Redmond Fire & Rescue

2025/26 Proposed Budget

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Introduction

Distinguished Budget Award

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished
Budget Presentation
Award

PRESENTED TO

Redmond Fire & Rescue
Oregon

For the Fiscal Year Beginning

July 01, 2024

Christopher P. Morrill

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented the Distinguished Budget Presentation Award to Redmond Fire & Rescue, Oregon for its annual budget for the fiscal year beginning July 1, 2024. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we therefore are submitting to GFOA to determine its eligibility for another award.

Introduction of Members

BOARD OF DIRECTORS	Term Expires
Gary Ollerenshaw, President	June 30, 2025
Amanda Joe Luelling	June 30, 2025
Jessica Meyer	June 30, 2025
John Blanton	June 30, 2027
Earl Fisher	June 30, 2027

BUDGET COMMITTEE	Term Expires
Sharon Harris	June 30, 2025
Joshua Werner	June 30, 2025
Richard Hurd	June 30, 2026
Alan Unger	June 30, 2026
Vacant	June 30, 2027

The Budget Committee is comprised of the five Board of Directors and an equal number of citizen volunteers appointed by the Board.

DISTRICT ADMINISTRATIVE STAFF

Ryan Herrera, Fire Chief/Budget Officer	Serving since 2024
Dusty Miller, Deputy Fire Chief	Serving since 2007
Diane Cox, Human Resources Manager	Serving since 2013
Tom Mooney, Fire Marshal	Serving since 2021
Jodi Burch, Chief Financial Officer, Contracted	

District Mission, Vision & Values

Mission Statement

Redmond Fire & Rescue is a family of public safety professionals whose mission is to provide exceptional customer service; dedicated to saving lives and property through prevention, preparedness, problem-solving, and effective emergency response to all members of our community.

Vision Statements

It is the Vision of Redmond Fire & Rescue:

- To be a trusted and respected public safety leader, committed to ensuring the safest community possible through prevention, preparedness, and effective emergency response.
- To be continually prepared for duty, serving with integrity, responding with professionalism, and committed to our mission.
- To exceed our community's expectations of delivering a highly trained workforce in a prompt manner.
- To provide industry-leading service to our community and members.

Value Statements

The Values of Redmond Fire & Rescue are:

- **Integrity**: To cultivate trustworthiness and professionalism of the highest quality within our workforce and promote a strong moral character.
- **Respect and Acceptance**: We value respect and acceptance of both internal and external customers through collaboration, trust, and teamwork.
- **Humility**: We value being open to personal change and professional improvement.
- **Duty**: We value our commitment to our duty to act, respond and serve to fulfill our obligations to the community.
- **Adaptability and Collaboration**: We value adaptability and collaboration in our approach to our environment which creates the opportunity for learning and success.
- **Loyalty**: We value loyalty as the allegiance and commitment to all members of the organization.
- **Patience and Kindness**: We use patience and kindness as foundational values in how we interact with our community.

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Budget Message

Dear Residents of the Redmond Fire & Rescue Fire District, Budget Committee Members, and members of Redmond Fire & Rescue,

It is my privilege to present the ***proposed*** budget for Redmond Fire & Rescue for Fiscal Year 2025/26. This budget reflects our commitment to fiscal responsibility while continuing to deliver exceptional Fire Suppression, Emergency Medical Services (EMS), Fire Prevention, and Fire Code Enforcement.

As the Fire District's communities continue to grow and service demands increase, we remain dedicated to our mission—one that is time-sensitive, highly technical, and staffing-intensive. Maintaining strong front-line staffing is central to our ability to respond effectively and ensure public safety.

Thanks to the support of our communities through the passage of the local option levy, we increased staffing with six (6) new firefighter/paramedic positions and improved service delivery in response to population growth and evolving community needs.

Looking ahead, we are focused on preparing for continued growth and the challenges that come with a larger, more densely

Several successes and challenges have been identified in this ***proposed*** budget.

Key Successes

- Collective Bargaining and Firefighter Staffing: The District administration and Union leadership participated in a collaborative negotiation process, ratifying all collective bargaining agreements (Battalion Chief, Suppression, and EMS). The local option levy allowed us to expand our workforce by adding six (6) new firefighter/paramedic positions and improve retention by providing competitive wages.

- Capital Outlay: The District received a new ambulance, and is planning to receive two (2) new fire engines in the Summer of 2025, allowing us to improve the reliability of apparatus. The current budget includes funds for station rehabilitation and updated medical equipment. The budgeted capital purchases are further discussed later in this document.

- Strategic Planning: The District continues to monitor and implement organizational changes as directed by the 2023-2027 Strategic Plan. The goals of the Strategic Plan are further discussed later in this document.

Successes *(continued)*

- Administrative Positions: The current budget includes funds to add a Payroll/Human Resources Specialist position, which will provide much-needed support in the district's business operations.

- Grant Funding: Redmond Fire & Rescue personnel continue seeking creative ways to receive alternative funding to replace mission-critical Fire & EMS equipment and enhance the service provided to our communities. Over the past fiscal year, the District was awarded grants in excess of $1.6 million, including a seismic rehabilitation of Station 404 (Cline Falls), a UTV and trailer to aid in Fire & EMS (Cline Falls), Personal Protective Equipment, and a Wildfire Risk Reduction for Defensible Space.

Ongoing Challenges

- Increasing Call Volume: With a growing population, calls for service increased from 7,203 to 7,502, resulting in a 4.15% increase, with medical emergencies accounting for approximately 74.83% of all responses. The City of Redmond has seen robust population and household growth over the last decade, with a nearly 27% increase in population. Deschutes County has grown 30.9% over the last decade, with the 65+ age group being the fastest-growing population. With populations increasing rapidly, the demand for services continues to rise, which stresses our ability to ensure every medical emergency gets the fast, effective response our community deserves.

- Capital Improvements, Apparatus & Facility Replacement: Maintaining high-quality service requires significant investment in vehicles, apparatus, and facilities. The cost of apparatus has risen to over $300k per ambulance, over $1.2 million per fire engine, and over $2.0 million per ladder truck. The district's population growth will soon require additional fire stations in other areas, requiring voter-approved bonds.

- Personnel Costs (Workers' Compensation, Medical Insurance, and PERS): Rising personnel costs continue to strain our budget. The current budget includes increased Public Employee Retirement System (PERS) contributions averaging 15.91% across all tiers and a market-driven medical insurance premium increase of 6%. In addition, we will experience a 40% increase in workers' compensation premiums due to workplace injuries and disability settlements resulting from Oregon State presumption laws for public safety employees.

Ongoing Challenges *(continued)*

- Property Tax Revenues: While the local option levy approved by voters in 2023 provided critical funding, the levy must be renewed to maintain current service levels. Property tax growth remains constrained by Measures 5 (1990) and 50 (1997), which challenge the District's ability to add necessary technologies, increase staffing levels to keep up with the demand, and enhance emergency medical services.

- Urban Renewal Districts (URDs): The City of Redmond implemented an Urban Renewal District (URD) in southern Redmond. While revenues raised by the URD will be matched with state and federal dollars to improve the safety and mobility of South Highway 97 and various other projects described in the URD plan. The District fully supports improving vehicular and pedestrian safety along the corridor, but URDs reduce property tax revenues available to the District while in effect.

Opportunities

Despite facing many financial challenges, Redmond Fire & Rescue continues to seek opportunities to address those challenges. New partnerships and the opportunity to engage with diverse stakeholders have built new friendships and strengthened relationships with partner agencies.

Additionally, Redmond Fire & Rescue plans to seek relief for the increasing call volume and workload by adding personnel and mission-critical equipment through grants and creative means. The District submitted the following grant applications to the Federal Emergency Management Agency (FEMA):

- Assistance to Firefighters Grant (AFG) in the amount of $384,000 to replace life-saving equipment, including six (6) advanced life support (ALS) cardiac monitors
- Staffing for Adequate Fire & Emergency Response (SAFER) Grant for the addition of 3 firefighters
- Fire Prevention & Safety (FP&S) Grant for fire extinguisher training kit and pre-planning software for conducting fire & life safety inspection

The Budget Overview, beginning on page 39, provides additional analysis of the District's key economic factors, assumptions, revenues, and expenditures.

