



RFA GOVERNANCE BOARD SPECIAL MEETING AGENDA

10:00 A.M. – Wednesday, October 23, 2019
Fire Station #13 – 18002 108th Ave. S.E., Renton

1. Call Meeting to Order
2. Flag Salute
3. Roll Call
4. Public Hearing on Revenue Sources, 2020 Proposed Expense Budget, Property Tax, and Benefit Charge
 - RFA Board Chair Armondo Pavone: Open Public Hearing
 - Chief Rick Marshall: [Budget and Revenue Presentation](#)
 - Public Hearing Comments and Questions

Members of the audience may comment on items relating to the Public Hearing. Comments are limited to three (3) minutes per person. The Chair may make exceptions to the time restrictions of persons speaking at a public hearing when warranted, at the discretion of the Chair.
 - Close Public Hearing
5. Future Meetings:
 - Monday, October 28, 2019, 10:00 a.m., Operations and Capital Committee Meeting, Fire Station #13 (18002 108th Ave. S.E., Renton)
 - Monday, October 28, 2019, 10:30 a.m., Budget and Finance Committee Meeting, Fire Station #13 (18002 108th Ave. S.E., Renton)
6. Adjournment

Renton Regional Fire Authority

Public Hearing on Revenue Sources 2020 Proposed Expense Budget Benefit Charge Property Tax



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Renton Regional Fire Authority

Open the Public Hearing

In accordance with RCW 52.26.230
and RCW 84.52.070

Armondo Pavone

RFA Governance Board Chair



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Purpose of Public Hearing

- To present the RFA's 2020 proposed budget
- To describe the proposed benefit charge and property tax structure to fund 2020 RFA budget
- To solicit public input regarding proposed tax and benefit charges



Anticipated Level of Service

Rick Marshall

Fire Chief



Our Commitment

- Continued Increase in Service to Our Community
- Balanced Budget
- Stabilized Funding System
- Pursuit of Equity



Funding Our Level of Service

Compliance with RCW 84.55.120 &
RCW 52.26.230/240
Using Taxes and Benefit Charges



Renton Regional Fire Authority

The Balanced 2019 Budget \$42,410,931

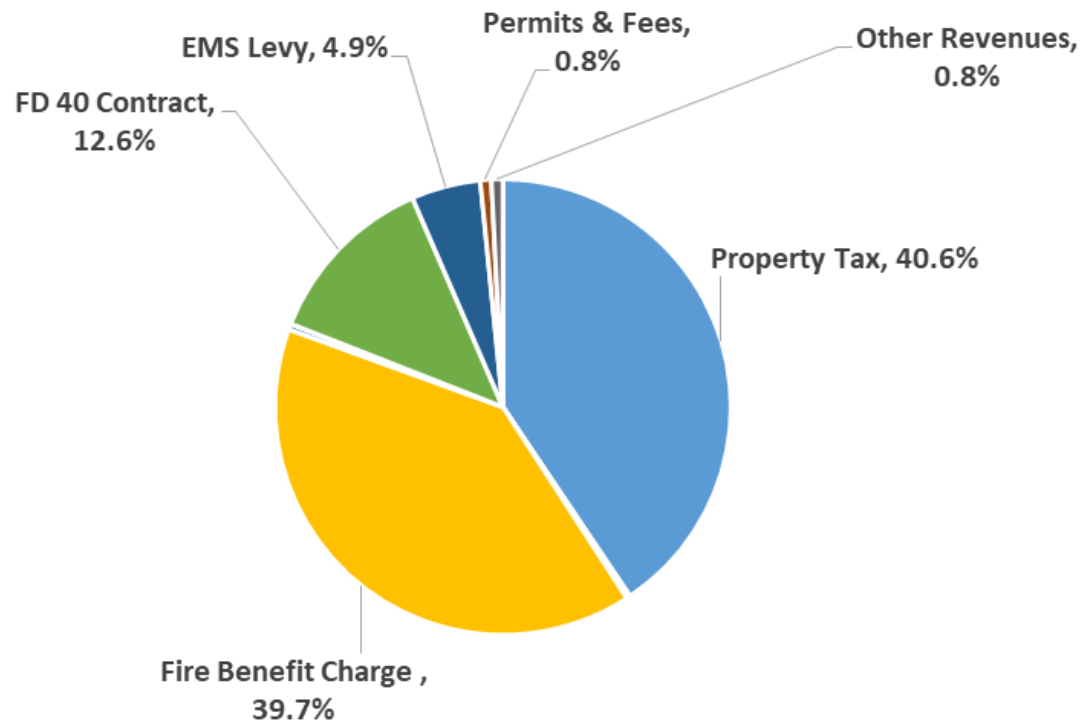
- Supports New RRFA IT, Fleet, and Facilities
- Provides for Strategic Planning and Accreditation
- Addition of Health & Safety Deputy Chief
- Funding of Capital Reserves



