

2024 FD8 BUDGET POLICY RECOMMENDATIONS

ADOPTED 10 OCTOBER 2023

Executive Summary: This document is intended to provide policy guidance for development of the 2024 District Budget. It is based upon the District’s master planning work (Phases I, II and III, 2016-2020) and the proposed 2024 District Goals & Objectives (*Section A-2a*) with subsequent review and approval by the Board of Fire Commissioners (Board). Work derived from the master planning and resulting Goals/Objectives is intended to ultimately result in efficient and effective deployment of District resources to meet the demands for fire protection, emergency medical services and related needs in the community.

Background: Since 2013, part of the budget development process has involved the Board and Fire Chief agreeing upon policy direction prior to developing a detailed financial plan. Some key events that have transpired since our last report in 2023 include:

- In 2023, the District commissioned a new program titled Community Outreach Team (COT). This group of members chaired by Lieutenant Bonser and overseen by District Secretary Stumpf serve to coordinate communications to District stakeholders in an array of styles and means. The COT is a result of the *District Communications Plan* established by District Executive Staff and consultant Liz Loomis during 2022-2023.
- In 2023, the District continued to be impacted by pre-hospital care issues, primarily with the transportation and transfer of basic life support (BLS) patients to local hospitals. Indeed, this is a state and national issue exacerbated by the effects of the COVID-19 pandemic and changes in the institutional health care system. Long wait times for private sector ambulances and delays in transferring patients at the hospital created severe shortages of available response units, impacting service delivery.
- In December of 2022, the Board and the IAFF Local 2903 ratified a new three-year (2023-2025) collective bargaining agreement (CBA). The new CBA featured significant changes in the deployment model for District career Incident Readiness & Response (IR&R) career employees.
- In 2023, the District adopted an IR&R staffing plan that would support adequate staffing levels to meet its Mission, Vision and Goals; four scenarios were developed and one, known as “Plan A” (later refined and renamed “2 Firestation Plan”), was selected as the “working model”. Refer also to *Section C8 “IR&R Staffing”*.
- With the cessation of COVID-19 pandemic social restrictions, the District began to resume public meetings and events in 2022-2023. This included the annual membership awards banquet on February 4th and open public meeting held in person (including Board meetings).
- The voters of the District approved Proposition 1 at the Thurston County Primary Election held on August 1st of 2023. The proposition authorized the District to restore its property tax levy rate to \$1.50 of one-thousand dollars of assessed property valuation. This proposition was a result of the District’s master planning to achieve staffing to meet its planned staffing levels and target level of services. Refer to 2024 Goal #1.

These events significantly affect the course of actions and assumptions for the District. The following recommendations reflect these actions and are categorized into six areas.

A. Policy

1. Budget: To ensure long-term solvency, the Board and Staff are evaluating service options and attendant future costs to determine an appropriate budget and revenue strategy for 2024-2028 (refer to 2024 Goals #1) and beyond. For 2024, it is estimated that the District is eligible to receive \$ 5.03 million in revenue from property tax [*based on currently available data from the Thurston County Assessor*].

2. Priorities: The District adopted the following Mission and Vision statements:

- The **MISSION** of: “[being] committed to serve our community with prompt, consistent and professional fire suppression, basic life support, rescue and prevention/preparedness services.”
- The **VISION** of: “[striving] to meet adopted Target Levels of Service¹ (TLoS) to our community through deployment based on two or more strategically located firestations, staffed round-the-clock with competent responders and equipped with all necessary apparatus and equipment to provide Mission and Value driven services”.
- The **PRIMARY DISTRICT GOAL** is to “provide customer service consistent with our adopted Target Levels of Service”¹. In addition, specific annual goals and objectives are established annually.

2a. 2024 Goals & Objectives:

2024 Goal #1: The District will revise and update its 2023-2027 financial plan (adopted in 2023) seeking to provide sufficient funding to ensure adequate staffing, operational support and capital assets commensurate with the adopted IR&R staffing “2-Firestation Plan”. Refer also to *Section C8 “IR&R Staffing”*. This represents the second of two objectives involving voter approved property tax increases.

- 1) An interactive process based on the District *Strategic Communications Plan* will be coordinated by District Secretary Stumpf to share information and receive input on the adopted 2024-2028 financial plan by February 2024.
- 2) Chief VanCamp shall provide a 2024-2028 financial plan proposal for Board approval by March 2024.
- 3) The Board will adopt a resolution to place on the 2024 Primary/General Election ballot a measure to provide additional funding to support the 2024-2028 financial plan in accordance with the 2024 scheduled elections dates.

