

MARYSVILLE FIRE DISTRICT
SPECIAL FINANCE COMMITTEE MEETING
March 4, 2024, 1 pm
Marysville Fire District Administration Office

Finance Director Chelsie McInnis opened the meeting at 1:04 pm.

The following were in attendance:

Board of Directors:

Steve Muller
Kamille Norton
Tonya Christoffersen

Staff Members:

Guests:

Chelsie McInnis, Finance Director
Ned Vander Pol, Fire Chief
Jeannette Nielson, Deputy Chief
Tom Maloney, Assistant Chief
Steve Edin, Human Resource Director
Paula DeSanctis, Admin Assistant

2023 FINANCIAL TRENDS ANALYSIS

Finance Director McInnis shared the following:

- The 2023 Expense Fund ending balance was 18% over 2022 or \$2.49M, staying within our established minimum fund balance policy for the entirety of the year.
- The 2023 Capital Funds ending balance was up 7% over 2022 or \$1.6M, ending the year with just over \$24.1M. 88% was allocated to the Capital Fund, 10% to the Apparatus Fund, and 2% to the Equipment Fund.
- Our 2023 revenues, including all sources and all funds, increased 4% over 2022 collections.
- We had a 7% increase in property tax collections compared to 2022.
- Ambulance transport fee collection was down 3% over 2022. Our 2023 monthly average collection was about \$221k and our previous year monthly average was \$230k. Quarterly collections are on target. Our collection rates are consistent with industry and historical standards. Our GEMT collections were down 20% compared to 2022. We received a retro settlement of \$1.1M in July of 2023 compared to \$921k in 2022.
- We saw a 117% increase in year to date interest compared to 2022. LGIP started the year at 4.069% and ended the year at 5.35%. SCIP began at 2% and ended the year at 2.44%.
- Other revenue source collections such as contracts and grants were down 18% over 2022. This was largely due to a reduction in grant and service contract revenues.
- Our 2023 monthly average operating expenses were equal to 2022 at \$2M. We ended the year with 54% of the Expense Fund budget remaining.
- Our 2023 monthly average for wage and benefit expenses was \$1.8M, which is 8% over the 2022 monthly average of \$1.7M. 2023 overtime was \$2.43M compared to \$2.2M in 2022. Ending the year with 4% remaining in the overtime budget.
- Our Maintenance and Operating expenses monthly average in 2023 was \$348k compared to \$301k in 2022, which is an increase of 15%. We ended the year 13% remaining in the budget.



- 2023 completed procurements from the Capital Funds include; the final Public Safety Building payment, Public Safety Building improvements, Station 61 generator, and one staff vehicle.

2024 FINANCIAL PLANNING MODEL

Expense Highlights:

- Typical downward fund balance trend for fore districts with traditional property tax funding structure.
- Primary revenue source (property tax) will always outpace largest cost center (labor).
- Balance with levy lid lifts to maintain current services levels.
- Regular levy lid lift timing: 2025 vote/2026 collection.
- Property values could decrease further, A/V based off 2-year prior home sales.
- 2023 Sno County sale prices declined 4% in 2023.
- Regular levy rate estimate at \$1.17 in 2025.

Capital Highlights:

- Cash financing of St. 63/65. Utilize LOCAL program lending as needed.
- Current cash flow dependent on pending changes in GEMT program.
- Build capital transfer element into 2025 regular levy to reduce financing costs on future facility debt.

Apparatus highlights:

- All cash financing.
- Transfer of \$600k annually from the Expense Fund; \$1.5M one-time in 2025 from the Capital Fund.
- Could transfer more from the Expense Fund in 2025 dependent upon 2024 unspent funds.

2024 CRITICAL DATES TIMELINE

January – March:

- FY20201/2022 SAO Audit wrap-up
- WA State DRS Audit

February-May:

- 2023 Annual Financial Report
- Preparation & Finance Committee Review

May 29, 2024:

- FY2023 Annual Financial Report Due to SAO RCW 43.09.230

June – October:

- 2024 Budget Development Process
- Establish 2025 Regular Levy Elections Timeline

November 20, 2024:

- 2025 Budget Adoption and Levy Certification

December:


- Year End Closing
- Invoice/Purchasing Deadline December 5, 2024

PA

Finance Director McInnis reviewed the Districts travel policy and the State Auditors Offices best practices for travel and reimbursement. It is the Districts preference that all travel arrangements be made by administration. All transportation and accommodations are made at the lowest rate available. If a member chooses to make their own reservations, the District will reimburse up to the lowest amount the District would have otherwise paid. After much discussion, it was agreed to add a \$75 reimbursement threshold in excess of district secured rates to the existing policy and clarify any other points deemed necessary to facilitate a clear process for air travel specifically.

ADJOURNMENT

With no action required, the March 4, 2024 Finance Committee Meeting adjourned at 2:55 pm.



Ned Vander Pol
Fire Chief

3/21/2024

Date approved