

MARYSVILLE FIRE DISTRICT
MARYSVILLE FIRE DISTRICT BOARD OF DIRECTOERS
2024 Budget Workshop
October 24, 2023 – 9 am – St 66

The following were in attendance:

Board of Directors:

Tom King
Michael Stevens
Kamille Norton
Tonya Christoffersen

Staff Members:

Guests:

Ned Vander Pol, Chief
Jeff Cole, Assistant Chief
Tom Maloney, Assistant Chief
Chelsie McInnis, Finance Director
Steve Edin, Human Resource Director
Josh Farnes, Fleet and Facility Supervisor
Mike Davis, IT Manager
Sandra Elvrom, Payroll Clerk

Finance Director McInnis welcomed all Boardmembers and staff to the 2024 Budget Workshop.

2024 BUDGET PROPOSAL

Finance Director Chelsie McInnis reviewed the 2024 budget proposal package, which included the updated 2023 revenue estimates for the Marysville Fire District (MFD). The MFD Expense Fund has an estimated 2024 increase in revenues of \$1,385,816 for a projected total of \$30,671,741. McInnis reviewed the 2024 property values and levy rates. Property assessed values are expected to decrease approximately -0.14% for a 2024 preliminary MFD assessed value of \$16,959,668,757. New Construction assessed values from January 1st to July 31st were \$381,566,000 for an approximate increase of 44.8% over last year. The 2024 MFD Regular Levy rate is estimated at \$1.06/\$1,000 of assessed value for a total estimated regular levy collection of \$18,032,411. This includes 101% of the 2023 Levy plus new construction, refunds, and state assessed utilities. The newly approved \$0.50/\$1,000 MFD EMS levy will replace the former separate levies collected and remitted by the City and FD12; total estimated EMS Levy collection of \$8,609,657. Based on the 2023 Implicit Deflator of 3.67%; substantial need resolutions are not necessary.

SERVICE CONTRACT

Finance Director McInnis shared that the Quil Ceda Village has contract Fire/EMS services will end December 31, 2023. To maintain service levels, the District must offset the potential revenue stream loss of \$750,000 through other existing sources. McInnis stated we have two revenue loss mitigation options:

Option 1

- 100% coverage by GEMT (\$750,000); currently being deposited into Capital Fund.



Option 2

- Banked capacity in RFA Levy currently estimated at (\$392,394); increases levy rate by \$0.02 to \$1.08.
- Balance reminder with GEMT up to \$357,606.

BUDGET SUMMARY AND FUTURE PLANNING

Finance Director McInnis reviewed the 2024 proposed budget summaries, which included all MFD fund balances, revenue estimates, and expenditure proposals. Proposed fund level budget appropriations were presented as follows: (1) MFD RFA Expense Fund \$32,517,605, (2) MFD RFA Apparatus Fund \$2,448,050, (3) MFD RFA Capital Reserve Fund \$897,000, and (4) MFD Equipment Fund \$1,000. 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.

REGULAR LEVY

Finance Director McInnis shared that the current regular levy began on January 1, 2020 at a rate of \$1.45/\$1,000. The 2024 rate is estimated at \$1.06/\$1,000 (\$1.08/\$1,000 if banked capacity is accessed to offset contract revenue loss). A lid lift is needed in either 2024 or 2025 to support service levels and district infrastructure.

There are three types of levy lid lifts: permanent single year, permanent multi-year or temporary. The permanent multi-year option will be ideal for district needs. The maximum rate is up to \$1.50/\$1,000. Beginning early in 2024, we will analyze the levy timeline, type, and optimal rate.

BUDGET ADOPTION

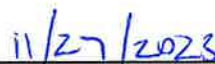
Finance Director McInnis stated the levy certification and budget adoption is required by November 30, 2023. All necessary updates will be made, resolutions and certifications will be prepared for presentation and adoption of the final 2024 budget and levy certification at the November 20, 2023 special meeting. This meeting will open with a budget hearing for both MFD and Fire District 12.

ADJOURNMENT

With no action required, the October 24, 2023 Budget Workshop adjourned at 1 pm.



Ned Vander Pol
District Secretary



Date approved

