

Northshore Fire Department

King County Fire Protection District No. 16

Preliminary 2021 Budget

October 13, 2020



Board of Fire Commissioners

Rick Verlinda

Josh Pratt

Don Ellis

Rick Webster

David Maehren

Gregory S. Ahearn
Interim Fire Chief

Joan Montegary
Acting Chief Administrative Officer

Dawn Killion
Finance Specialist

Revenue Budget

2021 Budget Preparation

Preliminary

| Revenue Classification | 2021 Revenue Budget | 2020 Revenue Budget | Difference | % |
|----------------------------------|----------------------|----------------------|------------------|--------------|
| 1 Levy (\$0.64/\$1,000) | \$ 5,590,198 | \$ 5,508,006 | \$ 82,192 | 1.5% |
| 2 Fire Benefit Charge (FBC) | \$ 4,476,374 | \$ 4,440,000 | \$ 36,374 | 0.8% |
| 3 In Lieu of Taxes | \$ 21,519 | \$ 25,500 | \$ (3,981) | -15.6% |
| 4 King County BLS Contract | \$ 423,623 | \$ 526,876 | \$ (103,253) | -19.6% |
| 5 CRR Permit Fees | \$ 32,000 | \$ 31,000 | \$ 1,000 | 3.2% |
| 6 Miscellaneous Revenue | \$ 63,600 | \$ 63,000 | \$ 600 | 1.0% |
| 7 Interest Income (General Fund) | \$ 70,000 | \$ 60,000 | \$ 10,000 | 16.7% |
| Total | \$ 10,677,314 | \$ 10,654,382 | \$ 22,932 | 0.22% |

Notes:

- A. The jurisdictional assessed value (AV) is projected to decrease slightly. Calculations are based on the most current available levy limit worksheet from King County.

- B. King County has issued a letter informing jurisdictions that the implicit price deflator is at 1.006. To levy the full 1 percent increase on property tax, a resolution declaring substantial need will be necessary. The most recent preliminary levy limit worksheet (10/05/20) includes \$29,213 in levy dollars from new construction.

- C. At this time, staff is recommending the 2021 Fire Benefit Charge be established at \$4,476,374.

- D. The proposed total increase to property taxes and fire benefit charge collections is \$118,566 which equates to a 1.19 percent increase in tax-related revenues.

- E. The BLS contract amount is accounted for differently than in past years by excluding pass-through amounts in expenses and including only the levy amount that stays in the District in Revenue.

Expense Budget

2021 Budget Preparation

Preliminary

| Category | 2021 Budget | 2020 Budget | Difference | % |
|----------------------------|----------------------|----------------------|-------------------|-------------|
| 1 Commissioners | \$ 72,470 | \$ 43,180 | \$ 29,290 | 67.8% |
| 2 Administration | \$ 1,663,972 | \$ 1,253,976 | \$ 409,996 | 32.7% |
| 3 Community Services | \$ 33,675 | \$ 35,675 | \$ (2,000) | -5.6% |
| 4 Training & Development | \$ 375,216 | \$ 362,775 | \$ 12,441 | 3.4% |
| 5 Health and Safety | \$ 7,800 | \$ 3,300 | \$ 4,500 | 136.4% |
| 6 Community Risk Reduction | \$ 367,948 | \$ 366,129 | \$ 1,819 | 0.5% |
| 7 Response Operations | \$ 7,820,979 | \$ 7,752,477 | \$ 68,502 | 0.9% |
| 8 Technical Rescue | \$ 52,530 | \$ 30,050 | \$ 22,480 | 74.8% |
| 9 Hazmat | \$ 2,500 | \$ 12,300 | \$ (9,800) | -79.7% |
| 11 Fleet Maintenance | \$ 90,000 | \$ 92,700 | \$ (2,700) | -2.9% |
| 12 Facilities | \$ 177,850 | \$ 181,600 | \$ (3,750) | -2.1% |
| 13 Volunteers | \$ 1,500 | \$ 1,500 | \$ - | 0.0% |
| 14 Non-Departmental | \$ 87,820 | \$ 81,050 | \$ 6,770 | 8.4% |
| Total | \$ 10,754,260 | \$ 10,216,712 | \$ 537,548 | 5.3% |
| Purchase with Reserves | \$ (124,260) | | | |
| Grand Total | \$ 10,630,000 | \$ 10,216,712 | \$ 413,288 | 4.0% |