2024 Goal #2: The District will review and update its Phase III Master Plan documentation.

- 1) Chief McBride will review and update the *Phase III Apparatus & Equipment Master Plan*, providing a recommendation to Chief VanCamp by August 2024.
- 2) District Secretary Stumpf will review and update the *Phase III Community Communications and Risk Reduction Master Plan*, providing recommendations to Chief VanCamp by July 2024.
- 3) Chief LeMay will review and update the *Phase III Incident Readiness & Response Master Plan*, providing a recommendation to Chief VanCamp by July 2024.
- 4) Chief Clowes will review and update the *Phase III Training & Education Master Plan*, providing a recommendation to Chief VanCamp by August 2024.
- 5) Chief Hall will review and update the District Health & Safety Program Policy, Procedures and Plan, providing a recommendations to Chief VanCamp by August 2024.
- 6) Chief VanCamp will provide an overall recommendation to the Board for amendments to the *District Master Plan* by October 2024.
- 7) Upon approval by the Board, Chief VanCamp will coordinate the implementation of the updated master plans.

¹ **Target Levels of Service** (summary): for fire operations, respond within 10 minutes of receiving the alarm with minimum of 4 qualified personnel; emergency medical operations, respond within 8 minutes if receiving the alarm with a minimum of 2 qualified personnel.

3. Community Connections: The provisions of the District *Strategic Communications Plan* and *Community Communications and Risk Reduction Master Plan* as managed by District Secretary Stumpf, will guide District actions with the community.

3a Community Risk: While the District has not conducted a formal community risk assessment, it has been working with the Thurston County Natural Hazards Mitigation Planning team since 2022, with the goal to coordinate and include its local issues and interests into the county-wide plan in 2023. A significant emergence of the wildfire and wildland-urban interface (W/WUI) fire threat in Thurston County has caused the District to undertake mandatory W/WUI firefighting training for all fire IR&R staff.

B. Revenue

4. Property tax revenue and Operating Funds (Fund 6680): I recommend that the Board request a property tax levy of \$ 5.03 million in 2024, approximately \$ 1.12 million more than in 2023. This figure also depends upon the final total assessed valuation of the District [*based on currently available data from the Thurston County Assessor*]. Booked new construction value from 2023 is \$ 19.7 million. The resulting 2024 levy rate is estimated to be \$1.50 per thousand of assessed valuation.

5. Capital Repairs & Replacements Fund (CR&R--Fund 6681): Based upon the 2019 *Apparatus & Equipment Master Plan* and the updated (2022-2023) CR&R schedule/budget plan, the 2024 schedule/budget will serve as guideline for current capital expenditures. Major facilities and equipment capital expenditures are highlighted in *Section F Capital* below.

Staff continue to evaluate maintenance and operations practices for facilities, apparatus and equipment to 1) maximize asset life and mission reliability, 2) analyze optimal asset replacement cycles and 3) establish overall asset values for planning purposes. In 2023, there were some lingering effects of the 2019-2021 COVID-19 pandemic on the timeliness and availability for purchases and projects, some continued to be delayed significantly due to supply-chain and labor limitations.

6. Reserve Fund (Fund 6683): District Policy 1-60 "District Funds & Budgets" provides that the fund "...maintain an approximate level of funding for four-months of general operations..." The District has not needed to draw upon this fund since November 2006. The funds balance entering 2024 are estimated be \$ 1.75 million. In order to maintain a base 33% (of annual expenditures) balance, I recommend that \$ 104 thousand be allocated from Fund 6680 into Fund 6683 in 2024.

7. Capital Facilities Project Fund (Fund 6685): I do not recommend allocating any additional funds to the Capital Facilities Projects Fund in 2024. The estimated beginning balance for the fund (2024) is \$ 577 thousand.

C. Staffing

8. IR&R staffing: The 2017 IR&R staffing plan provides for "...an appropriate initial fire [and EMS] response resources (Type 1 Pumper staffed with minimum of 2 qualified [responders]) at each firestation..." at both Stations 8-1 (South Bay) and 8-3 (North Olympia).