Proposed 2020 Revenues

TOTAL REVENUES: \$42,410,931

Revenues by Category

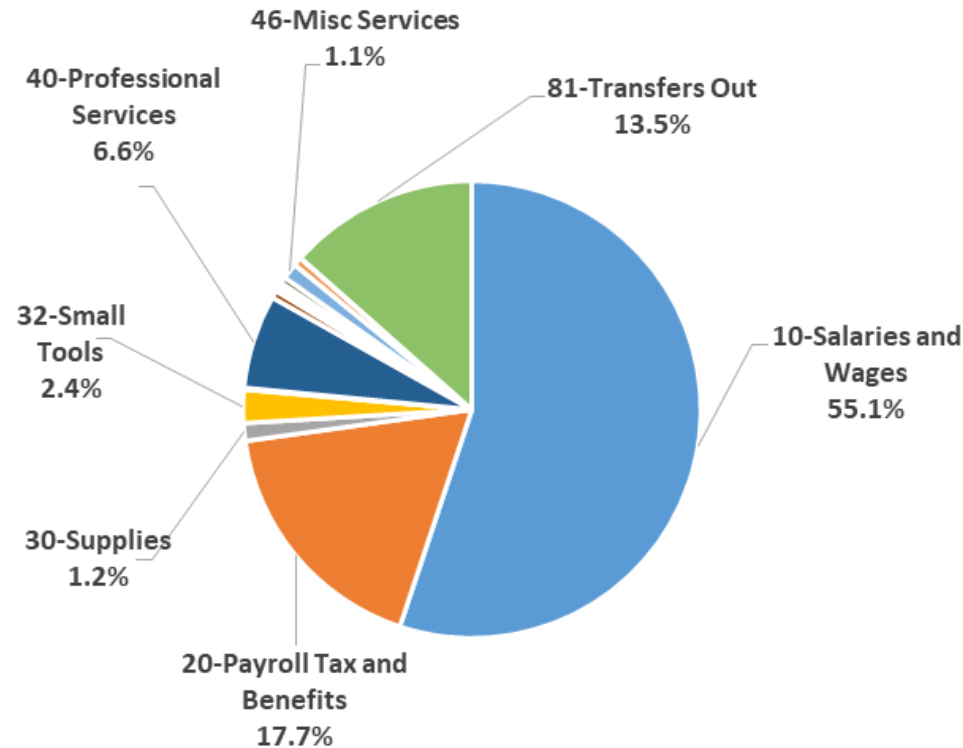


Proposed 2020 Expenditures

TOTAL EXPENSES: \$42,410,931

Operating Expenditures by Category

Expenditure totaling less than 1% not shown in chart



Funding Our Level of Service

Benefit Charge Funding System



Property Tax Revenue

Property Tax is Based on A/V

- Limited to 1% of previous year's total tax levy for the District:
 - 2017 = \$1/\$1000
 - 2018 = \$.917/\$1000
 - 2019 = \$.835/\$1000
 - 2020 = \$.820/\$1000 estimated
- New construction is taxed at the previous year's levy rate.



