NORTHWEST FIRE DISTRICT

District-wide Adopted Budget Overview
For Fiscal Year: July 1,2020 – June 30,2021

NORTHWEST FIRE DISTRICT

ISO CLASS 1 ★ INTERNATIONALLY ACCREDITED
5225 W. Massingale Rd. | Tucson, AZ 85743
(520) 887-1010 | www.NorthwestFire.org
@NorthwestFire | /NorthwestFireDistrict

June 12, 2020

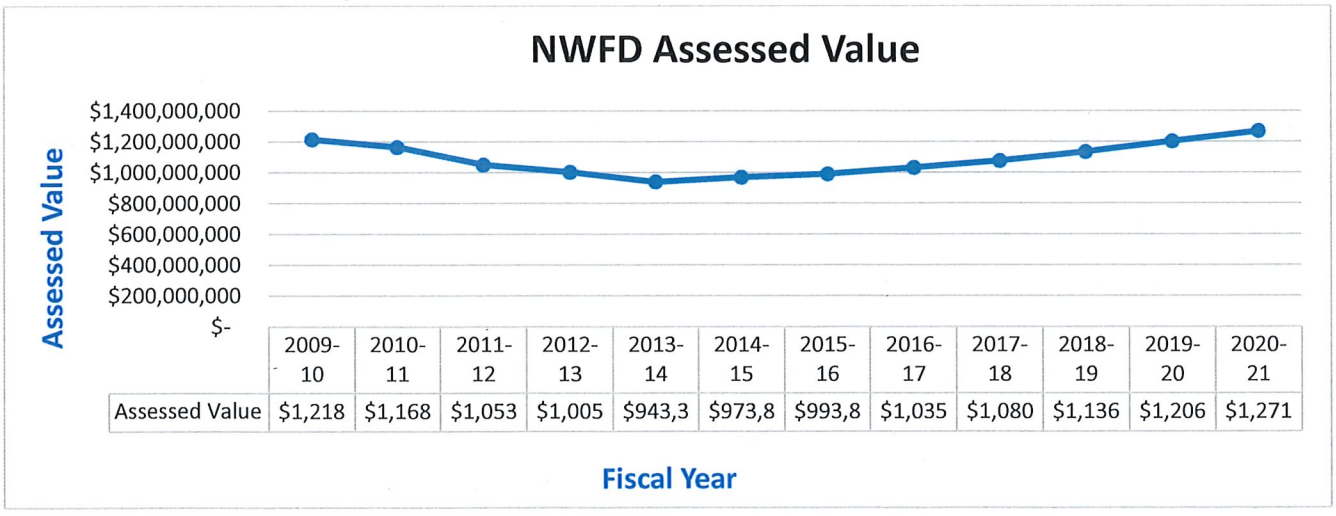
Fiscal Year 2020-2021 Executive Budget Summary

To the Citizens and Governing Board of the Northwest Fire District:

Arizona Revised Statutes Article 1, §48-805.02 requires a fire district to prepare an annual balanced budget that contains detailed expenditures for each fiscal year and that clearly states salaries payable to employees of the District. This document is being submitted in accordance with Arizona Revised Statutes for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

General Budget Information

Northwest Fire District (NWFD) operates in a diverse region that has seen significant growth over the past eighteen years. The District is funded through limited assessed value property taxes; which makes assessed value a critical factor to the financial health of the organization. For fiscal year 2020-2021, limited assessed value is $1.271 billion, which is an increase of $65 million, or 5.39% over the prior year. Other than economic growth, another contributing factor to the increase in fiscal year 2020-2021 assessed value is the District's continued work on annexation.



	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Assessed Value	$1,218	$1,168	$1,053	$1,005	$943,3	$973,8	$993,8	$1,035	$1,080	$1,136	$1,206	$1,271

Throughout the budget process for fiscal year 2020-2021, the focus and priority are to streamline operations and provide services in a more efficient manner with the intent of keeping a status quo tax rate. NWFD has worked diligently and is able to maintain the

same operating tax rate of $2.7095 while the bond debt tax rate is projected to be $0.2900. This equates to a combined total tax rate of $2.9995 and results in a $0.0054 decrease in the combined tax rate compared to the current year.