The Goal #1 will hopefully address and support volunteer/career staffing practices to improve achievement of TLoS performance. As part of 2023's Business Plan (and 2023-2027 District Staffing Plan), the District developed and unveiled a proposed staffing achievement plan now called "2 Firestation Plan". It was one of four revenue-based staffing scenarios. Each of the four options estimates the number of volunteer and career staff it could afford based on four different revenue options; "2 Firestation Plan" provides for a staffing level of 28 career and 25 volunteer

responders by 2028. Funding for “2 Firestation Plan” includes both the base property tax levy and a new maintenance & operating excess levy. The base property tax levy restoration to \$1.50 per thousand dollars of assessed valuation was approved by voters in August 2023. A maintenance & operating excess levy is being proposed for voters in the fall of 2024 (for 2025 collection).

The other three options, later reduced to one option called “1.5 Firestation Plan”, has lesser staffing levels (and resulting lower levels of responsiveness) commensurate with lower funding level estimates. All options have been presented to stakeholders in various means of communication during 2023, and it is planned to continue this communications effort in 2024.

8a. Resident Responder Program: The resident responder program (to help improve Johnson Point service on an interim basis) continues to be implemented at a measured pace due to limited availability of willing and qualified volunteer responders. The Board approved updates to *Policy 3-50 “Resident Responder Program”* to help streamline recruitment and appointment efforts in 2023. The target is for 6 resident IR&R staff at the site.

9. IR&R Management: District IR&R officers are responsible for oversight and management of on-duty responders, and act as general counsel for operational policy, procedures and attendant training needs. An on-duty Battalion Chief is the senior representative for emergency operations and provides coordination, command and control for incident response. During the 2021-2023 period, a combination of events have resulted in a transition from predominantly mixed volunteer/career officer staffing to almost entirely career officer staffing.

In 2023, the District implemented a staffing plan with 3 on-duty career Battalion Chiefs scheduled in rotating shifts. Each Battalion Chief is responsible for one of three “platoons” (A, B, C), each with three of the nine shifts (1-9). The three career Battalion Chiefs also have program management responsibilities for facilities & equipment management, health & safety and training & education. Also in 2023, the compliment of career Lieutenants was increased to six to allow for improved company-level supervision at both staffed firestations.

10. Daytime IR&R strategy--volunteer staffing: Daytime periods are defined as Monday through Friday, 06:00 to 18:00 (regardless of holiday falling during weekdays). The District will continue efforts for motivating volunteers to staff daytime shifts, however, with the model platoon system, volunteers have also been encouraged to staff 24-hour shifts as they can.

11. Daytime IR&R strategy--career staffing: In 2023, the District and IAFF Local 2903 agreed to implement a deployment plan utilizing 24-hour shifts as the basis of scheduling. The plan utilizes three “platoons” to which all bargaining unit IR&R staff are assigned. During 2023, some career member longer-term disability leave events caused interruptions in consistent staffing at Station 8-3.

12. Night/Weekend IR&R staffing: The segregated night/weekend IR&R staffing practices have been incorporated into the three platoon 24-hour career IR&R staffing pilot. Volunteer IR&R staff continue to be assigned to one (or more) of the nine shifts as in the past but have increased flexibility to adjust their shifts between 12- and 24-hour schedules and among the three shifts within each platoon (to better accommodate their ability to schedule their availability).

13. Volunteer stipends: The FD8 Volunteer Stipend Rates were last updated in 2023. I recommend that a 4.6 % cost of living adjustment (CPI-U Seattle-Bremerton, June 2022-June 2023) be made in 2024 to the current rates.

14. Career salaries & benefits: Bargaining unit employees’ salaries and benefits are defined under the current Collective Bargaining Agreement.

D. Projects

15a. Training Center: The District's *Training & Education Master Plan* will define any needs-based capital improvements made on the facility (located at 3349 South Bay Rd NE). During 2024 under Goal #2, all District Master Plan sections will be reviewed and updated, including that for the *Training & Education Master Plan*. The resulting Board approved update will guide future development at the site.

15b. North Olympia Station 8-3: Since 2018 there has been a desire to develop projects for 1) replacement of the fire protection system storage & pumping, 2) replace the emergency electrical generator, and 3) initial design development for interior remodeling. During the period of 2021-2023, failure of some facility components caused un-planned repairs; some of this was related to the fire protection water supply system. I recommend that funds be allocated from the Capital Facilities Budget (Fund 6685) in 2024 to pay for pre-deign, design and permitting for the replacement of the fire protection system storage & pumping equipment and the emergency electrical generator; initial pre-planning for overall remodel will begin in 2024 as well. Construction of the fire protection and electrical upgrades are planned to occur in 2025.

