

Woodinville Fire & Rescue

2023 Budget

Adopted November 8, 2022



Board of Fire Commissioners

Derek Van Veen
Position 1

Doug Halbert
Position 2

Anjela Barton
Position 3

Mike Millman
Position 4

Roger Collins
Position 5

Joan S. Montegary
Finance Director

Scott Faires
Budget/Finance Analyst

Woodinville Fire & Rescue

2023 Budget

Table of Contents

Contents	Page
Board of Fire Commissioners Letter	1
Budget and Forecast Assumptions	2
Five-Year Forecast	3
2023 Expense Budget	4
2023 Revenue Budget	5
Reserve Fund	6
Benefit Liability Reserve Fund	7
2023 Effective Tax Rate Worksheet	8
Historical Data	9
Budget Resolutions	
2022-05, 2023 Fire Benefit Charge	10 - 12
2022-06, 2023 Property Tax Increase, Property Tax Levy and Budget Adoption	13 - 15



Woodinville Fire & Rescue

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January 2023

The following pages include Woodinville Fire & Rescue's (the "District") 2023 operating budget. As we always strive to do, this budget is built with the objective of maintaining our high quality service to our community, maintaining our facilities and assets, and replacing assets when necessary. From 2017 through 2021, we were very intentional in our budgeting to build the District's reserve fund. This has allowed us to be well-prepared for what is sure to be a difficult economic period over the next year. We were able to dramatically reduce our collections in 2022 and, in this 2023 budget, are not collecting any extra funds to add to the reserve. Our annual budget is funded mainly through a property tax levy, a fire benefit charge, and the King County Emergency Medical Services levy. Although the current rise in costs has required an increase in our overall collections, our prudent fiscal management has enabled us to bring our effective tax rate down to the lowest in over ten years.

The Board of Fire Commissioners reviewed the draft budget on October 11, 2022 and provided staff with final guidance on building the 2023 budget. A public hearing on the budget and fire benefit charge was advertised and held on October 25, 2022 prior to the final budget adoption on November 8, 2022. The 2023 operating budget is \$15,615,453.

In an effort to increase efficiency and ensure sustainability, the Board of Fire Commissioners has continually been seeking out potential regionalization opportunities. In late 2021, the District entered into an Interlocal Agreement for fire and emergency services with Eastside Fire & Rescue ("EFR"). The District's employees became EFR employees on October 1, 2021. This has been and continues to be an exciting time for the District and the communities we serve.

Thank you once more for your support and for allowing Woodinville Fire & Rescue to serve and meet your emergent and non-emergent needs. We look forward to a healthy and productive 2023.

Sincerely,

Roger Collins

Mike Millman

Anjela Barton

Doug Halbert

Derek Van Veen

Woodinville Fire & Rescue Board of Fire Commissioners

Prepare - Prevent - Perform

www.wf-r.org

Woodinville Fire & Rescue

2023 Budget

Budget and Forecast Assumptions

Revenue

Assessed Value: The forecast assumes an 8 percent increase in assessed valuation per year for 2024-2027. A levy lid lift is not considered in this forecast.

Property Tax Levy: The property tax levy is forecasted with the 1 percent allowable annual increase for 2024 - 2027 and an estimated \$75,000/year new construction levy and relevel for prior year refunds.

Fire Benefit Charge: The 2023 effective tax rate is calculated at \$0.81/\$1,000 of assessed value. With a property tax levy of \$0.50715, the fire benefit charge is \$0.30285.

EMS Levy: The 2023 amount in the budget (\$702,632) is the amount received and kept by the District. This amount is calculated and provided to the District by King County EMS. There are other funds provided through the EMS levy that are paid out to other fire/EMS agencies for services provided. The forecast assumes a 5 percent increase per year for 2024 - 2027.

Excludes: Revenue from the potential sale of any surplus assets.

Expenditures

Effective October 1, 2021, the District entered into a contract for service with Eastside Fire & Rescue ("EFR"). The expense budget includes the contract fee paid by the District to EFR under the terms of the contract.