Budget Format

The District has prepared this budget for all funds subject to the budget requirements by state law, including the legal requirement for a balanced budget, meaning that total beginning fund balance, revenues, and other financing sources are equal to the total of expenditures, other financing uses, contingency, and ending fund balance. The prior year's adopted budget includes the impact of any supplemental budgets and budget adjustments approved throughout the year.

Budget Summary

The 2025/26 fiscal year budget is organized into the following Funds and Cost Centers (also called divisions):

General Fund

- Administration
- Fire & Rescue Operations
- Fire & Rescue Training
- Emergency Medical Services (EMS) Operations
- Fire & Life Safety
- Facilities, Vehicles & Equipment
- Non-Departmental

Capital Projects Fund
(*no cost centers*)

Mobile Emergency Responder Radio Coverage (MERRC) Fund
(*no cost centers*)

Budget Summary (continued)

This budget has been prepared based on our permanent tax rate of $1.7542 per $1,000 of taxable assessed value. In addition, the District will levy the second year of a new five-year operating levy at a tax rate of $0.7500 per $1,000 of taxable assessed value. The ***proposed*** FY 2025/26 budget reflects a positive assessed valuation for the District which includes the city of Redmond and the communities of Terrebonne, Eagle Crest Resort, Pronghorn Resort, and surrounding areas.

Below are two charts comparing the adopted FY 2024/25 budget appropriations, including the impacts of any supplemental budgets and budget adjustments throughout the year, with the proposed FY 2025/26 budget. The first chart presents the data by fund with the second expenditure category.

Budget Summary (By Fund & Cost Center)			
Appropriations	**Adopted Budget FY2024/25**	**Proposed Budget FY2025/26**	**Increase / (Decrease)**
General Fund			
Administration	$ 1,595,424	1,584,792	(10,632)
Fire & Rescue Operations	12,045,991	12,950,396	904,405
Fire & Rescue Training	496,651	390,200	(106,451)
EMS Operations	1,697,419	1,697,112	(307)
Fire & Life Safety	421,167	440,441	19,274
Facilities, Vehicles & Equipment	993,414	1,114,888	121,474
Non-Departmental	7,890,904	8,973,845	1,082,941
	$ 25,140,970	**27,151,674**	**2,010,704**
Capital Projects Fund	**$ 3,378,420**	**4,875,000**	**1,496,580**
MERRC Fund	**63,938**	**217,084**	**153,146**
Total Appropriations	**$ 28,583,328**	**32,243,758**	**3,660,430**

Budget Summary (By Expenditure Category)			
Expenditures	**Adopted Budget FY2024/25**	**Proposed Budget FY2025/26**	**Increase / (Decrease)**
Personnel Services	$ 14,730,637	15,440,725	710,088
Materials & Services	2,519,429	2,737,104	217,675
Capital Outlay	1,778,420	2,985,000	1,206,580
Debt Service	528,000	774,500	246,500
Interfund Transfers Out	1,051,593	1,646,086	594,493
Contingency	6,255,249	6,640,343	385,094
Unappropriated Fund Balance / Reserve	1,720,000	2,020,000	300,000
Total Expenditures	**$ 28,583,328**	**32,243,758**	**3,660,430**

Budget Summary (continued)

The District considers operating expenses to consist of personnel services, materials and services, and debt service. This budget has been proposed with total operating expenses at $18,952,329, an increase of $1,174,263, or about 6.61%, from the prior year. This increase is primarily due to an increase in property tax revenues and charges for services.

Total budget appropriations for all funds are $32,243,758 which is an increase $3,660,430 or 12.81% over the prior year budget. This increase is primarily due to the increase in personnel service and capital outlay expenditures.

The investments and expenditures within this budget are aligned with the strategic goals of Redmond Fire & Rescue and our Board of Directors, which are found starting on page 29.

This budget meets our operational needs so that the District may continue to effectively provide emergency response, fire and life safety, and risk reduction services to our citizens, while remaining receptive to our patrons and the current economic climate.

Collaboration and Transparency

We are committed to a transparent and inclusive budgeting process, with input from citizens, the Board of Directors, the Budget Committee, and District staff. Our leadership team continuously seeks innovative, efficient ways to deliver services.

This budget serves as a policy document, operational guide, financial plan, and communication tool. It ensures that taxpayer dollars are invested wisely to maintain the high standard of emergency services our community expects. Information on the District's plans and policies can be found on page 27.

Acknowledgements

This budget results from a collaborative effort led by our Administration, with contributions from staff and community volunteers. Thank you for your continued support and dedication to Redmond Fire & Rescue.

Ryan Herrera

Fire Chief / Budget Officer

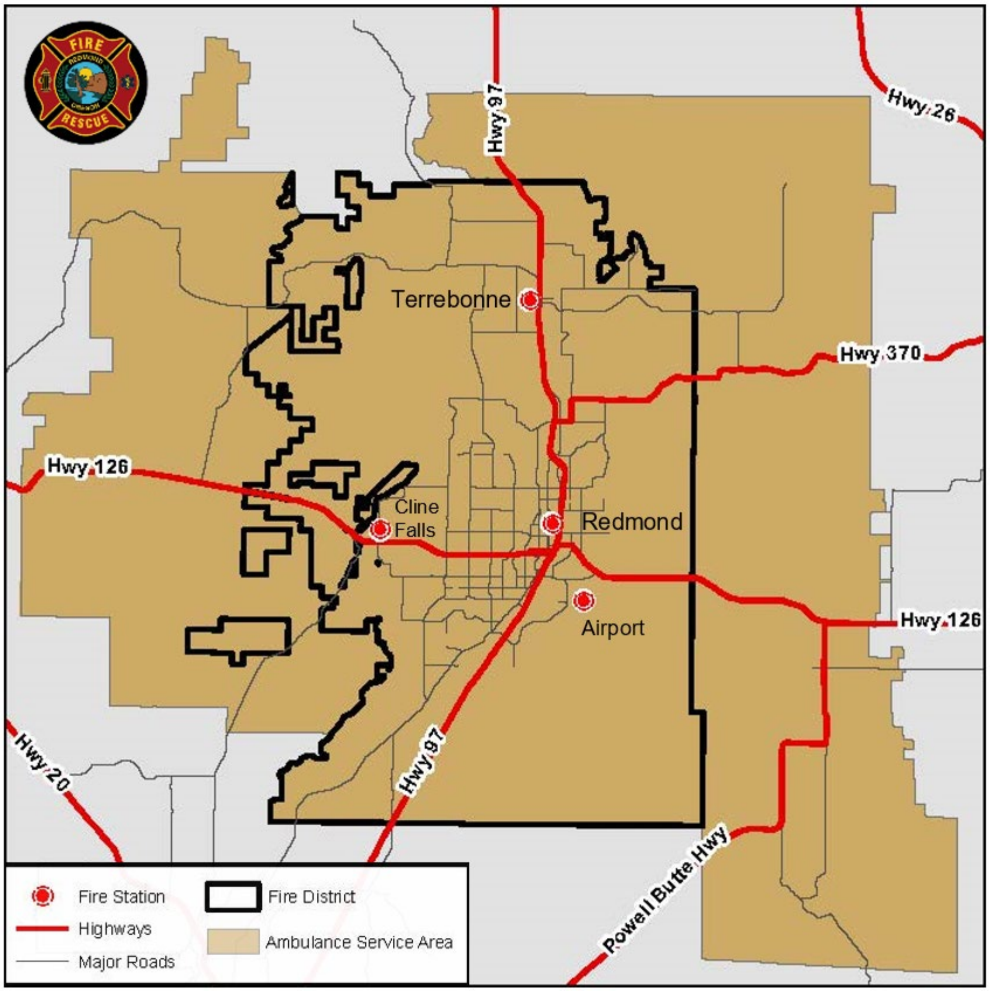
District Overview

History

Officially established as Deschutes County Rural Fire Protection District #1 in 1939, the District provided fire prevention, protection and suppression services to residents living outside of the Redmond city limits. In November 2010, the City of Redmond voters approved the annexation of the City into the District boundaries, which occurred on July 1, 2011.