16. Deployment strategies: The *Final Report of Phase II Master Planning* (2019) defined eight objectives, five of which have been completed. The remaining three include:

- 1) **Ongoing:** implement IR&R staffing improvements to support consistent two-station staffing as per the staffing plan and Goal #1. This includes implementation of a new resident program to help improve Johnson Point service on an interim basis (*see Section C-8*).
- 2) **Ongoing:** actively inform, engage and dialogue with community members regarding the issues related to this Plan through newsletter articles, website postings, formal public meetings, informal local community meetings and other proactive means. During 2024, Goal #2 will initiate the review and update the District's *Community Communications and Risk Reduction Master Plan* which guide all such efforts.
- 3) When the Board of Fire Commissioners determines that a) two-station staffing is consistent and sustainable and b) there is sufficient public support, it will initiate efforts to fund and build a new fire station on the land already acquired (5501 63rd Ave NE) and upgrade the North Olympia station.

E. Operations

17. Training & Education: Consistent with the *Training & Education Master Plan* (as may be amended by Goal #2), primary emphasis will continue to be on 1) training and certifying adequate numbers of Firefighters, EMTs and Apparatus Driver-Operators, 2) development and implementation of an ongoing skills maintenance training program for all District officers, 3) maturation of a company officer (and ultimately battalion chief) level Officer Development Program ("ODP"), 4) continued growing of the ongoing skills maintenance training delivery system for all District IR&R personnel and 5) continued integration of wildfire/wildland urban interface doctrine into the initial and ongoing skills maintenance training.

In 2023, the District participated with Lacey Fire District 3's sponsored career firefighter recruit academy. This is the first time the District has enrolled new career employees in a initial training academy. Two new recruits successfully completed the course and graduated, then immediately assigned to their IR&R duties. I recommend that the District continue to support and participate in this training effort. A trend experienced since the COVID-19 pandemic is a critical shortage of willing and qualified applicants for new positions (both volunteer and career). The entry level

requirements for the same are being adjusted to allow for applicants without prior firefighter training or experience (as had been prevalent in the past) in order to meet the quantity of positions being filled.

I recommend that the District continue to support the Thurston County Fire Chiefs' Association Training Cooperative format for a county-wide training system. The District will also continue to work closely (at all levels) with Thurston County Medic One to ensure adequate access for initial and ongoing EMT skills training that meets the District's IR&R staffing mission. In 2023, the District increased resources to providing more "in-house" training to its members with specific assignments of career IR&R staff to deliver platoon-based training for fire and EMS skills.

18. Contracts and agreements: I recommend we continue to pursue diligent management of contracts with the best terms we can obtain; with increased focus by staff (assigned business functions to career Battalion Chiefs and duties related to Executive Staff) I expect greater service oversight and "value-added" effort for service effectiveness and cost benefit. I recommend that we continue to contract for key services such as IT maintenance, apparatus & vehicle maintenance and other operations & maintenance work of a nature that is not reasonably achievable by in-house staff. Refer also to *Section F-20 Maintenance & Operations* below.

F. Capital

19. CR&R Plan: the schedule and budget have been updated for replacement of facilities assets & components and replacement of apparatus/equipment assets and components. Due to expected dramatic future increases in cost and extended delivery times, in 2022 the District purchased its planned replacement of a Type 1 engine ahead of schedule (2023); the manufacturer is reporting that a 2 to 3 year delivery time should be anticipated. In addition, a 2024 planned replacement of the Type 6 brush truck-BLS rescue (\$258 thousand) was accelerated with the last minute notice from the vendor that chassis were available for completion of the vehicle in 2023. In July 2023, the Board approved changes to the CR&R to delay the North Olympia Station 8-3 project and progress on the acquisition of the Type 6 unit by the end of 2023.

A replacement Battalion Chief vehicle was placed into service in November of 2022. The replaced unit was "bumped" down to reserve status and another utility vehicle was declared surplus and sold.

Since 2016, Thurston County public safety agencies have been planning for a replacement land-mobile radio system known as Thurston County Emergency Radio Network (TCERN). In 2023, the TCERN project (led by TCOMM911) provided and installed new base, mobile and portable radios equipment to the District, replacing the old "VHF" radio equipment. It is planned that in 2024, the network will be transitioned from the "VHF" network to a new trunked 700 MHz network. One of the new 700 MHz base sites is located at Johnson Point Station 8-2; a shared use agreement has been established between the District and TCOMM911.