Determining Annual Benefit Charge

RRFA Plan

- Section 6 in the voter approved RRFA Plan allows the Governing Board to amend or revise the funding and financing of the RRFA



Determining Annual Benefit Charge

- Calculated by:
 - Determine service level
 - Determine expense budget
 - Subtract revenue sources other than BC
 - Balance equals Benefit Charge revenue needed

Total Expenses	\$ 42,410,931
Property Tax*	\$ 17,312,119
FD 40 Contract	\$ 5,326,632
EMS Levy	\$ 2,083,248
Permits & Fees	\$ 332,000
Other Revenues	\$ 343,834
Fire Benefit Charge*	\$ 17,013,098

*Amounts reflect net and take into account both current year uncollected and prior year delinquent tax and benefit charge.



Benefit Charge Limit

- Benefit charge cannot exceed 60% of Operating budget¹
- Preliminary 2020 Renton RFA Benefit Charge is 39.7% of the Preliminary Operating Budget
 - Represents nearly a 3% decrease from 2019

¹RCW 52.26.180 (1) Benefit Charges.



Benefit Charge Exemptions

- Church Buildings
- Religious Education Buildings
- Vacant Land
- Buildings less than 400 sq. ft.
- 2023 – Tax Exempt Housing



Benefit Charge Allocation Basics

Benefit Charge Formula incorporates factors that drive service cost:

- Size of structure
- Type of structure
- Fire flow needed
- Resources needed
- Risk premiums
- Risk discounts



Apportionment Factors

2020 Renton Regional Fire Authority Benefit Charge Formula:

Square root of total square footage X 18 X Category Factor X Fire Flow Factor X Response Factor X Risk Factor X Applicable Discount = FBC

Total square footage of structure(s)																					
	400 - 1,799	1,800 - 2,699	2,700 - 3,599	3,600 - 3,999	4,000 - 4,999	5,000 - 7,999	8,000 - 9,999	10,000 - 14,999	15,000 - 19,999	20,000 - 29,999	30,000 - 49,999	50,000 - 99,999	100,000 - 139,999	140,000 - 199,999	200,000 - 299,999	300,000 - 399,999	400,000 - 499,000	500,000 - 599,999	600,000 - 699,000	700,000 - 999,999	1,000,000 - and >
Category Factors:																					
Residential	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75												
Mobile Homes	0.20	0.20	0.20	0.20	0.20	0.20															
Apartments	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	3.25	3.25	3.25	6.70	6.70	8.60	11.10	14.25	14.25	14.25	14.25	14.25	14.25
Commercial	1.10	1.10	1.10	1.10	1.30	1.30	1.30	1.40	1.40	1.40	1.50	1.50	2.05	2.05	3.05	3.35	3.50	3.75	4.00	4.15	5.15
Fire Flow Factor:	0.4092555*																				
Response Factor:																					
Residential	1.05	Variable to Firefighters Needed to Deliver Needed Water**																			
Manufactured Homes	1.00	1.00	1.00	1.00	1.00	1.00	1.00														
Apartments	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60	1.60
Commercial	1.18	1.18	1.18	1.18	1.18	1.18	1.75	1.75	1.75	2.65	4.20	4.20	4.20	4.20	4.30	4.30	4.40	4.50	4.50	4.50	4.50
Risk Factor:***																					
Light Hazard/Regional	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Ordinary Hazard/Regional - 1	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15
Ordinary Hazard/Regional - 2	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Extra Hazard/Regional - 1	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30
Extra Hazard/Regional -2	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40	1.40
Discounts:																					
Automatic Fire Sprinklers	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900	0.900
Manual Local Alarm	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980	0.980
Manual Central Alarm	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950	0.950
Automatic Local Alarm	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970	0.970
Automatic Central Alarm	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925	0.925
Agricultural	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250