Contract for Service: The contract for service with EFR includes labor and operating expenses as well as annual contributions to the Equipment Reserve Fund ("ERF") and the Capital Facilities Maintenance Fund ("CFMF"). The forecast assumes a 5 percent increase per year to the labor and operating expenses for 2024 - 2027. The forecast assumes a 3 percent increase per year to the District's contributions to the ERF and the CFMF for 2024 - 2027, as provided by the contract for service.

Other Expenditures: The forecast assumes a 4 percent increase per year for all expenditures for 2024 - 2027 with two exceptions. Amounts budgeted for Elections are based on actual terms of Commissioners and anticipated election years; and the contract for service with Eastside Fire & Rescue is calculated as explained above.

Transfers to Reserve Fund: The 2023 budget does not include a contribution to the District's Reserve Fund. There is a contribution to the Reserve Fund each year beginning in 2024.

Reserve Fund: The 2023 budget anticipates expenditures of \$1,057,100 out of the Reserve Fund for capital improvements (facilities), apparatus purchases, and tool and equipment purchases/replacement.

Woodinville Fire & Rescue

2023 Budget

Five-Year Forecast

In actual \$	2022 Actual	2023 Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast
Assessed Value	13,383,164,327	18,309,001,967	19,773,722,124	21,355,619,894	23,064,069,486	24,909,195,045
Property Tax	9,088,745	9,292,121	9,344,361	9,437,055	9,530,676	9,625,233
Fire Benefit Charge	4,456,031	5,548,867	6,506,031	7,167,165	7,895,425	8,667,691
EMS Levy	641,411	702,632	737,764	774,652	813,384	854,054
Other	598,236	125,000	126,250	127,513	128,788	130,076
Revenues	14,784,423	15,668,620	16,714,406	17,506,383	18,368,273	19,277,053
Operating Expenses	13,987,571	15,615,453	16,414,406	17,191,383	18,038,273	18,927,053
Capital Expenses	16,793			-		
Reserve Fund	-	-	300,000	315,000	330,000	350,000
Expenditures	14,004,364	15,615,453	16,714,406	17,506,383	18,368,273	19,277,053
Operating Reserve Requirement	5,828,155	6,506,439	6,839,336	7,163,076	7,515,947	7,886,272
Ending Balance ALL Funds	25,106,044	21,279,394	21,912,291	22,251,031	22,618,902	23,009,227
Effective Tax Rate per \$1,000 AV	1.01	0.81	0.80	0.78	0.76	0.73

Woodinville Fire & Rescue

2023 Budget

2023 Expense Budget

	Category	2023 Budget	2022 Budget	Difference	% Difference
1	Commissioners	\$ 27,450	\$ 52,267	\$ (24,817)	-47.48%
2	Administration	\$ 15,505,803	\$ 14,050,615	\$ 1,455,188	10.36%
3	Community Services	\$ -	\$ -	\$ -	
4	Training & Development	\$ -	\$ -	\$ -	
5	Health and Safety	\$ -	\$ -	\$ -	
6	Community Risk Reduction	\$ -	\$ -	\$ -	
7	Response Operations	\$ -	\$ -	\$ -	
8	Technical Rescue	\$ -	\$ -	\$ -	
9	Hazmat	\$ -	\$ -	\$ -	
10	Wildland	\$ -	\$ -	\$ -	
11	Fleet Maintenance	\$ -	\$ -	\$ -	
12	Facilities	\$ -	\$ -	\$ -	
13	Volunteers	\$ -	\$ -	\$ -	
14	Non-Departmental	\$ 82,200	\$ 147,300	\$ (65,100)	-44.20%
	Capital Improvements	\$ 1,057,100	\$ 463,200	\$ 593,900	128.22%
	Total	\$ 16,672,553	\$ 14,713,382	\$ 1,959,171	13.32%
	Reserves for Capital Improvements	\$ (1,057,100)	\$ (463,200)	\$ (593,900)	
	Operating Expenses	\$ 15,615,453	\$ 14,250,182	\$ 1,365,271	9.58%