The total proposed budget for fiscal year 2020-2021 is $74,582,385, including a General Fund budget of $42,892,413. In comparison to the current year 2019-2020 total budget, there is an increase of approximately 9.7%, in large part due to an increase in the Capital Improvement Fund. The table below summarizes the proposed budget amounts for each fund.

Fiscal Year 2020-2021 Proposed Budget	
General Fund	$42,892,413
Wildland Fund	$750,000
Capital Improvements Fund	$11,527,643
Capital Reserve Fund	$1,857,493
Ambulance Fund	$2,700,000
General Obligations Bond Fund	$3,840,325
Medical Self-Insurance Fund	$5,500,000
Grant Fund	$5,514,511
Total Proposed Budget	**$74,582,385**

Key factors for the proposed budget are as follows:

- **Strategic Management**-The budget process for fiscal year 2020-2021 furthers strategic management principles by fully integrating NWFD's Strategic Plan, Accreditation, and the budget.
- **Ambulance Fund-**The Ambulance Fund allocation from the General Fund is reflected in the attached proposed budget. Costs are more appropriately reflected in this proposed budget due to better understanding and analysis conducted by department managers.
- **New Pay Plan-**This budget includes year one costs of a two-year implementation of a new pay plan for all District employees. Benefits of the new pay plan include the correction of pay compression issues, increased employee motivation, and better long-term stability in employee costs.
- **Support positions**-Support positions added in previous years continue to incrementally add value to overall District operations in this proposed budget.
- **Reserves**- Adjustments have been made to better reflect risk.
- **Cost Control**-Department Managers have made significant strides in planning and controlling operational and support costs. As a result, increased accuracy of costing is reflected in this budget.
- **CIP**-All proposed capital purchases are included, both CIP and non-CIP.
- **Asset Management**- This budget contains year 1 purchase and implementation costs for AssetWorks, a software program that will greatly enhance the management of District assets and infrastructure.
- **Revenue Source(s)**-In fiscal year 2020-2021, NWFD will realize $700K as the first year of a two-year intergovernmental agreement (IGA) with Arizona Department of Transportation (ADOT). Total two-year IGA is for a maximum of $1.5M. In addition, the

implementation of the revised District fee schedule provides a potential up-side through demand driven revenues.

- **FF Recruiting**- This budget includes costs for the recruitment & academy of 14 Firefighters who will fill existing vacancies thus reducing overtime costs.
- **Grants-**The primary drivers of the grant fund are a regional grant for radio equipment $3.3M (Assistance to Firefighters Grant Program) and a SAFER grant aimed at recruiting & academy costs for an additional 7 new fire personnel $400K. ***Grant activities are contingent on grant award.

In Closing

During the budget process multiple challenges were considered that the District will face next fiscal year; such as the impacts of the COVID-19 pandemic, beginning the construction of a new administration building, inflationary increases in products and services, changes in legislation, and the transition into the workman's compensation pool as well as the new pay plan. The realignments and consolidation of departments, positions, and certain line items within the proposed budget are specifically intended to create greater efficiency and accountability within NWFD.

In an ever-changing economic environment, it is of the utmost importance that the District continue to be operationally and financially transparent with the Governing Board and members of the community. This strategic budget summary document is intended to provide additional information and background on the needs of the organization, while also providing greater understanding of what drives the budget for fiscal year 2020-2021.

The proposed budget is balanced and creates more efficient processes which continue to demonstrate the stability of NWFD and the positive impact it has on the community today and into the future.