**Response factor is based upon the number of firefighters needed to deliver the required fireflow. A base residential response force is 16 firefighters on scene. When a residential property needs more than 16 firefighters to deliver the calculated fire flow, that number is auto calculated using the adopted formula and 50 gallons per minute fire flow delivery per firefighter on scene up to 3,599 square feet and 48 gallons per minute for homes greater than 3,599 square feet

FORMULA: $400-3599(\text{SQ. RT X } 18)/50 = \text{FIREFLOW}/16 = \text{RESPONSE FACTOR}$ $>3599(\text{SQ. RT X } 18)/48 = \text{FIREFLOW}/16 = \text{RESPONSE FACTOR}$

*** Risk factors apply to commercial property and are defined by the National Fire Protection Association and deal with fire hazards and hazardous materials.

Hazard factors based On NFPA-13



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Preliminary Benefit Charge Development

Apportionment to Building Categories

Preliminary October 2019

Category	2020 Parcels	BC 2019	BC 2020	Ratio 2019	Ratio 2020
Residential	29,531	\$ 8,764,191	\$ 8,758,396	51.1 %	51.0 %
Apartment	353	\$ 3,444,060	\$ 3,442,317	20.1 %	20.0 %
Commercial	902	\$ 4,899,508	\$ 4,924,836	28.5 %	28.7 %
Mobile Home	930	\$ 43,085	\$ 43,036	0.3 %	0.3 %
Total:	31,716	17,150,844	\$ 17,168,585	100.0 %	100.0 %



