</b>			
5225031 · Supplies	2,817.38	6,600.00	42.7%
5225035 · Equipment	2,643.46	100.00	2,643.5%
5225041 · Professional Services	2,037.50	1,300.00	156.7%
5225045 · Facility Leases	3,945.08	2,000.00	197.3%
5225047 · Utilities	33,190.41	45,000.00	73.8%
5225048 · Repair & Maintenance	15,971.07	23,100.00	69.1%
5225049 · Miscellaneous	220.94	100.00	220.9%
<b>Total 5225000 · Fire Control Facilities</b>	<b>60,825.84</b>	<b>78,200.00</b>	<b>77.8%</b>

**Orcas Island Fire Department**  
**Budget vs. Actual**  
**January through October 2015**

	Jan - Oct 15	Budget	% of Budget
<b>5226000 · Apparatus Maintenance</b>			
5226010 · Wages	54,220.14	58,506.00	92.7%
5226020 · Benefits	16,048.23	18,138.00	88.5%
5226031 · Supplies	6,992.37	2,500.00	279.7%
5226035 · Equipment	2,486.61	3,000.00	82.9%
5226041 · Professional Services	249.05	250.00	99.6%
5226043 · Travel	845.60	600.00	140.9%
5226048 · Repair & Maintenance	70,473.35	46,000.00	153.2%
5226049 · Miscellaneous	96.69	1,000.00	9.7%
<b>Total 5226000 · Apparatus Maintenance</b>	<b>151,412.04</b>	<b>129,994.00</b>	<b>116.5%</b>
<b>5227000 · Emergency Medical Aid</b>			
5227031 · Supplies	32,585.20	30,000.00	108.6%
5227035 · Equipment	0.00	2,500.00	0.0%
5227041 · Professional Services	28,705.06	34,000.00	84.4%
5227043 · Travel/Transport	817.53	3,000.00	27.3%
5227048 · Repair & Maintenance	2,792.50	200.00	1,396.3%
5227049 · Volunteer Per Diem BLS Trans	1,100.00	2,200.00	50.0%
<b>Total 5227000 · Emergency Medical Aid</b>	<b>66,000.29</b>	<b>71,900.00</b>	<b>91.8%</b>
<b>5281000 · Communications</b>			
5222131 · Supplies	0.00	500.00	0.0%
5222145 · Rentals	2,607.98	3,200.00	81.5%
5222148 · Repair & Maintenance	3,032.21	3,000.00	101.1%
5222150 · Sheriffs Contract Dispatch	32,586.70	40,000.00	81.5%
<b>Total 5281000 · Communications</b>	<b>38,226.89</b>	<b>46,700.00</b>	<b>81.9%</b>
<b>5970000 · Fund Transfers Out</b>	<b>17.00</b>		
<b>Total Expense</b>	<b>1,718,267.66</b>	<b>2,134,112.00</b>	<b>80.5%</b>
<b>Net Ordinary Income</b>	<b>192,751.36</b>	<b>78,125.00</b>	<b>246.7%</b>
<b>Other Income/Expense</b>			
<b>Other Income</b>			
<b>3610000 · Interest Income</b>			
3611110 · Reserve Fund Invest. Interest	93.22		
<b>Total 3610000 · Interest Income</b>	<b>93.22</b>		
<b>3951000 · Sale of Fixed Assets</b>	<b>1,225.00</b>		
<b>Total Other Income</b>	<b>1,318.22</b>		
<b>Other Expense</b>			
<b>5940000 · Capital Expenditures</b>			
5942262 · Buildings and Structures	11,368.73	59,800.00	19.0%
5942264 · Machinery and Equipment	122,733.94	121,200.00	101.3%
<b>Total 5940000 · Capital Expenditures</b>	<b>134,102.67</b>	<b>181,000.00</b>	<b>74.1%</b>
<b>Total Other Expense</b>	<b>134,102.67</b>	<b>181,000.00</b>	<b>74.1%</b>
<b>Net Other Income</b>	<b>-132,784.45</b>	<b>-181,000.00</b>	<b>73.4%</b>
<b>Net Income</b>	<b>59,966.91</b>	<b>-102,875.00</b>	<b>-58.3%</b>

Orcas Island Fire Department  
**Balance Sheet**  
As of October 31, 2015

	<u>Oct 31, 15</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
General Fund Cash	683,747.55
OIF&R Operating Account	16,155.40
Petty Cash	200.00
Reserve Fund Cash	1,027.60
Revolving Fund	100.00
<b>Total Checking/Savings</b>	<u>701,230.55</u>
<b>Accounts Receivable</b>	
1200 · Accounts Receivable	179.00
<b>Total Accounts Receivable</b>	<u>179.00</u>
<b>Total Current Assets</b>	701,409.55
<b>Other Assets</b>	
General Fund Investments	459,638.38
Reserve Fund Investments	77,726.49
<b>Total Other Assets</b>	<u>537,364.87</u>
<b>TOTAL ASSETS</b>	<b><u>1,238,774.42</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	43,838.11
<b>Total Accounts Payable</b>	<u>43,838.11</u>
<b>Total Current Liabilities</b>	<u>43,838.11</u>
<b>Total Liabilities</b>	43,838.11
<b>Equity</b>	
3000 · Opening Bal Equity	184,843.23
3900 · Retained Earnings	950,126.17
Net Income	59,966.91
<b>Total Equity</b>	<u>1,194,936.31</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>1,238,774.42</u></b>