Reserves

A	Station 31: Kitchen upgrade	200,000.00
B	Station 35: Kitchen remodel	300,000.00
C	Station 35: Bathroom remodel	200,000.00
D	Station 31: Simplex panel emergency replace	25,000.00
E	Station 35: Simplex panel emergency replace	20,000.00
F	Station 35: Generator replacement (balance)	105,000.00
G	BC Rig (balance)	39,000.00
H	Brush Truck (balance)	49,100.00
I	PSERN Radios	119,000.00
		<u>1,057,100.00</u>

Woodinville Fire & Rescue

2023 Budget

2023 Revenue Budget

	Revenue Classification	2023 Revenue Budget	2022 Revenue Budget	Difference	% Difference
1	Property Tax Levy	\$ 9,292,121	\$ 9,092,270	\$ 199,851	2.20%
2	Fire Benefit Charge	\$ 5,548,867	\$ 4,423,177	\$ 1,125,690	25.45%
3	King County EMS Levy	\$ 702,632	\$ 641,411	\$ 61,221	9.54%
4	Permit/Plan Review Revenue	\$ 50,000	\$ 100,000	\$ (50,000)	-50.00%
5	Miscellaneous Revenue	\$ 75,000	\$ 100,000	\$ (25,000)	-25.00%
		\$ 15,668,620	\$ 14,356,858	\$ 1,311,762	9.14%

Notes:

- A The jurisdictional assessed value (AV) increased by 36.8 percent.
- B The 2023 budget is built on a fire benefit charge amount of \$5,548,867.
- C The 2023 total property tax and fire benefit charge collection is anticipated to be \$1,292,212 (or 9.57%) more than the 2022 collection.

Woodinville Fire & Rescue

2023 Budget

Reserve Fund
Thru December 2022

	Apparatus	Tools & Equipment	Facilities	Building	Emergency	Total
2019 YE Balance	\$ 3,739,368	\$ 1,343,579	\$ 660,450	\$ 2,180,687	\$ 3,300,000	\$ 11,224,084
2020 YE Balance	\$ 4,000,368	\$ 1,400,000	\$ 750,000	\$ 4,324,190	\$ 3,300,000	\$ 13,774,558
2021 YE Balance	\$ 4,125,535	\$ 1,789,477	\$ 1,120,772	\$ 5,500,028	\$ 3,300,000	\$ 15,835,811
2022 Transfers IN	\$ -	\$ -		\$ -	\$ -	\$ -
2022 Expenses/Re-balancing	\$ (38,273)	\$ 5,123	\$ 645,271		\$ (957,682)	\$ (345,560)
2022 Interest/Fees	\$ -			\$ 150,071		\$ 150,071
2022 YE Balance	\$ 4,087,262	\$ 1,794,600	\$ 1,766,043	\$ 5,650,099	\$ 2,342,318	\$ 15,640,322
Goals	\$ 4,000,000	\$ 1,500,000	\$ 700,000	\$ 5,500,000	\$ 2,342,318	\$ 14,042,318
<i>Delta</i>	\$ 87,262	\$ 294,600	\$ 1,066,043	\$ 150,099	\$ -	\$ 1,598,004

Notes:

- Apparatus:** Requires ongoing funding in order to replace apparatus when needed.
- Tools & Equipment:** Funds to replace items such as PPE, SCBA, MDCs, etc.
- Facilities:** \$300,000 for HQ; \$175,000 each for Stations 33 and 35; \$50,000 for Annex.
- Building:** Proceeds from sale of real estate and add'l amounts for future building(s).
- Emergency:** Funded at 15 percent of operating expenses.

Reserve Fund goals adjusted per Board of Fire Commissioner direction on 10/11/22.