2019/2020 Benefit Charge Comparison

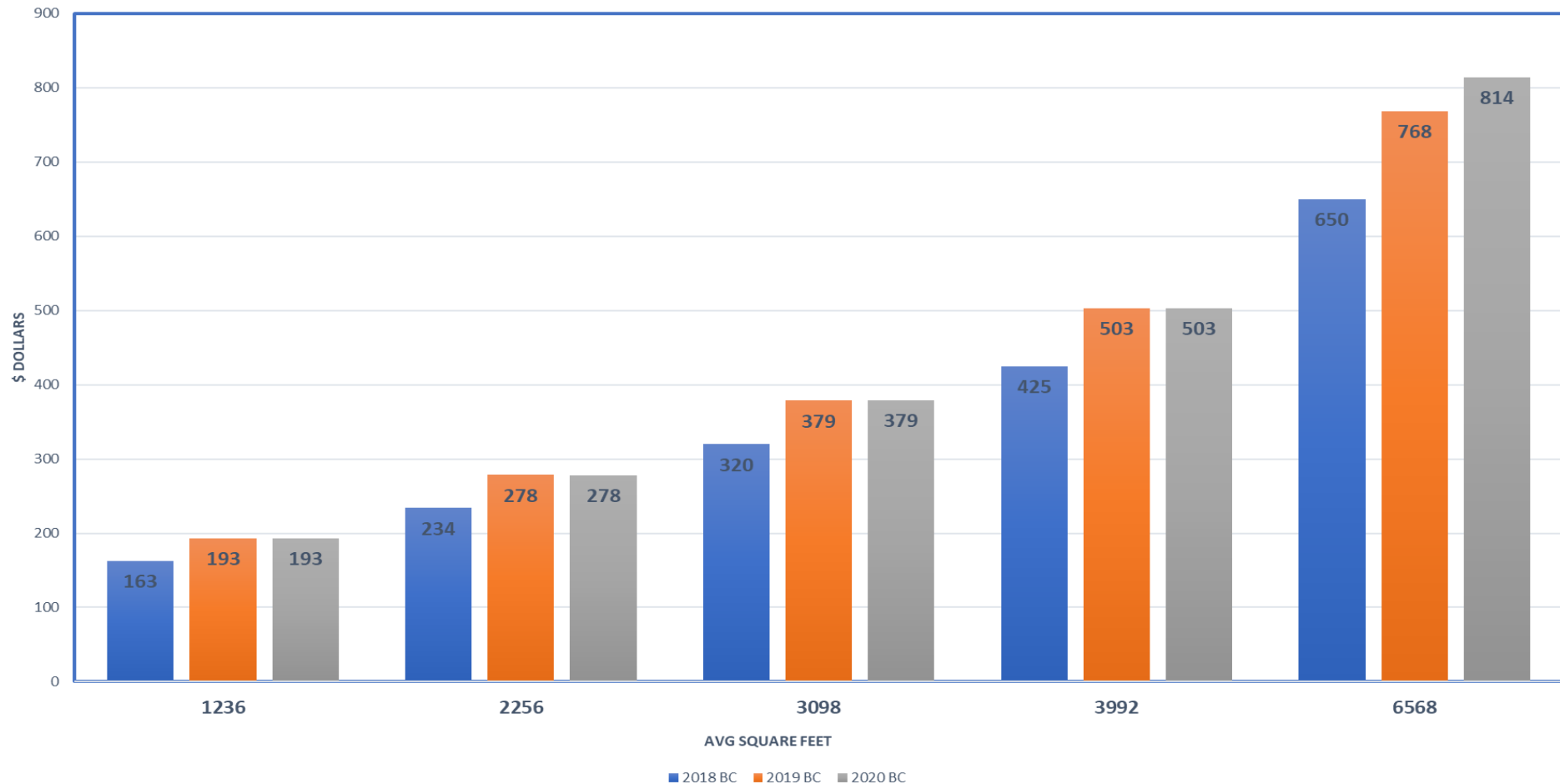
Residential Category

Avg. Sq. Feet	Avg. 2019 BC	Avg. 2020 BC	2019/2020 Change
1,236	\$193.00	\$193.00	\$0
2,256	\$278.00	\$278.00	\$0
3,098	\$379.00	\$379.00	\$0
3,992	\$503.00	\$503.00	\$0
6,568	\$768.00	\$814.00	\$46



2018-2020 Benefit Charge Comparison

RESIDENTIAL AVG BC COMP. (17.1M)