Service Area

The area served, which includes the City of Redmond, covers 294 sq. miles for ambulance service area and 133 sq. miles for fire service coverage. Ninety-five percent of the District is located within Deschutes County with the remaining portion subsiding in both Jefferson and Crook Counties.



Population & Demographics

The City of Redmond's population has surpassed 38,000 residents. Portland State University's population research center recently updated their population forecasts for the region. They predict that Redmond will eclipse 65,000 before 2055 and Deschutes County's population will be over 325,000. The average annual population growth over the past three years has been about 1.4%. The City offers business owners and residents affordable cost of living with no sales tax burden, a minimal commute (average one-way commute = 20 minutes), an optimal outdoor environment, and excellent healthcare.

Historical populations for both the City of Redmond and Deschutes County are listed below. In addition, the District serves over 10,000 residents who live within the District, but outside the City of Redmond and countless tourists who visit our region annually.

Population				
	2021	**2022**	**2023**	**2024**
Deschutes County*	201,916	203,830	206,212	208,612
City of Redmond*	35,592	36,160	36,491	37,146
Source: *Portland State University -Population Research Center				

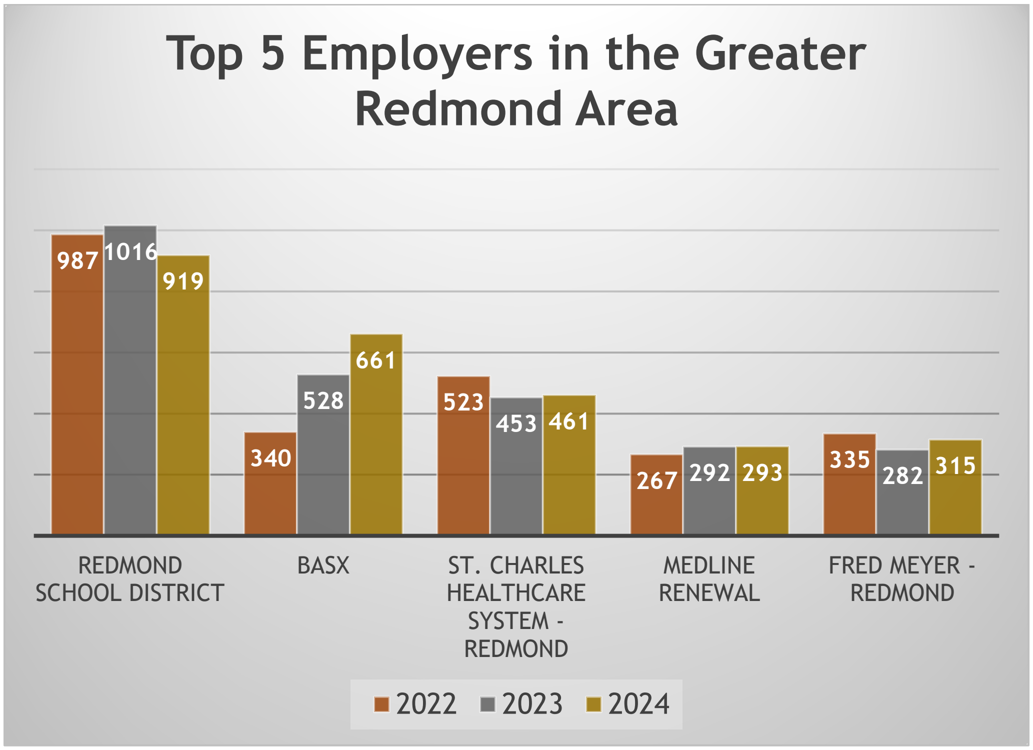
Area Amenities

The District boasts a variety of activities which its residents can enjoy from hiking and fishing to rodeos, concerts and conventions. The City of Redmond is situated in the middle of Central Oregon, making it the hub of activity and growth for the surrounding community. The climate is semi-arid with mean precipitation of only 10 inches and 14 inches of snow each year. Residents enjoy over 300 days of sunshine each year with four distinct seasons bringing refreshingly different weather. The natural beauty that surrounds Redmond is unique in Central Oregon, from the beautiful stand of Western Juniper trees to the various recreational activities, including camping, fly fishing, world-class rock climbing at Smith Rock State Park, golfing, hiking, and all types of winter snow sports. The region's only commercial airport, Roberts Field, is owned and operated by the City of Redmond. Redmond is home to the Deschutes County Fair and Expo Center, the largest convention center in Deschutes County.

With a variety of activities, high quality of life and increased job opportunities, the District is a great place to live and recreate.

Employment & Transportation

A growing number of business firms are discovering Redmond with a centralized location, regional airport, a skilled workforce and a diverse business climate. The City is fast-becoming the manufacturing hub for the region with a wide variety of companies. Employers include aviation and aerospace manufacturing; building products manufacturing and fabrication; food manufacturing and distribution; as well as a host of specialty manufacturing. In addition, Redmond is growing in a variety of other industries such as service and hospitality, corporate administration, transportation and logistics and medical services.



Source: Redmond Economic Development Inc.

The City of Redmond is located at the intersection of Highway 97, which connects with Interstate 84 to the north along the Columbia River and Northern California to the south, and Highway 20/26 which originates on the Pacific Ocean and terminates at the Atlantic Ocean. Redmond Municipal Airport is the third largest air carrier airport in Oregon and serves as the aviation hub to Central Oregon. The airport is served by Alaska Airlines, American Airlines, Avelo Airlines, Delta Airlines, United Airlines, FedEx and UPS. In FY 2024/25, an estimated 1.3 million passengers are estimated to travel through the airport. Other systems in the region include the Burlington Northern Santa Fe Railway, Cascades East Transit regional public transportation service and various truck lines.

City of Redmond

Top 10 Taxpayers

Source: Deschutes Co. Assessor's Office

PCC STRUCTURALS INC

SKYWEST AIRLINES

REDMOND PACIFIC ASSOCIATES LLC

UNITED AIRLINES HOLDINGS INC

PACIFICORP (PP&L)

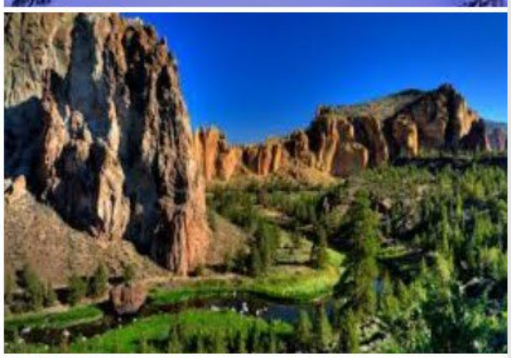
WAL-MART STORES INC

GREEN LEAF CYPRESS LLC

APARTMENT OPTIONS P2 LLC

ALASKA AIRLINES INC

CASCADE NATURAL GAS COR


Deschutes County

Top 10 Taxpayers

Source: Deschutes Co. Assessor's Office

PACIFICORP (PP&L)

CROWDSTRIKE INC

TDS BAJA BROADBAND LLC

CASCADE NATURAL GAS CORP

LONZA BEND INC

DESCHUTES BREWERY INC

TOUCHMARK AT MT BACHELOR VILLAGE

GAS TRANSMISSION NORTHWEST CORP

PCC STRUCTURALS INC

SUTERRA LLC

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Organization & Services

About the District

Redmond Fire & Rescue (The District) operates under Oregon Revised Statutes Chapter 478 as a separate municipal corporation and is managed by a board of directors composed of a president and four directors. The board members are elected to four year, overlapping terms. The board hires the fire chief to manage the day-to-day operations of the District.