Woodinville Fire & Rescue

2023 Budget

Benefit Liability Reserve Fund
Thru December 2022

	HRA (Separated Employees)	Vacation Leave	Sick Leave	Retirement Incentive Program/ Severance	Post- Retirement Medical	LEOFF 1	Total
2019 YE Balance	\$ 214,580	\$ 5,800	\$ 519,275	\$ -	\$ 75,558	\$ 375,000	\$ 1,190,213
2020 YE Balance	\$ 214,580	\$ 38,000	\$ 505,279	\$ 750,000	\$ 75,000	\$ 375,000	\$ 1,957,859
2021 YE Balance	\$ 180,000	\$ -	\$ -	\$ 340,000	\$ 360,000	\$ 430,365	\$ 1,310,365
2022 Transfers IN	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2022 Expenses/Re-balancing	\$ (150,000)	\$ -	\$ -	\$ (340,000)	\$ (123,000)	\$ 202,755	\$ (410,245)
2022 Interest/Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,005	\$ 9,005
2022 YE Balance	\$ 30,000	\$ -	\$ -	\$ -	\$ 237,000	\$ 642,125	\$ 909,125
Goals	\$ 30,000	\$ -	\$ -	\$ -	\$ 237,000	\$ 463,637	\$ 730,637
<i>Delta</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 178,488	\$ 178,488

Notes:

- HRA (Separated EEs):* Funded at 100 percent.
- Vacation Leave:* No balance needed; employees transferred to Eastside Fire & Rescue. Balance moved to regular reserve fund.
- Sick Leave:* No balance needed; employees transferred to Eastside Fire & Rescue. Balance moved to regular reserve fund.
- RIP/Severance Pymts:* Final payments made in 2022.
- Post-Retire Medical:* Funded at 100 percent. Annual payments with last payment due in 2033.
- LEOFF 1:* Funded at 100 percent of state actuary recommendation.

Woodinville Fire & Rescue

2023 Budget

2023 Effective Tax Rate Worksheet

2023 Assessed Valuation	\$	18,309,001,967
2023 Expense Budget	\$	15,615,453
Reserve Fund Allocation	\$	-
Total Anticipated 2023 Expenses	\$	15,615,453
2023 EMS Levy	\$	702,632
2023 Estimated Permit/Plan Review Revenue	\$	50,000
2023 Estimated Miscellaneous Revenue	\$	75,000
2023 Allowable Property Tax Levy	\$	9,292,121
2023 Fire Benefit Charge	\$	5,548,867
Total Anticipated 2023 Revenue	\$	15,668,620
2023 Effective Tax Rate/\$1,000 of Assessed Value	\$	0.81

Notes:

The effective tax rate (ETR) represented above is provided solely for demonstrative value for use in a comparative analysis of previous budgets. The number is calculated as:

