

MARYSVILLE FIRE DISTRICT
JOINT MFD/SCFD12 SPECIAL MEETING
2022 Budget Workshop
October 25, 2022 – 9 am – St 66

Chairperson Stevens called the meeting to order at 9:03 am.

The following were in attendance:

Board of Directors:

Steve Muller
Tom King
Michael Stevens
Kamille Norton
Rick Ross
Tonya Christoffersen

Staff Members:

Guests:

Darryl Neuhoff, Interim Chief
Jeff Cole, Deputy Chief
Tom Maloney, Deputy Chief
Chelsie McInnis, Finance Director
Steve Edin, Human Resource Manager
Dean Shelton, MSA, Local President
Paula DeSanctis, Admin Assist.

Finance Director McInnis welcomed all Boardmembers and staff to the 2023 Budget Workshop.

2023 BUDGET PROPOSAL

Finance Director Chelsie McInnis reviewed the 2023 budget proposal package, which included the updated 2022 revenue estimates for the Marysville Fire District (MFD) and Snohomish County Fire District 12 (FD12). The MFD Expense Fund has an estimated 2023 increase in revenues of \$1,382,855 for a projected total of \$29,201,036. The FD12 Expense Fund exists only for the collection and remittance of the EMS Levy. McInnis reviewed the 2023 property values and levy rates. Property assessed values are expected to increase approximately 26.52% for a 2023 preliminary MFD assessed value of \$17,063,885,357. New Construction improvement assessed values added from January 1st to July 31st were \$263,483,272 for an approximate increase of 33.556% over last year. The 2023 MFD Regular Levy rate is estimated at \$1.02/\$1,000 of assessed value for a total estimated regular levy collection of \$17,450,512. This includes 101% of the 2022 Levy plus new construction, refunds, and state assessed utilities. The separate EMS Levies collected and remitted to MFD by the City and FD12 are estimated at \$ 0.44/\$1,000 of assessed value, for a total estimated EMS Levy collection of \$7,671,649. Per the RFA Plan Document, FD12 uses bank capacity to match the City EMS levy rate. Based on the 2022 Implicit Deflator of 6.457%; substantial need resolutions are not necessary.

BUDGET SUMMARY

Finance Director McInnis reviewed the 2023 proposed budget summary, which included all MFD fund balances, revenue estimates, expenditure proposals (including discretionary personnel costs, program costs, equipment costs), and the FD 12 Expense Fund summary of EMS levy

collection and remittance to the MFD. Proposed fund level budget appropriations were presented as follows: (1) MFD RFA Expense Fund \$29,449,469, (2) MFD RFA Apparatus Fund \$2,264,151, (3) MFD RFA Capital Reserve Fund \$2,331,000, (4) MFD Equipment Fund \$250, and (5) FD12 Expense Fund \$1,637,000. McInnis shared that the working budget with all individual line item detail can be found in the Board members hard packets.

McInnis followed the Budget Summary with a presentation of the MFD annual cash flow cycle, considering minimum fund balance and the expectation of both first and second half of the year property tax collections, and an overview of the 2023-2028 financial outlook, apparatus replacement plan, and fire station projects.

EMS LEVY

The current \$0.50 EMS levy lid lift (City of Marysville \$0.50 temporary lid lift with 110% inflation factor for each of the six years 2018-2023; FD12 is matching the funding level utilizing banked capacity) will expire at the end of 2023, returning the levy rate to what it would have otherwise been as if the lid lift had never occurred. Without approval of a new EMS levy for 2024, current estimates anticipate the 2024 levy rate to be around \$0.24/\$1,000, resulting in a revenue reduction of approximately \$3.7M annually from the current rate/funding levels and a \$4.7M reduction when applying a successful \$0.50 EMS levy against projected future assessed value estimates. With the Board selecting the August 1, 2023 Primary Election date, all documents will need to be to the County by May 12, 2023, which means adoption will take place at the April Board meeting.

BUDGET ADOPTION

Finance Director McInnis stated Budget adoption is required by November 30, 2022. If there is no need for additional discussion on the 2023 budget, we will make the updates discussed at this meeting and any unanticipated and present the final 2023 budget for adoption and levy certification at the November 14, 2022 special meeting. This meeting will open with a budget hearing for both Fire District 12 and MFD.

ADJOURNMENT

With no action required, the October 25, 2022 Budget Workshop adjourned at 1:30 pm.



Darryl Meuhoff
District Secretary

11.15.22

Date approved