Redmond Fire & Rescue is a multi-service district with services and programs tailored to meet the needs of the community. Fire & Rescue operations consist of extinguishing fires, protecting life and property, rescuing and treating people in the event of motor vehicle accidents and various other emergencies. In addition, all suppression personnel are also paramedics and respond to a variety of medical emergencies.

District staff are also the first responders to medical emergencies in the Fire District and Ambulance Service Area. Our Emergency Medical Services (EMS) program is a vital resource for the community, and all of Redmond Fire & Rescue personnel are committed to ensuring the job is done well. The Fire District's EMS program is complimented by single-role Emergency Medical Technicians and Paramedics whose sole focus is to respond to medical emergencies throughout the District.

The District provides:

- Fire suppression
- Basic and Advanced Life Support ambulance transport
- Fire prevention
- Public education
- Aircraft rescue firefighting
- Basic rope, water and ice rescue

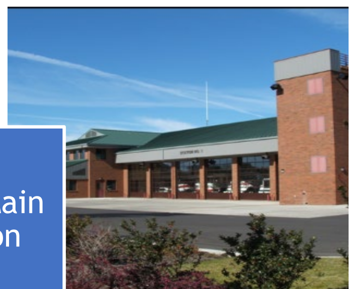
Caption: Redmond Fire & Rescue staff utilizing a ladder truck on a call.

Personnel and Stations

The District has a current total full-time employee (FTE) count of 73. The District's administration and fire & rescue programs are staffed with full-time employees, while the Emergency Medical Services (EMS) program relies on full-time paramedics and emergency medical technicians (EMTs). The District continues to increase staffing as funding allows.

The organizational chart for the District is noted on the following page.

Fire and rescue services are provided from the four fire stations pictured below.



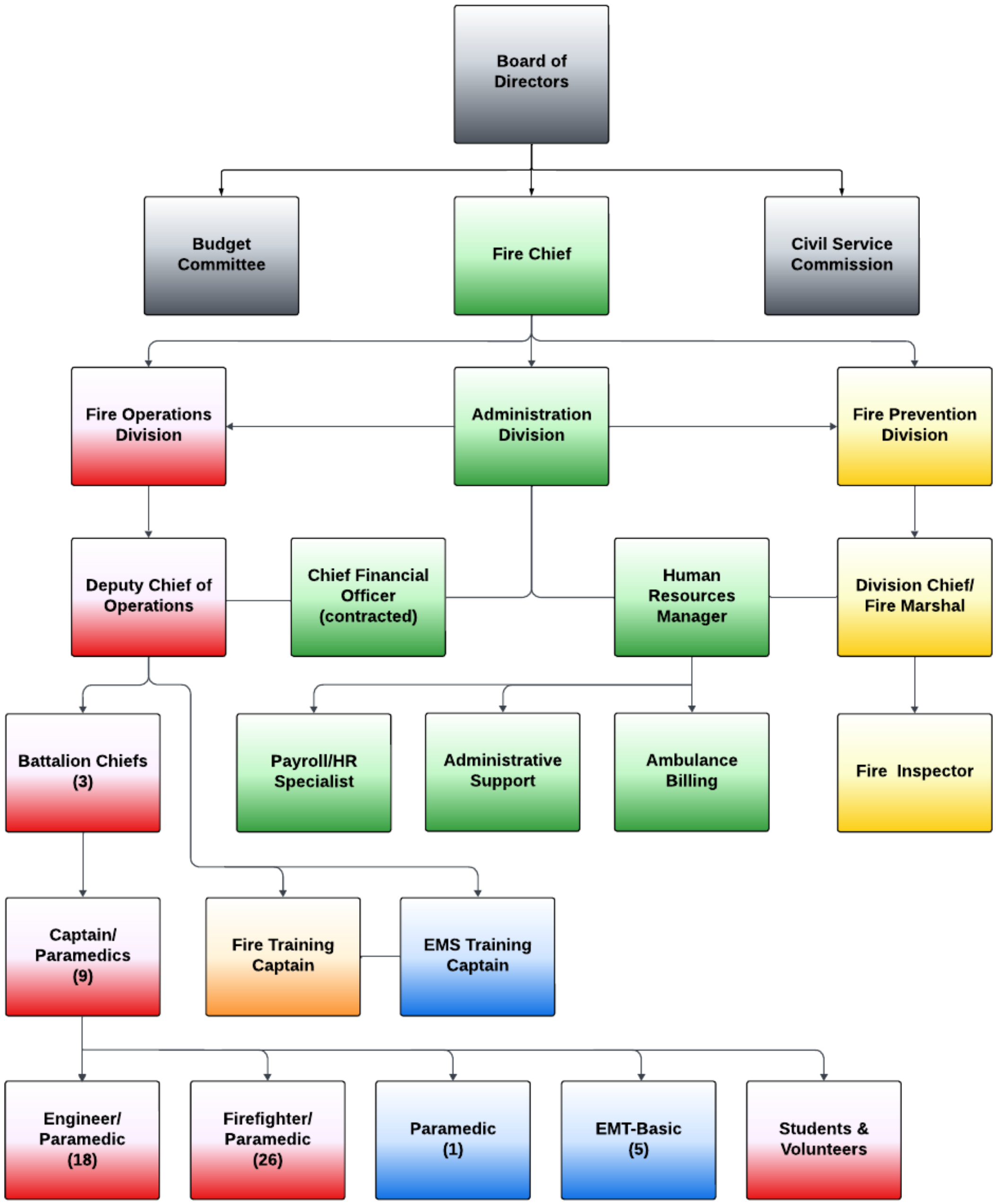
401 - Main Station

402 - Terrebonne Station

403 - Airport Station

404 - Cline Falls Station

Organizational Chart



For budget purposes positions are included in the General Fund cost centers as indicated below.

- Board and advisory bodies are black
- Administration staff are green
- Fire & Rescue Operations staff are red
- Fire & Rescue Training staff are orange
- EMS Operations staff are blue
- Fire & Life Safety staff are yellow

Public Education & Safety

The District is committed to reducing injuries, loss of life, and property damage through effective public education programs and information. The Fire & Life Safety (FLS) division is primarily responsible for the application of laws and regulations related to fire prevention, life safety, fire protection systems, building construction, and protection. FLS staff inspect schools, day cares, industrial facilities, and other buildings to ensure critical safety features are maintained, as well as review construction projects to ensure firefighting access, water supplies, and other fire safety features are adequate. The division also partners with the Oregon Office of the State Fire Marshal and local officials in the code development process and the resolution of code-related issues within the various jurisdictions.

Fire Prevention completed 878 fire inspections, issued 69 permits for various events, and conducted 302 new construction reviews, including plan review, job site visits, and final inspections.

The District also engages our public through social media and the coordination of station tours. 26 Station tours and 20 Engine visits were conducted throughout the year, along with 17 media releases and 400 social media posts. District management and staff also attended over 28 public events, either sponsored by us or other partners in the City of Redmond and Deschutes County.

Caption: Redmond Fire & Rescue staff with a child dressed as a firefighter during a station tour.

Training

The District’s Fire & Rescue and Emergency Medical Services (EMS) training is made possible through the cooperation and innovation of our members. There are two employees that facilitate the program, one for emergency medical services and one for fire & rescue. Training is delivered both in person hands on and using our training management software. New employees of Redmond Fire & Rescue begin their careers with an academy. The academies range from two to eight weeks depending on the position. After successful completion of the academy, employees receive weekly training while on shift. Members have annual training requirements to maintain both their fire certifications and their EMT or Paramedic license. In FYT 2024/25, the District held two training academies for new hires of firefighter/paramedics.

Caption: Fire and Rescue staff training for a rescue on a cliffside that requires ropes and anchors.

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District Policies & Plans

Board Policy

The District operates under a comprehensive policy manual. There are three sections within the policy manual which include the following:

- Board Policies
- Administrative Policies
- Operational Guidelines/Policies

Caption: Redmond Fire & Rescue FY 2024/25 Board of Directors.

Board policies are established by the board of directors and provide direction to the fire chief to carry out the day-to-day administration of Redmond Fire & Rescue. These policies are reviewed periodically and revised as needed.