$$\text{ETR} = ((\text{FBC} + \text{Property Tax Levy})/\text{AV}) * 1000.$$

Woodinville Fire & Rescue

2023 Budget

Historical Data

Year	Assessed Valuation	AV % Change	Property Tax Levy	Levy Rate	FBC Assessment	ETR	% FBC of Expense Budget	Other Revenue	Total Revenue	Rev % Change	Expense Budget	Budget Change
2014	\$ 7,487,803,154	7.81%	\$ 7,477,494	\$1.00	\$ 4,336,947	\$1.58	37.54%	\$ 596,536	\$ 12,410,977	3.54%	\$ 11,551,532	-2.08%
2015	\$ 8,052,423,295	7.54%	\$ 7,916,092	\$0.98	\$ 4,174,402	\$1.50	35.08%	\$ 580,000	\$ 12,670,494	2.09%	\$ 11,898,080	3.00%
2016	\$ 8,513,956,279	5.73%	\$ 7,985,285	\$0.94	\$ 4,744,716	\$1.50	37.97%	\$ 617,766	\$ 13,347,767	5.35%	\$ 12,494,921	5.02%
2017	\$ 8,853,998,427	3.99%	\$ 8,111,241	\$0.92	\$ 5,172,623	\$1.50	40.91%	\$ 606,251	\$ 13,890,115	4.06%	\$ 12,643,097	1.19%
2018	\$ 9,784,364,064	10.51%	\$ 8,386,796	\$0.86	\$ 5,773,189	\$1.45	42.28%	\$ 748,584	\$ 14,908,569	7.33%	\$ 13,653,571	7.99%
2019	\$ 10,855,819,664	10.95%	\$ 8,594,571	\$0.79	\$ 6,572,663	\$1.40	46.18%	\$ 769,280	\$ 15,936,514	6.89%	\$ 14,233,045	4.24%
2020	\$ 11,734,560,501	8.09%	\$ 8,798,962	\$0.75	\$ 6,856,565	\$1.33	46.17%	\$ 744,280	\$ 16,399,807	2.91%	\$ 14,852,284	4.35%
2021	\$ 11,682,870,432	-0.44%	\$ 8,943,018	\$0.77	\$ 5,774,220	\$1.26	38.67%	\$ 779,432	\$ 15,496,670	-5.51%	\$ 14,932,759	0.54%
2022	\$ 13,383,164,327	14.55%	\$ 9,092,270	\$0.68	\$ 4,423,177	\$1.01	31.04%	\$ 841,411	\$ 14,356,858	-7.36%	\$ 14,250,182	-4.57%
2023	\$ 18,309,001,967	36.81%	\$ 9,292,121	\$0.51	\$ 5,548,867	\$0.81	35.53%	\$ 827,632	\$ 15,668,620	9.14%	\$ 15,615,453	9.58%
10 Year Average		10.56%		\$0.82	\$ 5,337,737	\$1.33	39.14%			2.84%		2.93%

**WOODINVILLE FIRE & RESCUE
RESOLUTION NO. 2022-05**

2023 FIRE BENEFIT CHARGE

A resolution of the Board of Fire Commissioners of Woodinville Fire & Rescue imposing a fire benefit charge on personal property and improvements to real property within the District for calendar year 2023

RECITALS

WHEREAS, the Board of Fire Commissioners of a fire district may, by resolution, for fire protection district purposes authorize by law, fix and impose a benefit charge on personal property and improvements to real property which are located within the fire protection district on the date specified, and which have or will receive benefits provided by the fire protection district, to be paid by the owners of the property; and

WHEREAS, in 2019, the voters of Woodinville Fire & Rescue (the "District") authorized the imposition of a fire benefit charge for a period of six years, 2020 through 2025; and

WHEREAS, pursuant to RCW 52.18.060(2), a public hearing was held on October 25, 2022; and

WHEREAS, the Board of Fire Commissioners (the "Board") of the District has met and considered the District budget for the calendar year 2023; and

WHEREAS, the District's fire benefit charge amount from the previous year was \$4,423,177; and

WHEREAS, at the conclusion of the public hearing on October 25, 2022, and after deliberations held thereafter, the District's Board of Fire Commissioners determined it necessary to impose a fire benefit charge on personal property and improvements to real property within the District for fiscal year 2023.

NOW, THEREFORE, it is resolved by the Board of Fire Commissioners for Woodinville Fire & Rescue:

1. That fire benefit charges take into consideration the insurance savings resulting from the provision of benefits by the District, the amount of fire protection required by the property and the special services provided to the properties by the District.

2. That the Board determined that the methodology used to calculate the fire benefit charges reasonably takes into consideration the facts and circumstances of each property for which a fire benefit charge is imposed, and each individual fire benefit charge is reasonably proportioned to the measurable benefits to the property resulting from the services afforded by the District.
3. That the amount of the benefit charge to be collected in 2023 is hereby established to not exceed **\$5,548,867**.
4. That as part of the 2023 budget adoption, an increase in the proposed aggregate fire benefit charge is hereby authorized for 2023 in the amount of \$1,125,690 which is a percentage *increase* of approximately 25.45 percent from the previous year.
5. That the proposed fire benefit charge will be imposed on the affected properties beginning January 1, 2023.
6. That the property owners will be notified, in writing, of the amount of the benefit charge to be imposed on their property prior to the implementation of the provisions of RCW 52.18.070 establishing a Fire Benefit Charge Review Board.