Notes:

- Categories have changed from the eight used in 2020 and prior years to the 14 listed above. This change
- A. aligns the Northshore budget with Woodinville Fire & Rescue's (WF&R) budget in anticipation of forming a new consolidated agency.
 - B. A line-by-line comparison of the 2021 and 2020 expense budgets was not possible due to the category changes made. For example, the DC of Ops position is included in Administration in 2021 but was in Response Operations in 2020. Several existing line items have been "re-bucketed" in the new categories. The numbers reflect a good faith effort to compare the line items.
 - C. There is no line 10 at this time. WF&R has the wildland program for Category 10; Northshore does not have a wildland program.
 - D. Staff is proposing several large equipment purchases be made out of the apparatus and equipment reserves.

Reserve Budget

2021 Budget Preparation

Preliminary

| Reserve Fund Category | 2020 Reserve Fund Goal (Resolution 17-02) | 2020 Reserve Fund Expenses thru August 2020 | 2020 Reserve Fund Projected Ending Balance | 2021 Reserve Fund Goal (Resolution 17-02) |
|-------------------------------------|---|---|--|---|
| 1 Natural Disaster | \$ 250,000 | \$ - | \$ 250,000 | \$ 250,000 |
| 2 Insurance Contingency | \$ 200,000 | \$ - | \$ 200,000 | \$ 200,000 |
| 3 Unplanned Loss of Revenue | \$ 2,554,731 | \$ - | \$ 2,554,731 | \$ 2,657,500 |
| 4 Employee Benefits | \$ 2,685,000 | \$ (39,371) | \$ 2,645,629 | \$ 2,710,500 |
| <i>LEOFF 1 Medical Expenses</i> | \$ 1,975,000 | \$ (39,371) | \$ 1,935,629 | \$ 1,975,000 |
| <i>Employee Buyback</i> | \$ 710,000 | \$ - | \$ 710,000 | \$ 735,500 |
| 5 Apparatus & Equipment Replacement | \$ 1,950,000 | \$ (32,810) | \$ 343,604 | \$ 599,604 |
| 6 Facilities Improvement | \$ 840,000 | \$ (966,422) | \$ (126,422) | \$ 348,286 |
| <i>General Facilities Reserve</i> | \$ 200,000 | \$ (37,014) | \$ 162,986 | \$ 348,286 |
| <i>Station 57 Remodel Project</i> | \$ 640,000 | \$ (929,408) | \$ (289,408) | \$ - |
| 7 Interest Income | \$ - | \$ - | \$ 80,000 | \$ - |
| Total | \$ 8,479,731 | \$ (1,038,603) | \$ 5,947,542 | \$ 6,765,890 |

Total Additions to Reserves \$ 647,314

Notes:

- A. Apparatus & Equipment Replacement projected ending balance is significantly lower due to the purchase of new apparatus at the end of 2019 (\$1,430,533) plus tax to be paid in 2020.

