

**MARYSVILLE FIRE DISTRICT
SPECIAL FINANCE COMMITTEE MEETING
July 26, 2023, 9:30 am
Marysville Fire Station 62**

Finance Director Chelsie McInnis opened the meeting at 9:30 am.

The following were in attendance:

Board of Directors:

Steve Muller
Kamille Norton
Tonya Christoffersen

Staff Members:

Guests:

Chelsie McInnis, Finance Director
Ned Vander Pol, Chief
Jeff Cole, Assistant Chief
Tom Maloney, Assistant Chief
Paula DeSanctis, Admin Assistant

NEW BUSINESS

2023 First Half Financial Trends Analysis

Ending Fund Balances:

1. Expense Fund had a 2% increase over 2022 or \$262,816
2. Capital Funds had a 23% increase over 2022 or \$4,487,026.
3. Balance allocations are as follows:
 - Capital 88% - \$21,230,780
 - Apparatus 10% - \$2,520,463
 - Equipment 2% - \$306,545

Property Tax

We have an 8% increase in year to date total tax collections compared to for 2022.

Ambulance Transport Fees

We have collected 48% of our budgeted ambulance transport fees, which is a 4% increase year to date, compared to 2022; with 73% BLS and 27% ALS.

Ambulance Transport Fees – GEMT

We have collected 34% of budgeted GEMT transport fees, which is a 54% decrease year to date in GEMT collections compared to 2022. We are anticipating at least a 50% reduction in program revenues due to CMS "Time On Task" calculation change.

Investment Interest – All Funds

We have collected 82% of all investment interest budget, which is a 126% increase in year to date interest compared to 2022.

- LGIP – from 4.06% to 5.13%
- SCIP – from 2% to 2.31%



Other Revenue Sources – All Funds

We are seeing a 4% decrease in other revenues collected compared to 2022, this is largely attributed to a reduction in grant revenues.

Operating Expenses

We have an increase of 9% in operating expenses over 2022, with 54% of the appropriated budget remaining.

Wage and Benefit Expenses

We have expended 46% in our 2023 wage and benefits budget, this is a 7% increase over 2022. 2023 year to date Q2 overtime is \$1.15M, which is a 5% increase over 2022 Q2 overtime of \$1.1M

M&O Expenses – Operating Fund 46% expended and 54% of the appropriated budget remaining.

Capital Fund Expenses

2023 Budgeted Procurements:

- Public Safety Building Final Payment
- Public Safety Building Remodel
- A&E Services
- Ladder Truck
- 2 Staff Vehicles
- Ambulance Remounts (will not be expended until 2025 due to build timeline)

Financial Planning Update

Updated Elements:

- 2023 beginning fund balances; revenue estimates; assessed values
- Wages and benefits to 2023 known values
- Apparatus schedule update; funded through 2028 without use of debt
- Investment Interest Rates
- Potential GEMT payback now expected 2025-2026; program reduced by 50%

Expense Fund:

- Regular Levy lid lift timing” 2024 vote/2025 collection or 2025 vote/2026 collection.
- Regular Levy rate projection: 2024 1.09; 2025 1.10; 2026 1.06; 2027 1.03.
- Might consider funding future debt payments into next regular levy lid lift to avoid having additional voted bond measure.

Apparatus Fund:

- Revenue Sources – Unspent 2023 Expense Budget; annualized Expense Fund transfer of \$600k; balance remaining with Capital Fund.
- Potential for strategic use of debt if loan rates drop below interest being earned.
- Other considerations – special operations units; countywide funding for replacement vs. district funding.

2024 Budget Items

- Finance Director McInnis shared the following preliminary 2024 budget items:
- CPI 6.5%
- Assessed Property Value -3.5% (preliminary)
- Estimated Revenue Increase: 3.2% Approximately \$950k
- Budget requests due to finance August 31, 2023

Labor Budget Factors	
Represented Personnel COLA	4% (contract)
Non-represented personnel COLA	4% (proposed)
Healthcare	2.5% (preliminary)
Admin wage adjustments/longevity	\$90k-\$100k (7 out of 10 positions)
New FT positions: Admin Asst. – HR/Finance	\$125k

Peak Activity Unit (PAU)

Budget Factors:

- Implementation of PAU requires staffing and apparatus
- Article G of Collective Bargaining Agreement allows for staffing as follows:
 - 2 FT District Employees
 - 1 FT District / 1 PT District
 - 1 FT District / 1 Neighboring Agency Employee
 - 4 ten hour shifts of consecutive days
- Cost Factors:
 - 2 FT District Employees \$240K Annually
 - Ambulance \$300k One-Time
 - Must utilize existing fleet pending new unit delivery
- SAFER Grant awards have not been made
- 2023 Alarm Data indicates peak hours as 9AM-6PM; Tuesday-Friday

A lengthy discussion on the different options for a peak activity unit.

ADJOURNMENT

With no action required, the July 26, 2023 Finance Committee Meeting adjourned at 10:36 am.



 Ned Vander Pol
 District Secretary



 Date approved