**ADOPTED AT A REGULAR MEETING OF THE BOARD OF FIRE COMMISSIONERS OF
WOODINVILLE FIRE & RESCUE THIS 8th DAY OF NOVEMBER 2022.**

**WOODINVILLE FIRE & RESCUE
COUNTY OF KING, WASHINGTON**



Berek van Veen, Commissioner, Position 1



Doug Halbert, Commissioner, Position 2



Anjela Barton, Commissioner, Position 3



Michael Millman, Commissioner, Position 4



Roger Collins, Commissioner, Position 5

Attest:



Nicole M. Frisch, Board Secretary

**WOODINVILLE FIRE & RESCUE
RESOLUTION NO. 2022-06**

**2023 PROPERTY TAX INCREASE,
PROPERTY TAX LEVY AND
BUDGET ADOPTION**

RECITALS

WHEREAS, the Board of Fire Commissioners (the "Board") of Woodinville Fire & Rescue (the "District") met and considered the District budget for the calendar year 2023; and

WHEREAS, the Board has properly given notice of the public hearing held on October 25, 2022 to consider the District's current expense budget for the 2023 calendar year pursuant to RCW 84.55.120; and

WHEREAS, the Board, after the public hearing and after duly considering all relevant evidence and testimony presented, has determined that the District requires an increase in property tax revenue from the previous year, in addition to the increase resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property, and amounts authorized by law as a result of any annexations that have occurred and refunds made, in order to discharge the expected expenses and obligations of the District and in its best interest; and

WHEREAS, the County Assessor has notified the District that the assessed valuation of real properties lying within the boundaries of the District for the assessment year 2022 and tax year 2023 is estimated to be \$18,322,207,555; and

WHEREAS, the District's actual levy amount from the previous year was \$9,092,270; and

WHEREAS, the population within the District is more than 10,000;

NOW, THEREFORE, it is resolved by the Board of Fire Commissioners for Woodinville Fire & Rescue, after hearing and duly considering all relevant evidence and testimony presented:

1. That the Honorable County Council of King County, Washington, be and is hereby requested to make a levy for said Woodinville Fire & Rescue (King County Fire Protection District #36) totaling **\$9,292,121**.
2. This amount includes an increase in property tax revenue from the previous year and amounts resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property and amounts

authorized by law as a result of any annexation that have occurred and \$27,807 in refunds made.

3. That under RCW 84.55.120 and as part of the 2023 budget adoption, an increase in the regular property tax levy is hereby authorized. The dollar amount of the increase over the actual levy amount from the previous year shall be **\$85,315**, which is a percentage increase of **0.94** percent from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and \$27,807 in refunds made.
4. That as part of the 2023 budget adoption, the Board has determined it necessary to impose a fire benefit charge in the amount of **\$5,548,867** on personal property and improvements to real property within the District for fiscal year 2023.
5. That the Board hereby adopts the District's total budget for 2023 in the amount of \$15,615,453 for operating expenses.

ADOPTED AT A REGULAR MEETING OF THE BOARD OF FIRE COMMISSIONERS OF

WOODINVILLE FIRE & RESCUE THIS 8th DAY OF NOVEMBER 2022.

**WOODINVILLE FIRE & RESCUE
COUNTY OF KING, WASHINGTON**



Derek van Veen, Commissioner, Position 1



Doug Halbert, Commissioner, Position 2



Anjela Barton, Commissioner, Position 3



Michael Millman, Commissioner, Position 4



Roger Collins, Commissioner, Position 5

Attest:



Nicole M. Frisch, Board Secretary