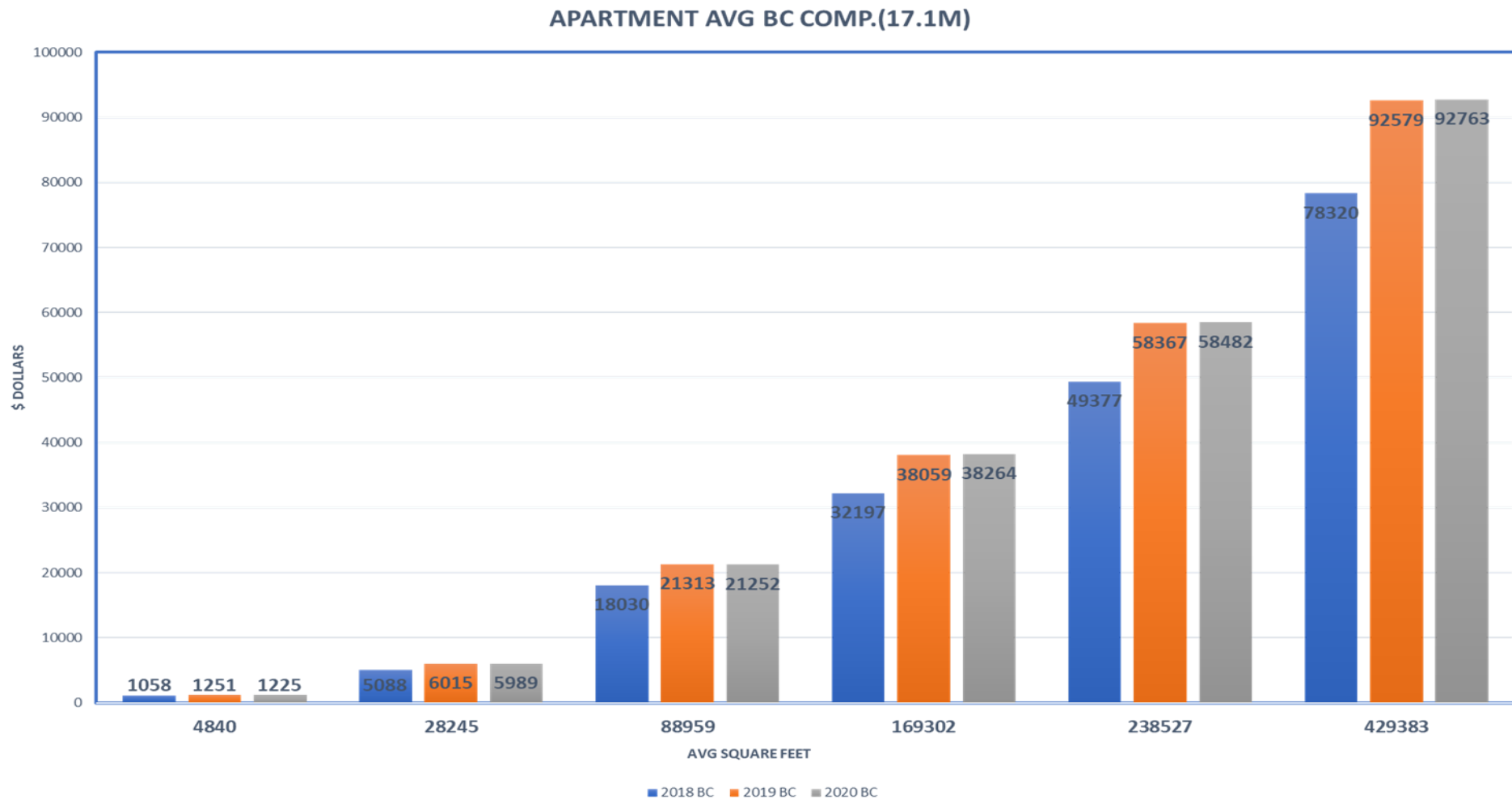
2019/2020 Benefit Charge Comparison

Apartment Category

Avg. Sq. Feet	Avg. 2019 BC	Avg. 2020 BC	2019/2020 Change
4,840	\$1,251.00	\$1,225.00	(\$26.00)
28,245	\$6,015.00	\$5,989.00	(\$26.00)
88,959	\$21,313.00	\$21,252.00	(\$61.00)
168,812	\$38,059.00	\$38,264.00	\$205.00
238,527	\$58,367.00	\$58,482.00	\$115.00
429,383	\$92,579.00	\$92,763.00	\$184.00