Respectfully Submitted,

Norman K. Bradley III
Fire Chief/ Administrator

AGGREGATE OF ALL DISTRICT FUNDS

115272082

FORM LB-1	NOTICE OF BUDGET HEARING		

A budget hearing of the Northwest Fire District Governing Board will be held on Tuesday, June 23, 2020 at 6:00 p.m. at 5125 W. Camino De Fuego Road, Marana, Arizona. The purpose of this meeting is to discuss and formally adopt the budget for the fiscal year beginning July 1, 2020. A summary of the budget is presented below. Written comments on the proposed budget may be submitted to the Northwest Fire District Administration Facility at 5225 W. Massingale Road, Marana, AZ, before 5:00 p.m. on June 23, 2020. A copy of the budget may be inspected or obtained at 5225 W. Massingale Road, Marana, AZ 85743, between the hours of 8:00 a.m. and 5:00 p.m. or online at www.northwestfire.org. This budget is for an _X_ annual __ biennial budget period. This budget was prepared on a basis of accounting that is _X_ the same as __ different than the preceding year.

Contact: Kevin Artz	Telephone: 520-887-1010	Email: Kartz@northwestfire.org

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2018-2019	Adopted Budget This Year: 2019-2020	Adopted Budget Next Year: 2020-2021
Beginning Fund Balance/Net Working Capital	24,395,987	12,657,493	20,382,493
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	3,967,740	5,126,800	9,067,800
Federal, State and all Other Grants, Gifts, Allocations and Donations	2,097,216	6,000,000	4,564,511
Revenue from Bonds and Other Debt	0	0	0
Interfund Transfers / Internal Service Reimbursements	1,200,000	5,239,000	1,835,643
All Other Resources Except Current Year Property Taxes	437,357	2,690,000	1,230,000
Current Year Property Taxes Estimated to be Received	34,940,310	36,262,032	37,501,938
Total Resources	**67,038,610**	**67,975,325**	**74,582,385**

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	28,611,822	30,915,415	31,718,740
Materials and Services	6,528,883	9,923,780	10,879,824
Capital Outlay	6,320,694	4,896,000	1,325,793
Debt Service	3,856,867	3,555,637	3,685,325
Interfund Transfers	1,200,000	1,839,000	1,835,643
Contingencies	0	15,188,000	21,279,567
Unappropriated Ending Balance and Reserved for Future Expenditure	20,520,344	1,657,493	3,857,493
Total Requirements	**67,038,610**	**67,975,325**	**74,582,385**

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
Name of Organizational Unit or Program **FTE** for that unit or program			
Administration	3,012,505	3,182,235	3,230,731
FTE	21	21	21
Emergency operations	25,414,674	38,847,641	27,292,994
FTE	205	208	208
Community safety services	1,372,108	1,538,380	1,543,183
FTE	12	13	13
Support resources	5,341,418	6,792,936	6,624,806
FTE	16	25	26
Not Allocated to Organizational Unit or Program	31,897,905	17,614,133	35,890,671
FTE	0	0	0
Total Requirements	**67,038,610**	**67,975,325**	**74,582,385**
Total FTE	**254**	**267**	**268**

PROPERTY TAX LEVIES			
	Rate or Amount Imposed 2018-2019	Rate or Amount Imposed This Year 2019-2020	Rate or Amount Approved Next Year 2020-2021
Operating Rate Levy (rate limit $3.25 per $100)	2.7095	2.7095	2.7095
Levy For General Obligation Bonds	3,859,744	3,565,637	3,686,981

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	$32,810,000	$4,000,000
Other Borrowings	$0	$0
Total	$32,810,000	$4,000,000

FORM LB-2

FUNDS NOT REQUIRING A PROPERTY TAX TO BE LEVIED

Publish ONLY completed portion of this page. Total Anticipated Requirements **must equal** Total Resources

