



**Northwest Fire District
Governing Board**
13535 North Marana Main Street
Marana, Arizona

SCHEDULED

MEMORANDUM NO. {{item.tracking_number}}

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|------------------------------|--|
| Date: | April 23, 2024 |
| To: | Governing Board |
| From: | Sandy Russell, Analyst |
| Division: | Finance Services |
| Type of Action: | Formal Action/Motion |
| Strategic Plan Goals: | Create greater financial efficiencies and ensure financial sustainability and responsibility |
| Agenda Item: | Discussion and Possible Action Approving the 2024-2025 Proposed Tentative Budget and Scheduling of the Budget Hearing; Any and All District Revenues and Expenses May Be Discussed and Acted Upon; the Budget's Potential Impact on the District Tax Rate May Also Be Discussed; Advantages and Disadvantages of Any Budget Options May Also Be Discussed; Proposed Timing of Capital Expenses May Also Be Discussed |

RECOMMENDATION:

Approve the Fiscal Year (FY) 2024-2025 Proposed Tentative Budget as presented.

MOTION:

Move to accept the attached FY2024-2025 Proposed Tentative Budget in the amount of \$97,015,342 and to set a Public Hearing for the FY2024-2025 Final Budget adoption on Tuesday, June 25, 2024, at the Northwest Fire District Administration Building, 13535 N. Marana Main Street, Marana, Arizona.

DISCUSSION:

This budget session will provide the Governing Board an opportunity to review a balanced, comprehensive budget proposal, discuss details of the budget, and consider approval of the Fiscal Year 2024-2025 Proposed Tentative Budget.

During this review, the Governing Board will be able to direct staff to make changes to the attached document. It needs to be noted that once a Proposed Budget has been approved, it sets a maximum cap on District expenditures and on the tax that can be levied. The estimated tax rates supporting the Proposed Budget are \$2.9719 for operating plus \$.2323 for debt, for a combined total of \$3.2042. This results in an increase of combined tax rate from the current year of \$.0400.

The following highlights significant items in the FY2024-2025 Proposed Budget:

1. The budget is balanced across all funds.

2. All fund and departments have been included in the attached, providing the Governing Board a comprehensive picture of the District-wide proposed budget.
3. The Workers' Compensation and Property and Casualty Insurance costs have been updated to reflect current information.
4. The market adjustment of 3.5% at the direction of the Governing Board on March 26, 2024, is included in the budget.
5. The increase to the operating tax rate of \$.0400 at the direction of the Governing Board on March 26, 2024, is included in the budget.
6. The \$.0209 reduction of the bond debt tax rate moving to the operating tax rate to be dedicated to future Station needs at the direction of the Governing Board on March 26, 2024, is included.
7. Per Pima County, Limited Assessed Value for the District has risen 7.79% from \$1.529 billion to \$1.648 billion.
8. Investment Revenue budget increased \$225,000 based on current earnings, but with the anticipation that the Federal Government may lower interest rates next year.
9. Ambulance Revenue increased \$500,000 based on revenue collected in FY2023 and FY2024.
10. Medical Self Insurance increased \$500,000 to maintain required reserve minimums and anticipate the continued increase in medical claim costs.
11. Operations and Maintenance increased 12% due to continued rising costs of goods and services, the anticipation of an Academy, and some building maintenance items moving from Capital to the Facility Services budget.

ALTERNATIVES:

Request changes to the Proposed Budget before approving.

Fiscal Impact

FISCAL YEAR: 24/25

BUDGETED Y/N: N/A

AMOUNT REQUESTED: \$97,015,342

FISCAL IMPACT: Fiscal Year 2024-2025 Proposed Budget.

Attachments

Fiscal Year 2024-2025 Proposed Budget with Program Appraisals