Administrative policies are policies established by the fire chief to direct the day-to-day operations of Redmond Fire & Rescue.

Operational Guidelines/Policies are established by the deputy fire chief through the fire chief to carry out Redmond Fire & Rescue's mission of providing fire, EMS, and rescue services.

Financial Policies

The District's financial management is designed to ensure the fiscal stability of the District and to guide the development and administration of the annual operating and capital budgets.

The District will adopt and maintain a balanced budget in which total resources are equal to the total expenditures.

The District continues to stay compliant with its financial policies through a variety of actions. Staff presents monthly financial statements to the board of directors and holds a mid-year review of the overall budget. Through the annual audit process, policies are reviewed alongside daily procedures to ensure the District is using funds legally and efficiently.

One of the primary responsibilities of the District to its citizens is the care of public funds and wise management of public finances. This District will provide adequate funding of the services desired by the public and the maintenance of public facilities. The areas addressed are revenues, operating budget, capital improvement, accounting, debt management, risk management and investments.

Financial Policy Overview

- To protect the policymaking ability of the District by ensuring that important policy decisions are not controlled by financial problems or emergencies.
- To enhance the policy making ability of Redmond Fire & Rescue's board of directors by providing accurate information on the program costs.
- To ensure sound management of the District by providing accurate and timely information on financial condition.
- To provide sound principles to guide the important decisions of the district board which have significant fiscal impact.
- To set forth operational principles which minimize the cost of government and financial risk and safeguard the District assets.
- To employ revenue policies which prevent undue or unbalanced reliance on certain revenue, which distribute the costs of service fairly, and which provide adequate funds to operate desired programs.
- To provide essential public facilities and maintain the District's infrastructure.
- To protect and enhance the District's credit rating and prevent default on any debt issue of the District.
- To ensure the legal use of all District funds through a sound system of administrative policies and internal controls.

Achieving Financial Policy, Annual Analysis

- To achieve and maintain the aforementioned objectives, the chief financial officer, at the direction of the fire chief, will conduct an annual analysis of projected financial condition and key financial indicators. The analysis shall be reviewed by the budget committee and the district board prior to the budget process.
- It is the focus of this analysis to:
    - Identify the areas where the District is already reasonably strong in terms of protecting its financial conditions;
    - Identify existing or emergency problems in revenue sources, management practices, infrastructure conditions and future funding needs;
    - Forecast expenditures and revenues for the next five years with consideration given to such external factors as state and federal actions, the bond market, management options being explored and used by other local governments; and
    - Review internal management actions taken during the last budget cycle.

Strategic Plan

Redmond Fire & Rescue's Strategic Plan is designed to provide direction to the District for a five-year period. The Strategic Plan is vision and mission driven and was developed with input from the internal and external stakeholders.

This Strategic Plan envisions the continued involvement of the members of the District in carrying out each of the action items under the leadership of our division leaders. Our goals were developed from a strengths, weaknesses, opportunities and threat (SWOT) analysis conducted by the members of Redmond Fire & Rescue.

This Strategic Plan is dynamic and will require periodic adjustments and modifications to address our changing internal and external environments.

The Strategic Plan (listed below) was approved in FY 2022/23 for years 2023-2027. The plan was commissioned by the Board of Directors to ensure the department was focused on important goals, as identified by the citizens and the department, for a period of five years. Input was solicited from the public through a virtual town hall meeting as well as through online surveys. Based on the responses in the meeting and the results of the surveys, realistic goals were formulated and specific objectives were developed to support the successful completion of those goals. Strategic goals and objectives provide the organization and its members with clear direction.

I. Mission Statement

Redmond Fire & Rescue is a family of public safety professionals whose mission is to provide exceptional customer service; dedicated to saving lives and property through prevention, preparedness, problem-solving, and effective emergency response to all members of our community.

II. Vision Statements

It is the Vision of Redmond Fire & Rescue:

- To be a trusted and respected public safety leader, committed to ensuring the safest community possible through prevention, preparedness, and effective emergency response.
- To be continually prepared for duty, serving with integrity, responding with professionalism, and committed to our mission.
- To exceed our community's expectations of delivering a highly trained workforce in a prompt manner.
- To provide industry-leading service to our community and members.

III. Strategic Goals

Strategic Goal #1: Achieve appropriate staffing levels.

Action Items / Desirable Outcomes

1A. Determine full operational staffing levels.
1B. Achieve three-person staffing on suppression apparatus.
1C. Discontinue cross-staffing of operational units.
1D. Determine future staffing needs.
1E. Determine appropriate RF&R airport staffing levels.
1F. Determine appropriate administrative staffing levels.

Progress / Status of Achievement: With the passing of the local option levy, the District used those funds in FY 2024/25 to recruit and train 6 new firefighter/paramedics. The District will continue to use funds in FY 2025/26 to maintain staffing goals established in the previous budget. The District plans to apply for a Staffing for Adequate Fire and Emergency Response (SAFER) grant during FY 2025-26 to further increase staffing and work towards eliminating cross-staffing.

Strategic Goal #2: Achieve Sustainable funding.

Action Items / Desirable Outcomes

2A. Explore alternative funding mechanisms.
2B. Explore legislative changes to funding mechanisms.
2C. Develop community financial education program.
2D. Identify appropriate external stakeholders.

Progress / Status of Achievement: The District has been very proactive in monitoring federal and state funding opportunities by submitting applications for potential grants. In FY 2024/25, grants for FEMA funding (AFG and Fire Prevention & Safety (FPS)) were submitted, as well as requests for Wildland Staffing funds, and a grant from Oregon State Parks for equipment. The District also reviewed and updated its fee schedule, identifying additional services that could be offered to residents and companies within its service area.

Strategic Goal #3: Develop a recruitment and retention program.

Action Items / Desirable Outcomes

3A. Ensure that competitive wages and benefits are offered.
3B. Ensure continuous local and regional advertising of openings.
3C. Ensure a safe work environment.
3D. Ensure clear career opportunities and succession plan.
3E. Implement retention incentives.
3F. Implement apprenticeship program.

Progress / Status of Achievement: The District completed a collaborative negotiations process with the Firefighters Association, Local 3650, and renewed collective bargaining agreements with each bargaining unit through June 30, 2027. The District and Union implemented a variety of wage and benefit adjustments to ensure the District remains competitive while working within its budget. The District has identified the development of a formal succession plan as a priority for FY 2025/26.

Strategic Goal #4: Review and redevelop the department training program to meet the needs of the organization.

Action Items / Desirable Outcomes

4A. Develop a comprehensive organizational training plan to include an annual schedule and specific objectives.
4B. Increase the budget to support all aspects of training.

Progress / Status of Achievement: Management will continue to work with Training Officers to identify areas of optional and mandated training and develop a training plan while working within its budget.

Strategic Goal #5: Develop a facilities maintenance plan.

Action Items / Desirable Outcomes

5A. Create a Preventative Maintenance Plan for facilities.

Progress / Status of Achievement: Management has identified this goal as a priority for FY 2025/26.

Strategic Goal #6: Educate and inform citizens of the district.

Action Items / Desirable Outcomes

6A. Provide educational classes to the community.
6B. Provide outreach via electronic newsletter, mailers, and billboards.
6C. Attend community events.
6D. Leverage social media platforms.

Progress / Status of Achievement: This goal was established during FY 2023/24 to provide outreach and education to community members through various forums (e.g., community events, social media, group meetings) to inform them about the November 2023 special election for the local option levy. For FY 2025/26, the District will continue its outreach and work to identify opportunities to keep the community informed and enhance educational programs.

Strategic Goal #7: Develop a plan to procure, replace, and maintain apparatus and major capital equipment.

Action Items / Desirable Outcomes

- 7A. Evaluate whether the District is purchasing the correct type and quality of apparatus and equipment.
- 7B. Identify lifespan of all apparatus and equipment.
- 7C. Evaluate funding options to support the Apparatus Replacement Plan.
- 7D. Implement asset management software.
- 7E. Evaluate maintenance options.