Wildland Fund (200)	Actual Data Last Year 2018-19	Adopted Budget This year 2019-20	Adopted Budget Next Year 2020-21
1. Total Personnel Services	594,717	614,000	614,000
2. Total Materials and Services	30,214	136,000	136,000
3. Total Capital Outlay	-	-	-
4. Total Debt Service	-	-	-
5. Total Transfers Out	-	-	-
6. Total Contingencies		-	-
7. Total Reserves and Special Payments	-	-	-
8. Total Unappropriated Ending Fund Balance	562,772	-	-
9. Total Requirements	1,187,703	750,000	750,000
10. Carryover Funds	339,785	-	-
11. Transfers In	-	-	-
12. Debt Issuance Proceeds	-	-	-
13. Total Revenues Except Property Taxes	847,918	750,000	750,000
14. Total Resources Except Property Taxes	1,187,703	750,000	750,000

Capital Improvements Fund (400)	Actual Data Last Year 2018-19	Adopted Budget This year 2019-20	Adopted Budget Next Year 2020-21
1. Total Personnel Services	-	-	-
2. Total Materials and Services	139,013	128,000	414,850
3. Total Capital Outlay	6,289,997	4,883,000	1,312,793
4. Total Debt Service	-	-	-
5. Total Transfers Out	-	450,000	200,000
6. Total Contingencies		1,088,000	9,600,000
7. Total Reserves and Special Payments	-	-	-
8. Total Unappropriated Ending Fund Balance	8,456,960	-	-
9. Total Requirements	14,885,970	6,549,000	11,527,643
10. Carryover Funds	13,363,562	3,500,000	9,625,000
11. Transfers In	1,200,000	1,389,000	1,635,643
12. Debt Issuance Proceeds	-	-	-
13. Total Revenues Except Property Taxes	322,408	1,660,000	267,000
14. Total Resources Except Property Taxes	14,885,970	6,549,000	11,527,643

Medical Self-insurance Fund (110)	Actual Data Last Year 2018-19	Adopted Budget This year 2019-20	Adopted Budget Next Year 2020-21
1. Total Personnel Services	-	-	-
2. Total Materials and Services	3,446,657	3,400,000	3,500,000
3. Total Capital Outlay	-	-	-
4. Total Debt Service	-	-	-
5. Total Transfers Out	-	-	-
6. Total Contingencies		-	-
7. Total Reserves and Special Payments	-	-	-
8. Total Unappropriated Ending Fund Balance	2,088,526	2,000,000	2,000,000
9. Total Requirements	5,535,183	5,400,000	5,500,000
10. Carryover Funds	2,088,182	2,000,000	2,000,000
11. Transfers In	-	-	-
12. Debt Issuance Proceeds	-	-	-
13. Total Revenues Except Property Taxes	3,447,001	3,400,000	3,500,000
14. Total Resources Except Property Taxes	5,535,183	5,400,000	5,500,000

FORM LB-2

FUNDS NOT REQUIRING A PROPERTY TAX TO BE LEVIED

Publish ONLY completed portion of this page. Total Anticipated Requirements **must equal** Total Resources

Capital Reserve Fund (450)	Actual Data Last Year 2018-19	Adopted Budget This year 2019-20	Adopted Budget Next Year 2020-21
1. Total Personnel Services	-	-	-
2. Total Materials and Services	-	-	-
3. Total Capital Outlay	-	-	-
4. Total Debt Service	-	-	-
5. Total Transfers Out	-	-	-
6. Total Contingencies		-	-
7. Total Reserves and Special Payments	1,207,493	1,657,493	1,857,493
8. Total Unappropriated Ending Fund Balance	-	-	-
9. Total Requirements	1,207,493	1,657,493	1,857,493
10. Carryover Funds	1,207,493	1,207,493	1,657,493
11. Transfers In	-	450,000	200,000
12. Debt Issuance Proceeds	-	-	-
13. Total Revenues Except Property Taxes	-	-	-
14. Total Resources Except Property Taxes	1,207,493	1,657,493	1,857,493