2018-2020 Benefit Charge Comparison



2019/2020 Benefit Charge Comparison

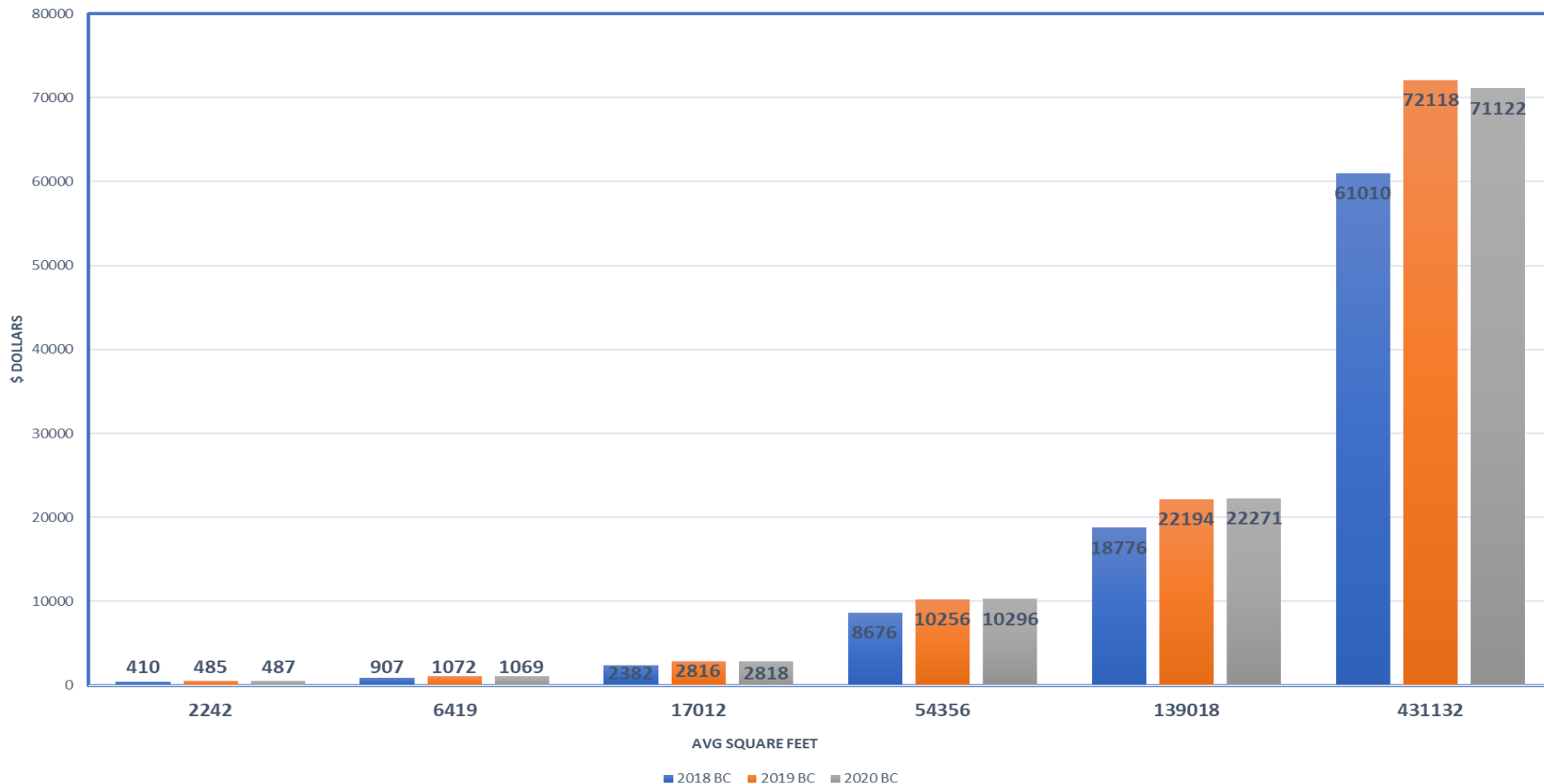
Commercial Category

Avg. Sq. Feet	Avg. 2019 BC	Avg. 2020 BC	2019/2020 Change
2,242	\$485.00	\$487.00	\$2.00
6,419	\$1,072.00	\$1,069.00	\$(3.00)
17,012	\$2,816.00	\$2,818.00	\$2.00
54,356	\$10,256.00	\$10,296.00	\$40.00
139,018	\$22,194.00	\$22,271.00	\$77.00
431,132	\$72,118.00	\$71,122.00	\$(996.00)



2018-2020 Benefit Charge Comparison

COMMERCIAL AVG BC COMP.(17.1M)



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Public Comments



Renton Regional Fire Authority

Close the Public Hearing

Armondo Pavone

RFA Governance Board Vice-Chair