Progress / Status of Achievement: Management has identified this goal as a priority for FY 2025/26.

Strategic Goal #8: Renew the department's policies, procedures, and guidelines to meet or exceed current state and federal laws and organizational direction.

Action Items / Desirable Outcomes

- 8A. Develop replacement and review schedule for all documents.
- 8B. Review state and federal laws/standards (i.e., NFPA/OSHA).
- 8C. Review policies, procedures, and guidelines of other similar agencies.

Progress / Status of Achievement: In FY 2024/25, the District established a Joint Labor-Management committee comprised of three members of Management and three members of the firefighter Union to review and update departmental policies. This project is expected to last 12-16 months and will remain a priority for FY 2025/26.

Strategic Goal #9: Ensure that data collection is completed accurately and in a timely manner.

Action Items / Desirable Outcomes

9A. Work with communications center to ensure that call processing times are meeting national standards.
9B. Ensure company officers are entering incident data accurately and in a timely manner.
9C. Ensure that organizational data collection exists and is accurate.

Progress / Status of Achievement: In FY 2024/25, the District entered into an agreement with a software vendor to collect and assess data to determine areas of improvement (e.g., dispatch processing, turnout times, response time, etc.). This will remain a priority for FY 2025/26.

Caption: A Redmond Fire & Rescue fire engine in front the station.

Long Range Financial Plan

Financial Forecasting

It is noted in the District's policies that financial management is designed to ensure the fiscal stability of the District and to guide the development and administration of annual operating and capital budgets. In order to accomplish this, the District utilizes a variety of tools which assist management throughout the year as well as during the budget process. These tools include an equipment replacement schedule to determine when capital purchases are due and/or needed a Strategic Plan for future facilities and staffing (see page 29) and a three-year financial projection below.

Three Year Financial Projection

A three-year projection is updated with the budgeted figures for the current year. This provides a base for assumptions to be made upon over a projected three-year period. These assumptions have been noted below and can be changed depending on different decision outcomes. These changes then flow through to the net fund balance to provide a look at the overall fiscal impact and help with decision making and future budgeting decisions.

Revenues

Property Taxes – The following three-year projection includes a 4.5% increase in FY 2026/27 and a 4.0% increase in both FY 2027/28 and FY 2028/29. The District has seen an average increase of over 6% for the past few fiscal years but does not expect this trend to continue. Assessed value increases are likely to fall in the 3% - 5% range.

Ambulance Billing – Ambulance Billing revenues have continued to steadily increase year over year. The projection assumes a 3.5% increase in all years.

Contract Services: Airport – Since most costs charged to the City of Redmond are payroll, the increase for each year is projected at 4%, 5% and 4%. The larger increase in FY 2027/28 is related to the increase in PERS explained below.

Beginning Fund Balance (BFB) – This is the net fund balance (revenues less expenditures plus contingencies and reserves) from the prior year. For the purpose of this document, only the contingency and reserves are left as unspent funding. In actuality, there are various line items in the budget which are not fully expended and/or revenues which are in excess of budget which then roll forward to the next year.

Other – This includes special events, conflagration revenue, etc. These line items are reviewed individually and remain constant throughout the projection.

Expenditures

Personnel Services – The Personnel Service expenditures have the greatest volatility and have the greatest impact on the budget. The collective bargaining agreement with the District's Firefighters Association, Local 3650 expires on June 30, 2027. For this projection, all wage increases are assumed at 5% each fiscal year. This increase encompasses planned cost of living increases, as well as step increases. The District has many recently hired/promoted employees with steps available in their positions. Additionally, medical insurance is assumed at a 7% increase each year, which is the average increase seen by the District. PERS includes an increase of 10% in FY 2027/28 which is consistent with projections currently available from PERS.

Materials & Services – Inflation has been factored into the projection at a rate of 5.0% for each year. This rate has been used across all budgeted line items. While most line items do not see much increase from year to year, the intent of applying inflation to every line item each year is to be as conservative as possible and to account for large increases that do occur.

Debt Service – Includes all agreed upon debt payments over the three-year period.

Capital Outlay – Capital Outlay investments have been assumed at $1,000,000 per year. Most Capital Outlay purchases are financed or are purchased with excess funds in the budget process. The three-year projection tool provides a snapshot to see if there will be funding for future capital items.

Contingency/Reserves – Serves as a reserve account for upcoming projects and unknown increases in personnel services. For the three-year projection, contingencies and reserves remain the same throughout this document. They are set aside but carried forward through the beginning fund balance in the following fiscal year.

Interfund Transfers – For ease of comparison, interfund transfers are projected at $500,000 per year.

Caption: Redmond Fire & Rescue personnel transporting a patient to the waiting LifeFlight helicopter.

Three Year Projected Financials

ALL FUNDS	Proposed Budget FY 2025/26	Projected Budget 2026/27	Projected Budget 2027/28	Projected Budget 2028/29
Revenues				
Property Taxes	13,763,000	14,313,520	14,886,061	15,481,503
Ambulance Billings	3,459,400	3,580,479	3,705,796	3,835,499
Contract Services - Airport	884,887	920,282	966,297	1,004,948
Other	2,180,800	2,180,800	2,180,800	2,180,800
Investment Earnings	300,000	300,000	300,000	300,000
Bond / Note Sale	-	-	-	-
Interfund Transfers In	1,646,086	500,000	500,000	500,000
Total Resources	**22,234,173**	**21,795,081**	**22,538,953**	**23,302,750**
Expenditures				
Personnel				
Wages	8,990,348	9,439,865	9,911,859	10,407,452
Medical Insurance	1,453,131	1,554,850	1,663,690	1,780,148
PERS	3,102,454	3,257,577	3,746,213	3,933,524
Balance	1,894,792	1,970,584	2,049,407	2,131,383
Personnel Services	15,440,725	16,222,876	17,371,169	18,252,507
Materials & Services	2,737,104	2,873,959	3,017,657	3,168,540
Capital Outlay	2,985,000	1,000,000	1,000,000	1,000,000
Debt Service	774,500	680,231	683,881	572,096
Interfund Transfers Out	1,646,086	500,000	500,000	500,000
Contingency	6,640,343	6,640,343	6,640,343	6,640,343
Unappropriated Fund Balance / Reserve	2,020,000	2,020,000	2,020,000	2,020,000
Total Expenditures	**32,243,758**	**29,937,409**	**31,233,050**	**32,153,486**
Excess or Deficiency	(10,009,585)	(8,142,328)	(8,694,097)	(8,850,735)
Plus: Contingency/Reserves	8,660,343	8,660,343	8,660,343	8,660,343
Total Excess / (Deficiency)	**(1,349,242)**	**518,015**	**(33,754)**	**(190,392)**
Changes in Fund Balance				
Beginning Fund Balance	10,009,585	8,660,343	9,178,358	9,144,605
Revenues Over/(Under) Expenditures	(1,349,242)	518,015	(33,754)	(190,392)
Ending Fund Balance	**8,660,343**	**9,178,358**	**9,144,605**	**8,954,212**

Analysis

The District's financial situation has been positively impacted by the passage of the five-year operating levy in November 2023 as well as strong growth in assessed value. However, the District will continue to practice ongoing frugality to ensure sufficient funds are available to fund operations, especially if the levy is not renewed by voters. For this reason, assumptions for this projection were kept at a conservative level and can always vary. In addition, the District typically underspends budgeted operating expenditures by 3-5% each year for budgeted savings of approximately $550,000 - $950,000. When the District has a budget surplus, it allows the District the ability to invest in capital purchases and increase staffing levels to meet increasing calls for service.

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Budget Overview

Budget Requirements

All Oregon local governments are required to prepare an annual or biennial budget as a governing document for the District's actions in the coming fiscal year. The District has several policies (see page 27) in addition to Oregon Local Budgeting Law (ORS 294.305 to 294.565) that guide the preparation of the budget. In summary, these policies and state statutes require that the District live within its means. A balance must be struck between revenues and expenditures, so that the public can realize the benefits of a strong and stable government even during uncertain economic times such as the inflationary environment we are currently facing. By law, budgets cannot exceed available resources, defined as revenues generated in the current period added to balances carried forward from prior years. Temporary shortages, or operating deficits, can and do occur, but they are not tolerated as extended trends.