Revenue and Expense Historical Data

| <u>Year</u> | <u>Assessed Valuation</u> | <u>AV % Change</u> | <u>Levy Collection</u> | <u>Levy Rate</u> | <u>FBC</u> | <u>Combined Rate</u> | <u>% FBC of Exp Budget</u> | <u>Other Income</u> | <u>Total Revenue</u> | <u>Rev % Change</u> | <u>Expense Budget</u> | <u>Budget Change</u> |
|--------------------|---------------------------|--------------------|------------------------|------------------|---------------------|----------------------|----------------------------|---------------------|----------------------|---------------------|-----------------------|----------------------|
| 1992 | \$ 1,406,985,654 | 1.96% | \$ 1,407,380 | \$1.00 | \$ 466,928 | \$ 1.33 | 25.97% | \$ 147,320 | \$ 2,021,628 | 1.88% | \$ 1,798,190 | 11.51% |
| 1993 | \$ 1,682,405,200 | 19.58% | \$ 1,514,488 | \$0.90 | \$ 699,479 | \$ 1.32 | 32.72% | \$ 152,822 | \$ 2,366,789 | 17.07% | \$ 2,137,612 | 15.88% |
| 1994 | \$ 1,694,678,671 | 0.73% | \$ 1,618,216 | \$0.95 | \$ 457,396 | \$ 1.22 | 18.81% | \$ 157,386 | \$ 2,232,998 | -5.65% | \$ 2,431,386 | 12.10% |
| 1995 | \$ 1,890,744,597 | 11.57% | \$ 1,795,650 | \$0.95 | \$ 804,090 | \$ 1.37 | 28.12% | \$ 157,402 | \$ 2,757,142 | 23.47% | \$ 2,859,484 | 14.98% |
| 1996 | \$ 1,986,911,609 | 5.09% | \$ 1,981,729 | \$1.00 | \$ 841,738 | \$ 1.42 | 28.01% | \$ 175,624 | \$ 2,999,091 | 8.78% | \$ 3,005,495 | 4.86% |
| 1997 | \$ 2,082,779,416 | 4.82% | \$ 2,083,159 | \$1.00 | \$ 924,340 | \$ 1.44 | 27.80% | \$ 175,000 | \$ 3,182,499 | 6.12% | \$ 3,325,048 | 9.97% |
| 1998 | \$ 2,190,955,222 | 5.19% | \$ 2,193,136 | \$1.00 | \$ 1,552,558 | \$ 1.71 | 42.95% | \$ 175,000 | \$ 3,920,694 | 23.20% | \$ 3,614,935 | 8.00% |
| 1999 | \$ 2,444,181,423 | 11.56% | \$ 2,369,075 | \$0.97 | \$ 819,110 | \$ 1.30 | 21.62% | \$ 184,423 | \$ 3,372,608 | -13.98% | \$ 3,788,850 | 4.40% |
| 2000 | \$ 2,672,237,875 | 9.33% | \$ 2,565,310 | \$0.96 | \$ 1,373,685 | \$ 1.47 | 34.10% | \$ 185,000 | \$ 4,123,995 | 22.28% | \$ 4,028,608 | 5.96% |
| 2001 | \$ 2,986,208,951 | 11.75% | \$ 2,762,907 | \$0.93 | \$ 1,733,617 | \$ 1.51 | 40.05% | \$ 190,000 | \$ 4,686,524 | 13.64% | \$ 4,328,616 | 7.40% |
| 2002 | \$ 3,258,109,579 | 9.11% | \$ 2,839,256 | \$0.87 | \$ 1,852,146 | \$ 1.44 | 38.25% | \$ 207,000 | \$ 4,898,402 | 4.52% | \$ 4,841,817 | 11.90% |
| 2003 | \$ 3,657,376,881 | 12.25% | \$ 2,766,416 | \$0.76 | \$ 2,205,602 | \$ 1.36 | 42.73% | \$ 207,000 | \$ 5,179,018 | 5.73% | \$ 5,161,862 | 6.60% |
| 2004 | \$ 3,739,291,567 | 2.24% | \$ 3,129,262 | \$0.84 | \$ 2,290,852 | \$ 1.45 | 40.81% | \$ 209,524 | \$ 5,629,638 | 8.70% | \$ 5,613,024 | 8.70% |
| 2005 | \$ 3,972,572,747 | 6.24% | \$ 3,972,584 | \$1.00 | \$ 1,886,987 | \$ 1.48 | 32.71% | \$ 286,500 | \$ 6,146,071 | 9.17% | \$ 5,768,572 | 2.70% |