Grant & Contracts Fund (480)	Actual Data Last Year 2018-19	Adopted Budget This year 2019-20	Adopted Budget Next Year 2020-21
1. Total Personnel Services	1,666,407	-	-
2. Total Materials and Services	7,217	-	-
3. Total Capital Outlay	25,400	-	-
4. Total Debt Service	-	-	-
5. Total Transfers Out	-	-	-
6. Total Contingencies		6,950,000	5,514,511
7. Total Reserves and Special Payments	-	-	-
8. Total Unappropriated Ending Fund Balance	427,549	-	-
9. Total Requirements	2,126,573	6,950,000	5,514,511
10. Carryover Funds	1,015,666	950,000	950,000
11. Transfers In	-	-	-
12. Debt Issuance Proceeds	-	-	-
13. Total Revenues Except Property Taxes	1,110,907	6,000,000	4,564,511
14. Total Resources Except Property Taxes	2,126,573	6,950,000	5,514,511

Ambulance Fund (300)	Actual Data Last Year 2018-19	Adopted Budget This year 2019-20	Adopted Budget Next Year 2020-21
1. Total Personnel Services	1,878,881	2,267,304	1,973,607
2. Total Materials and Services	760,044	732,696	726,393
3. Total Capital Outlay	-	-	-
4. Total Debt Service	-	-	-
5. Total Transfers Out	-	-	-
6. Total Contingencies		-	-
7. Total Reserves and Special Payments	-	-	-
8. Total Unappropriated Ending Fund Balance	49,734	-	-
9. Total Requirements	2,688,659	3,000,000	2,700,000
10. Carryover Funds	125,409	-	-
11. Transfers In	-	-	-
12. Debt Issuance Proceeds	-	-	-
13. Total Revenues Except Property Taxes	2,563,250	3,000,000	2,700,000
14. Total Resources Except Property Taxes	2,688,659	3,000,000	2,700,000

GENERAL FUND

THE GENERAL FUND IS THE PRIMARY OPERATING FUND OF THE DISTRICT. IT ACCOUNTS FOR ALL FINANCIAL RESOURCES OF THE DISTRICT, EXCEPT THOSE REQUIRED TO BE ACCOUNTED FOR IN ANOTHER FUND, EITHER LEGALLY OR BY GOVERNING BOARD DIRECTION. THE PRINCIPAL REVENUE SOURCE IS PROPERTY TAXES. PRIMARY EXPENDITURES ARE FOR PUBLIC SAFETY.

FORM			RESOURCES			
LB-20			General	Northwest Fire District		
			(Fund)	(Name of Municipal Corporation)		
Historical Data				Budget for Next Year 2021		
Actual		Adopted Budget				
Second Preceding Year 2018	First Preceding Year 2019	This Year 2020	RESOURCE DESCRIPTION	Proposed By Budget Officer	Approved As Tentative Budget	Adopted Budget
5,450,967	5,241,599	5,000,000	Available cash on hand	6,000,000	6,000,000	6,000,000
451,646	401,545	400,000	Previously levied taxes estimated to be received	400,000	400,000	400,000
68,541	167,175	50,000	Interest	50,000	140,000	140,000
			OTHER RESOURCES			
-	-	-	Ambulance Revenues	2,700,000	-	-
400,327	398,493	390,000	FDAT	390,000	390,000	390,000
640,311	653,203	748,300	Dispatch revenue	748,300	650,000	650,000
13,869	-	-	Fire protection fees	-	-	-
-	-	-	Out of District Response Fees	-	-	-
193,422	184,103	230,000	Prevention review fees	230,000	230,000	230,000
5,512	234	-	EMS standby revenue	-	-	-
567	-	-	EMS ride along fees	-	-	-
272,853	308,241	280,000	Insurance reimbursements	300,000	300,000	300,000
-	-	55,000	Intergovernmental agreements	55,000	757,750	757,750
54,000	54,000	54,000	Rents/leases	54,000	54,000	54,000
9,793	16,397	10,000	Facility use	10,000	10,000	10,000
1,215	769	-	Donations/contributions	-	-	-
4,466	2,012	4,500	Training revenue	4,500	4,500	4,500
64,156	93,969	40,000	Technology maintenance revenue	80,000	80,000	80,000
16,378	2,679	-	Miscellaneous	-	-	-
7,648,023	7,524,419	7,261,800	Total resources, except taxes to be levied	11,021,800	9,016,250	9,016,250
		32,696,395	Taxes estimated to be received	34,448,000	33,876,163	33,876,163
28,559,607	30,280,528		Taxes collected in year levied			
36,207,630	37,804,947	39,958,195	**TOTAL RESOURCES**	45,469,800	42,892,413	42,892,413
			*Includes ending balance from prior year			

