

MARYSVILLE FIRE DISTRICT
SPECIAL FINANCE COMMITTEE MEETING
February 09, 2022, 10:30 am
Marysville Fire District Administration Office

Finance Director Chelsie McInnis opened the meeting at 10:04 am.

The following were in attendance:

Board of Directors:

Steve Muller
Kamille Norton
Tonya Christoffersen

Staff Members:

Guests:

Chelsie McInnis, Finance Director
Martin McFalls, Chief
Paula DeSanctis, Board Secretary

2021 Trends Analysis

Finance Director McInnis shared the following:

- The 2021 Expense Fund ending balance was up 14% over 2020 or \$1,671,145, staying within our established minimum fund balance.
- The 2021 Capital Fund ending balance was up 34% over 2020 or \$4,399,644 ending the year with just over \$21M. 89% was allocated to the Capital Fun and 11% to the Apparatus Fund.
- Our 2021 revenues, including all sources and all funds, increased 15% over 2020 collections.
- We had a 9% increase in property tax collections compared to 2020.
- Ambulance transport fee collection was up 20% over 2020. Transports volumes are largely back to pre-pandemic levels. We also had an ambulance rate increase in July. Our monthly average collection is about \$215k and our previous year monthly average was \$180k. Quarterly collections are on target with 5% remaining over what was projected. Our collection rates are consistent with industry and historical standards. Our GEMT collections were up 34% compared to 2020. We received a retro settlement of \$830k in April of 2021 compared to \$712k in 2020. Our projected revenues were 8% higher than anticipated.
- We were 12% over projected collection in investment interest but overall were down 3% compared to 2020 as expected. LGIP started the year at 0.14% and ended the year at 0.09%. SCIP began at 1.43% and ended the year at 1.04%. The Feds have indicated they will begin rising interest rates as early as March 2022 in efforts to decrease inflation and normalize the economy.
- Other revenue source collections such as contracts and grants, were up 86% over 2020 and 1% over projected collections. This was largely due to an awarded FEMA SCBA Grant and COVID related grants. All contracts came in as expected.
- Our total operating expenses 2021 monthly average was \$1.9M and our 2020 monthly average was \$1.8M which is a 9% increase over 2020. We ended the year with 4% of the budget remaining.
- Our 2021 monthly average for wage and benefit expenses was \$1.6M which is 9% over the 2020 monthly average of \$1.5M. The percentage of overtime was 7% or \$1.38M for 2021 and 4% or \$669k in 2020. Ending the year with 1% remaining in the budget.



- Our Maintenance and Operating expenses monthly average in 2021 was \$268k compared to \$288k in 2020, which is down 7%. We ended the year 20% remaining in the budget.
- The major expenses from the Capital Fund were; the first Public Safety Building payment, Station 61 A&E services, two staff vehicles, and SCBA replacement.
- Our budget stayed on track with no amendments needed.

SAO Annual Audit

Finance Director McInnis shared that all areas of our financial and accountability audits for the period 10/1/2019-12/31/2020 were clean with no reporting level issues noted.

One small exit item was remedied while the audit was underway pertaining to the documentation of leave accrual schedules for two employees that differ from policy due to alternate hiring agreements.

SAO reviewed steps taken by the district to address the 2019 management letter regarding the districts compliance with policy on vacation accrual limits. SAO found that the district is in compliance with policy and collective bargaining agreements for vacation accrual. They found that the district has taken steps to reduce vacation accrual balances in excess of policy limits. We have reduced 2,655 excess hours over the last 12 months. In 2020 our 80-hour cash out value was \$131,883 and \$101,987 in 2021. SAO recognizes that this process will take several years to completely remedy. Looking ahead, we will have three audits for fiscal year 2021: Accountability; Financial; and Federal Programs to begin August 2022.

2022/2023 Timeline

- January-December 2022: Medicare Ground Ambulance Data Collection reporting period; with final report due May 2023. We are contracting with PCG for the preparation of the report and support during the data collection period.
- February-May 2022: 2021 Annual Financial Report Preparation and Finance Committee review.
- May 30, 2022: Fiscal year 2021 Annual Financial Report due to SAO.
- July-October 2022: 2023 budget development process, Finalize 2023 EMS Levy election date.
- August-November 2022: Fiscal Year 2021 SAO audit begins, GEMT data due to PCG.
- November 16, 2022: 2023 Budget adoption and Levy Certification.
- Early December 2022: EMS Levy Measure due to elections Office for 2023 February Special Election (if that election period is chosen).

McInnis reviewed the 2023 debt process timeline and local program requirements for the \$1.5M Ladder Truck and the \$10M debt portion of the Station 61 project.

McInnis shared that at the next Finance Committee meeting in April we will review (1) first quarter 2022 financial trends, (2) the 2021 Annual Financial Report, and (3) if time allows, an updated financial planning model.

ADJOURNMENT

With no action required, the February 9, 2022 Finance Committee Meeting adjourned at 11:43 am.



Martin McFalls

Martin McFalls
District Secretary

2/16/22

Date approved

BM