| 2006 | \$ 4,308,906,254 | 8.47% | \$ 4,093,809 | \$0.95 | \$ 2,327,368 | \$ 1.49 | 37.26% | \$ 295,361 | \$ 6,716,538 | 9.28% | \$ 6,247,000 | 7.66% |
| 2007 | \$ 4,656,250,259 | 8.06% | \$ 4,185,488 | \$0.90 | \$ 2,897,580 | \$ 1.52 | 43.43% | \$ 733,561 | \$ 7,816,629 | 16.38% | \$ 6,671,573 | 6.36% |
| 2008 | \$ 5,280,327,100 | 13.40% | \$ 4,315,900 | \$0.82 | \$ 3,599,553 | \$ 1.50 | 50.98% | \$ 385,000 | \$ 8,300,453 | 6.19% | \$ 7,061,336 | 5.52% |
| 2009 | \$ 6,009,260,439 | 13.80% | \$ 4,459,563 | \$0.74 | \$ 3,600,000 | \$ 1.34 | 47.51% | \$ 488,501 | \$ 8,548,064 | 2.98% | \$ 7,577,921 | 6.82% |
| 2010 | \$ 5,109,882,801 | -14.97% | \$ 4,453,638 | \$0.87 | \$ 3,211,186 | \$ 1.50 | 42.92% | \$ 488,501 | \$ 8,153,325 | -4.62% | \$ 7,481,766 | -1.29% |
| 2011 | \$ 4,996,253,462 | -2.22% | \$ 4,605,909 | \$0.92 | \$ 2,875,586 | \$ 1.50 | 39.56% | \$ 500,000 | \$ 7,981,495 | -1.99% | \$ 7,269,287 | -2.92% |
| 2012 | \$ 4,652,238,528 | -6.89% | \$ 4,645,111 | \$1.00 | \$ 2,800,000 | \$ 1.60 | 38.19% | \$ 459,390 | \$ 7,904,501 | -1.01% | \$ 7,332,201 | 0.87% |
| 2013 | \$ 4,616,655,461 | -0.76% | \$ 4,616,655 | \$1.00 | \$ 2,300,000 | \$ 1.50 | 31.17% | \$ 439,099 | \$ 7,355,754 | -6.94% | \$ 7,377,888 | 0.62% |
| 2014 | \$ 4,909,399,732 | 6.34% | \$ 4,765,499 | \$0.97 | \$ 2,500,000 | \$ 1.48 | 32.75% | \$ 472,004 | \$ 7,737,503 | 5.19% | \$ 7,634,460 | 3.48% |
| 2015 | \$ 5,535,748,036 | 12.76% | \$ 4,848,229 | \$0.88 | \$ 2,650,000 | \$ 1.35 | 33.57% | \$ 477,864 | \$ 7,976,093 | 3.08% | \$ 7,893,977 | 3.40% |
| 2016 | \$ 6,054,273,196 | 9.37% | \$ 4,969,884 | \$0.82 | \$ 2,800,000 | \$ 1.29 | 34.10% | \$ 485,000 | \$ 8,254,884 | 3.50% | \$ 8,210,980 | 4.02% |
| 2017 | \$ 6,515,548,648 | 7.62% | \$ 5,118,579 | \$0.79 | \$ 2,800,000 | \$ 1.24 | 33.31% | \$ 515,719 | \$ 8,434,298 | 2.17% | \$ 8,405,431 | 2.37% |
| 2018 | \$ 7,161,521,894 | 9.91% | \$ 5,253,974 | \$0.73 | \$ 2,800,000 | \$ 1.31 | 32.39% | \$ 525,629 | \$ 8,579,603 | 1.72% | \$ 8,644,995 | 2.85% |
| 2019 | \$ 8,085,320,023 | 12.90% | \$ 5,398,451 | \$0.67 | \$ 3,200,000 | \$ 1.22 | 34.99% | \$ 571,044 | \$ 9,169,495 | 6.88% | \$ 9,145,326 | 5.79% |
| 2020 | \$ 8,726,665,321 | 7.93% | \$ 5,508,006 | \$0.63 | \$ 4,440,000 | \$ 1.28 | 43.46% | \$ 706,376 | \$ 10,654,382 | 16.19% | \$ 10,216,712 | 11.72% |
| 2021 | \$ 8,678,079,672 | -0.56% | \$ 5,590,198 | \$0.64 | \$ 4,476,374 | \$ 1.31 | 42.11% | \$ 610,742 | \$ 10,677,314 | 0.22% | \$ 10,630,000 | 4.05% |
| 30 YEAR AVG | | 6.55% | | \$0.88 | \$ 2,239,539 | \$ 1.41 | 35.74% | | | 6.14% | | 6.21% |
| 10 YEAR AVG | | 5.86% | | \$0.81 | \$ 3,076,637 | \$ 1.37 | 35.60% | | | 3.10% | | 3.91% |

2021 data is preliminary as of 10/05/2020.