In 2023, the long-planned South Bay Station 8-1 sanitary septic system upgrades were funded and construction authorized in the 4th quarter of the year. The project had received permit authorization in 2021. Also in 2023, the District replaced the 25-year-old automated building security (locks) system with a new, more flexible system emphasizing non-contact electronic entry rather than mechanical keyways (however still available).

20. Maintenance & Operations: Integration of District asset inventory, maintenance & operational, and capital planning information will continue in 2024. This is important to identify assets that may be costing more in maintenance than they are worth, provide important warnings on impending costly failures, predict future operating and capital costs and allow for better cost benefit analysis for budgeting. District facilities are a primary target of this work with key focus on energy use and costs. Two career Lieutenant positions are established for equipment maintenance & operations and facilities maintenance & operations.

- Apparatus fleet maintenance will continue to be provided by the City of Olympia under contract. They have provided a high-quality service placing our vehicles in an improved state of mission readiness.
- In 2024-2025 (although already on order), a replacement Type 1 engine is scheduled to replace an engine of 1993 vintage.
- Contract maintenance of facilities systems (e.g., HVAC, water treatment, fire protection & security systems, electrical/electronic controls) and exterior vegetation management services are expected to continue to be used. Staff oversight of these services will ensure that their value is beneficial and cost effective. Where practical, contract services that can be handled by in-house staff (i.e., on-duty IR&R personnel, staff assigned functions, etc.) will be evaluated and such contracts be terminated.

21. Stations: Stations 8-1 (South Bay) and 8-3 (North Olympia) have been identified as the primary firestations in the District. Station 8-2 (Johnson Point) has been identified as needed for [interim] coverage staffing with resident responder personnel.

22. Fleet: I recommend the District maintain one certified Type 1 engine (with BLS capability) and one certified Type 2 tender at all three firestations. The District should maintain at least one ambulance-type BLS-EMS aid unit at either of the two primary response firestations (8-1 or 8-3). In 2023, a Type 6 brush truck was added to the District fleet, which will also act as a BLS-EMS response unit; it will be located at Station 8-1.

In addition to the above vehicles, I recommend a fleet inventory of a minimum of one back-up Type 1 engine (fully functional), one SUV-type vehicle for the on-duty command officer (“Battalion 8”), one comparably equipped back-up command vehicle and one or more emergency response capable general-use passenger vehicles as needed for staff duties.

Fleet #	Vehicle Description	Assignment/ Call Sign	Life:	Condition:	Replacement:
3503	2021 Chevrolet Tahoe SUV	Command (BN-8)	15 years	New	15 years
3138	2010 Chevrolet Tahoe SUV	Command (BN-82)	15 years	Good	3 years
3502	2021 Pierce Type 1 Engine	Station 8-1 (E-81)	20 years	New	19 years
TBD	2023 Ford F-550 Type 6 Brush-BLS Unit	Station 8-1 (Future BR-81)	15 years	New	15 years
3126	2010 Kenworth-Fouts Type 2 Tender	Station 8-1 (T-81)	20 years	Good	8 years
3123	2000 Ford E-450 Ambulance	Station 8-1 (AU-81, Backup)	15 years	Poor	7 years past due
3129	2005 Ford F-350 Pickup	Station 8-1 (BR-81)	15 years	Fair	(Replacement on order)
TBD	2025 Pierce Enforcer Type 1 Engine	Station 8-1 (Future E-81)	20 years	New	20 years
3131	1993 Pierce Type 1 Engine	Station 8-2 (E-82)	20 years	Poor	(Replacement on order)
3135	2005 Kenworth-Fouts Type 2 Tender	Station 8-2 (T-82)	20 years	Good	3 years
3136	2015 Pierce Type 1 Engine	Station 8-3 (E-83)	20 years	Good	13 years
3127	2010 Kenworth-Fouts Type 2 Tender	Station 8-3 (T-83)	20 years	Good	8 years
3500	2019 Ford E-450 Ambulance	Station 8-3 (AU-83)	15 years	Good	11 years
3137	2009 Chevrolet Tahoe SUV	Utility (U-82)	15 years	Good	2 years
3122	2006 F-350 Ford Pickup	Utility (U-83)	15 years	Fair	Due
3130	1996 Pierce Type 1 Engine	Reserve (E-84)	20 years	Fair	6 years past due