FORM LB-3	FUNDS REQUIRING A PROPERTY TAX TO BE LEVIED		
Publish ONLY completed portion of this page.			
General Fund	Actual Data Last Year 2018-19	Adopted Budget This year 2019-20	Adopted Budget Next Year 2020-21
1. Total Administration	3,010,754	2,971,659	3,230,731
2. Total Emergency Operations	20,606,692	22,734,652	23,842,994
3. Total Community Safety Services	1,377,422	1,538,380	1,543,183
4. Total Support Resources	5,073,197	6,324,504	6,624,806
5. Total Transfers Out	1,200,000	1,389,000	1,635,643
6. Total Contingencies		5,000,000	6,015,056
7. Total Reserves and Special Payments	-	-	-
8. Total Unappropriated Ending Fund Balance	6,536,882	-	-
9. Total Requirements	37,804,947	39,958,195	42,892,413
10. Carryover Funds	5,241,599	5,000,000	6,000,000
11. Transfers In	-	-	-
12. Debt Issuance Proceeds	-	-	-
13. Total Revenues Except Property Taxes	2,282,820	2,261,800	3,016,250
14. Total Resources Except Property Taxes	7,524,419	7,261,800	9,016,250
15. Property Taxes Estimated to Be Received	30,280,528	32,696,395	33,876,163
16. Total Resources (add lines 14 and 15)	37,804,947	39,958,195	42,892,413
17. Property Taxes Estimated to be Received (line 15)		32,696,395	33,876,163
18. Estimated Property Taxes Not to be Received			
A. Loss Due to Constitutional Limit		-	-
B. Discounts, Other Uncollected Amounts		-	571,837
19. Total Tax Levied		32,696,395	34,448,000

General Obligation Bond Fund	Actual Data Last Year 2018-19	Adopted Budget This year 2019-20	Adopted Budget Next Year 2020-21
1. Total Personnel Services	-	-	-
2. Total Materials and Services	1,785	5,000	5,000
3. Total Capital Outlay	-	-	-
4. Total Debt Service	3,856,867	3,555,637	3,685,325
5. Total Transfers Out	-	-	-
6. Total Contingencies		-	150,000
7. Total Reserves and Special Payments	-	-	-
8. Total Unappropriated Ending Fund Balance	1,190,429	150,000	-
9. Total Requirements	5,049,081	3,710,637	3,840,325
10. Carryover Funds	1,014,290	-	150,000
11. Transfers In	-	-	-
12. Debt Issuance Proceeds	-	-	-
13. Total Revenues Except Property Taxes	175,047	145,000	64,550
14. Total Resources Except Property Taxes	1,189,337	145,000	214,550
15. Property Taxes Estimated to Be Received	3,859,744	3,565,637	3,625,775
16. Total Resources (add lines 14 and 15)	5,049,081	3,710,637	3,840,325
17. Property Taxes Estimated to be Received (line 15)		3,565,637	3,625,775
18. Estimated Property Taxes Not to be Received			
A. Loss Due to Constitutional Limit		-	
B. Discounts, Other Uncollected Amounts		-	61,206
19. Total Tax Levied		3,565,637	3,686,981