While state statutes require that the District prepare a budget which is balanced in the whole, District staff also seek to create a budget in which the District's operating expenditures are balanced with its operating revenues. Any increase in expenses, decrease in revenues, or a combination of the two that result in an unmanageable operating budget imbalance require budget revision rather than spending designated contingencies and reserves to support ongoing operations. Typically, any year-end operating surpluses will revert to fund balances for use in maintaining contingency and reserve levels targeted in policy. Fund balance amounts greater than policy targets are typically utilized for capital projects, prepayment of debt, and/or "one-time only" expenditures.

Caption: Redmond Fire & Rescue staff responding to a traffic accident.

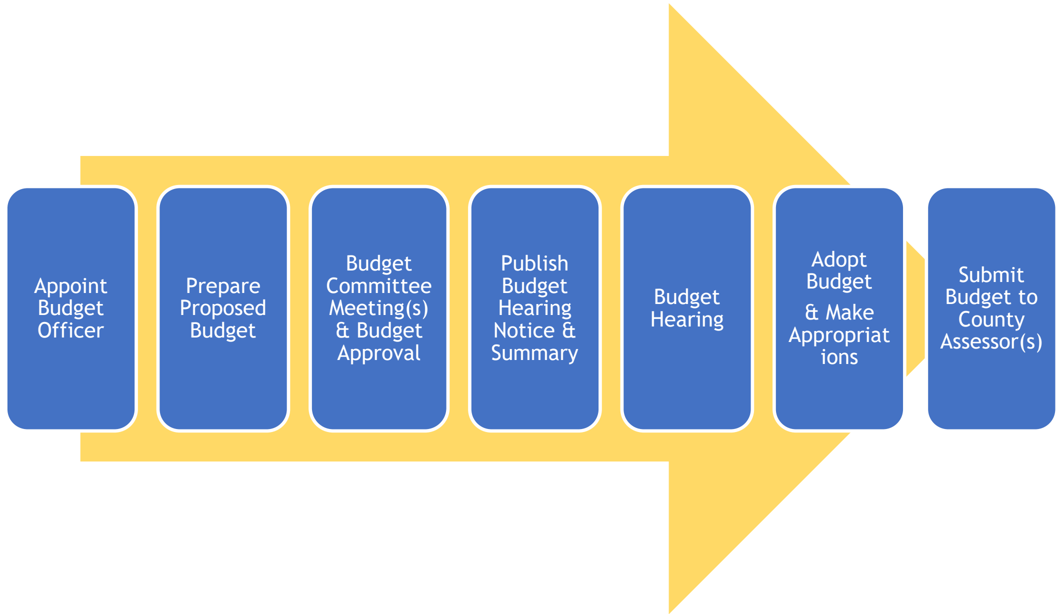
Budget Process

The budget process for the District begins with the appointment of the budget officer. Per Board Budget policy, the fire chief is the appointed budget officer.

The proposed budget is created and includes historical and empirical data from previous budgets, external economic conditions, and other external factors that could impact the District's fiscal environment.

The budget team prepares and reviews the proposed budget. This team consists of members from senior staff (fire chief, deputy fire chief, chief financial officer, human resources manager and fire marshal). Budget meetings are also held with battalion chiefs and program managers who are encouraged to work with their teams to gather information on departmental needs. Additional input is received throughout the year from the District's Firefighters Association, Local 3650. The objective is to create a transparent budget process that will meet the financial needs of Redmond Fire & Rescue while meeting the District's vision, mission, and strategic plan. After meeting the budget objectives, surplus revenue allocation or budget cuts will be determined by the budget team.

Once the proposed budget has been reviewed and balanced by the internal budget team, it then goes before the budget committee. This committee is made up of the five district board members and five appointed community members. The budget committee reviews the document, makes any necessary changes, and then approves the budget to go before the board. The board holds a budget hearing to adopt the budget, after which the budget document is submitted to the appropriate county assessor. Members of the public are encouraged to attend the public meetings (in person or virtual) or submit comments/questions.



Budget Objectives & Calendar

Below are the District's objectives for the 2025/26 fiscal year.

- Develop a fiscally responsible budget that enables Redmond Fire & Rescue to provide fire, ambulance, and fire & life safety services to the businesses, residents and visitors we serve
- Increase investment in stations and equipment
- To collaboratively create the budget
- Ensure a transparent process

Below is the District's budget calendar for the 2025/26 fiscal year.

Date	Action
March - May 2025	Staff Budget Meetings/Discussions
May 22, 2025	Publish Public Notice of Budget Committee Meetings (1st Publication)
May 27, 2025	Publish Public Notice of Budget Committee Meetings (2nd Publication)
May 30, 2025	Deliver proposed budget document to budget committee on or before
June 3, 2025	Budget Committee Meeting #1
June 5, 2025	Budget Committee Meeting #2 (if needed)
June 11, 2025	Publish Form LB-1: Summary Budget & Notice of Public Hearing
June 18, 2025	District Board Meeting, Public Hearing
July 15, 2025	File Form LB-50 with County Assessor(s)
September 30, 2025	Budget to be filed with County Recorder(s)

Budget Adjustments

After the beginning of the fiscal year, when a local government is operating with the adopted budget, changes in appropriated expenditures are often necessary. Appropriations may be increased or decreased, transferred from one appropriation category to another, or new appropriation categories created. Oregon law allows for the District to make changes to the adopted budget through two options, depending on the amount to be appropriated.

Budget Adjustments by Resolution: It may become necessary after the budget is adopted to transfer appropriation authority from one fund to another or between appropriation categories within the same fund. The Board may authorize some transfers of appropriation authority by passing a resolution. A transfer of appropriation authority is a decrease of one existing appropriation and a corresponding increase of another existing appropriation, with no net change in the total amount of all appropriations.

Supplemental Budgets: A supplemental budget is required for the increase of an appropriation (without an offsetting decrease), the creation of a new appropriation category that does not already exist or the creation of a new fund. A supplemental budget can be acted on by the Board at a regularly scheduled meeting. If, however, the supplemental budget includes any changes greater than 10% in any fund, a public hearing must be held prior to the adoption of a supplemental budget.

Contingency Adjustments: The adopted budget appropriates money for contingencies in each fund to be used at the discretion of the governing body. Contingencies can only be expended for specific events by approval of a resolution by the Board and a transfer to an appropriation category. Contingency expenditures may include funding for service level policy changes, unforeseen events or redirection of resources. The amount which may be transferred from contingency by resolution is limited to 15 percent of the total appropriations in the fund. Transfers of contingency which in total exceed 15 percent in a year may be made only after adopting a supplemental budget for that purpose. If there is no existing appropriation in the category in which the desired expenditure falls, a supplemental budget is required to create the new appropriation.

Basis of Accounting and Budgeting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Measurement focus is commonly used to describe the types of transactions that are reported in a fund's operating statement. All government funds are accounted for using a current financial resources measurement focus. Only current assets and liabilities generally are included on the balance sheet. Operating statements present increases (revenue) and decreases (expenditures) in net current assets. Basis of accounting recognizes the timing of transactions and events.

This budget is prepared using the modified accrual basis of accounting and budgeting for all governmental fund types in accordance with generally accepted accounting principles. The basis of accounting and basis of budgeting are the same under the District's practices and policy. Under the modified accrual basis, expenditures are recorded when the goods or services are received, rather than when the invoices are paid. The exception to this general rule is interest on general long-term debt, which is recognized when due. Revenues are recorded in the accounting period in which they become measurable and available. An example of significant revenues that are considered measurable and available at June 30th is property tax revenue (paid by District patrons in June but received in July by the County Treasurer). The District utilizes a 30-day availability or look-back period for purposes of revenue recognition.

Budget Changes from Proposed to Adopted

[Reserved for use to be completed after adoption]

District Funds

The District shall maintain financial integrity and consistency in budgeting and accounting practices using specific fund categories within the guidelines of generally accepted accounting principles (GAAP).

A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund coding ensures that correct budgeting, accounting, and reporting procedures are met for each of the different fund types, and that any new funds are correctly identified by type according to both financial requirements and policy.

The budget for each fund includes two years of prior year actual activity, projected current year activity, the prior year budget and the current year budget. The prior year budget incorporates the changes of any budget adjustments approved throughout the fiscal year.

The District has appropriated and adopted three funds, all of which are considered "governmental" and include the General Fund, the Capital Projects Fund and the Mobile Emergency Responder Radio Coverage (MERRC) Fund.

General Fund

The General Fund's primary purpose is to account for revenues and expenditures needed to run the daily operations of the District. It includes categories like personnel services, materials and services, operating contingency, inter-fund operating transfers, and debt service. Within the fund the District has allocated seven cost centers (Administration, Fire & Rescue Operations, Fire & Rescue Training, EMS Operations, Fire & Life Safety, Facilities, Vehicles & Equipment, and Non-Departmental) that each depict their own unique set of accounts under the personnel services and materials and services classifications.

The General Fund is always considered a major fund, in which revenues and expenditures are at least ten percent of the corresponding totals for all governmental funds. The primary revenue source that sustains the General Fund is property taxes.

Capital Projects Fund

The capital project fund accounts for all the District's capital outlay expenditures. Capital outlays are items considered fixed assets or tangible goods that are typically expected to last more than three years and cost over $5,000.

To ensure consistency, the District considers the Capital Projects Fund as a major fund for financial statement presentation, although in some fiscal years it could be considered a non-major fund because the total fund appropriation does not constitute more than ten percent of the total of all governmental fund appropriations. The primary revenue source of the Capital Projects fund are transfers from the General Fund. At times, loan proceeds, donations, sales of property, or special purpose grant revenue may also be received. Expenditures made directly out of the Capital Projects Fund are limited to major equipment items, capital improvements, building construction and apparatus replacement.

Mobile Emergency Radio Responder Coverage (MERRC) Fund

The MERRC fund accounts for fee-in-lieu-of revenues received under the MERRC program that allows building owners to pay a fee instead of installing and maintaining an in-building radio system. Revenues in this fund are restricted for the purchase and maintenance of the equipment for the program.

Structural Changes to the Budget

The structure of the budget refers to how the budget is built, presented or accounted for such as the funds, cost centers and individual line items. There have been no structural changes to the budget format over the years presented.

Key Economic Factors and Assumptions

The District has made several key assumptions based on information from the external environment and economic forecasts. We remain vigilant on monitoring the external environment throughout the budgetary process given the impact economic changes will have on our ability to provide service at current levels. In the development process, we comply with fiscal policies and we aim to preserve and protect our financial position for the future.

- Property Taxes - Permanent: The Assessed Value (AV) of properties is anticipated to increase by 4.7%. The 4.7% increase is derived from a 3.0% on existing properties (via the Oregon Constitution, Measure 50) and an estimated 1.7% from new construction. The District is estimating a 95.5% collection rate.

- Property Taxes – Operating Levy: In November 2023, voters approved a new five-year operating levy starting in the FY 2024/25 fiscal year. The new levy, at $0.75 per $1,000 of assessed value, will produce around $4.0 million each year. The District has incorporated these funds into the budget, to be expended on new and existing personnel costs as indicated in the ballot measure. These operating levy revenues are critical in helping the District maintain and expand operations.

- Economic Condition: Overall, the Central Oregon economy has, like the rest of the State of Oregon, experienced higher levels of inflation, which is resulting in significant price increases in the costs of goods and services. We have estimated between 5-20% increases in many expenditure categories.

- Medical Calls: Medical calls remain the dominate type of incident to which the District responds. This category of response continues to change based on the socioeconomic environment, changing demographics, and changes in the national healthcare system. The District continues to evaluate staffing models to address this growing concern.

Key Economic Factors and Assumptions *(continued)*

- PERS: PERS rates are set by the Oregon PERS Board and are effective for two fiscal years. The FY 2025/26 – FY 2026/27 employer contribution rate to the Public Employee Retirement System (PERS) is on average 27.99% of an employee salary (32.70% = Tier 1/2, 23.00% = Oregon Public Service Retirement Plan (OPSRP) General Service, 28.27% = OPSRP Police/Fire). On average these rates are about 15.91% higher than the FY 2022/23 - FY 2023/24 rates. Changes to PERS rates are factored into the District's financial forecasts to help ensure services can be maintained over the long-term planning horizon.

- Efficiency: Taxpayers will continue to expect the District to operate within its means and wisely utilize revenues raised by the five-year operating levy. The community expects transparency, effective and efficient delivery of key services, and a focus of our efforts on preserving qualify of life.

Caption: Redmond Fire & Rescue staff standing in front of apparatus.

Fiscal Year 2024/25 Accomplishments

In developing the budget each year, the District also acknowledges the accomplishments of the past year. And all accomplishments require the support and involvement of many District personnel. Some accomplishments in FY 2024/25 are listed below.

Outreach

- Maintain and improve communication with our community and provide transparency through social media use.
- Actively engaged weekly across social media platforms, such as Facebook, Instagram, X, and Nextdoor.
- Attend community events by sponsorship or by setting up a visible table at the event to invite community members to learn more about the District and the services it provides.
- Implemented a Defensible Space Wildfire Grant with funding support from the Oregon State Fire Marshal's Office.
- Engaged with the community through our annual community day event located at our headquarters fire station.
- Held open house events at Station 402 and Station 404, serving the communities of Terrebonne and Cline Falls.

Community Risk Reduction

- Continue to complete fire & life safety inspections of high-risk occupancies throughout the District.
- Delivered wildfire public safety education programs to homeowners.
- Delivered fire extinguisher training to local business owners.
- Conducted approximately 200 wildfire defensible space assessments of single-family homes as part of the Defensible Space Wildfire Grant.

Operational

- Monitored the progress of two new pumper engines. These engines are expected to be received in August 2025. We have budgeted final outfitting costs in this budget and anticipate the engines will be placed in service during Q3 of FY 2025/26. They will have an immediate impact on our operations by replacing our two oldest engines that are experiencing significant maintenance issues.
- The Board of Directors approved the purchase of a new pumper engine. While the debt service for the new pumper engine is included in this budget, the estimated arrival is June 2028.

Fiscal Year 2024/25 Accomplishments *(continued)*

Operational *(continued)*

- Received and placed in service one new ambulance in June of 2025. The new ambulance will replace an older medic unit. It is the first gasoline (non-diesel) powered medic unit in the fleet. Future ambulances will also be similar to reduce exposure to carcinogens in the fire station.
- Continued information technology upgrades and replacements on various iPads, modems, internet service, desktops/laptops, and mobile and portable radios. Technology is a crucial aspect of our services, and the District must remain current to deliver quality and effective service.
- Successfully staffed large events at the Deschutes County Fairgrounds, such as the Fairwell Festival and the County Fair, with existing personnel, with minimal interruption and no reduction in station staffing.
- Completed one training structure burn from acquired/donated structures in the District.

Staffing/Training

- Completed recruit academy 24-01 and graduated six firefighter/paramedics
- Started recruit academy 25-01 with three firefighter/paramedics expected to graduate in July 2025.
- Purchased and implemented new water rescue gear and training for all emergency responders.
- Completed remodel of the Redmond Fire & Rescue and Department of Public Safety Standards and Training (DPSST) Joint Training Facility.
- Provided leadership training by ‘Redline Leadership’ to all operational shifts and one-on-one training to twelve members of the organization. This training focuses on self-development (personal and professional) and enhancing organizational culture
- Provided re-certification training for all twelve Aircraft Rescue Firefighting Services (ARFF) certified engineer/paramedics.

Fiscal Year 2024/25 Accomplishments *(continued)*

Strategic

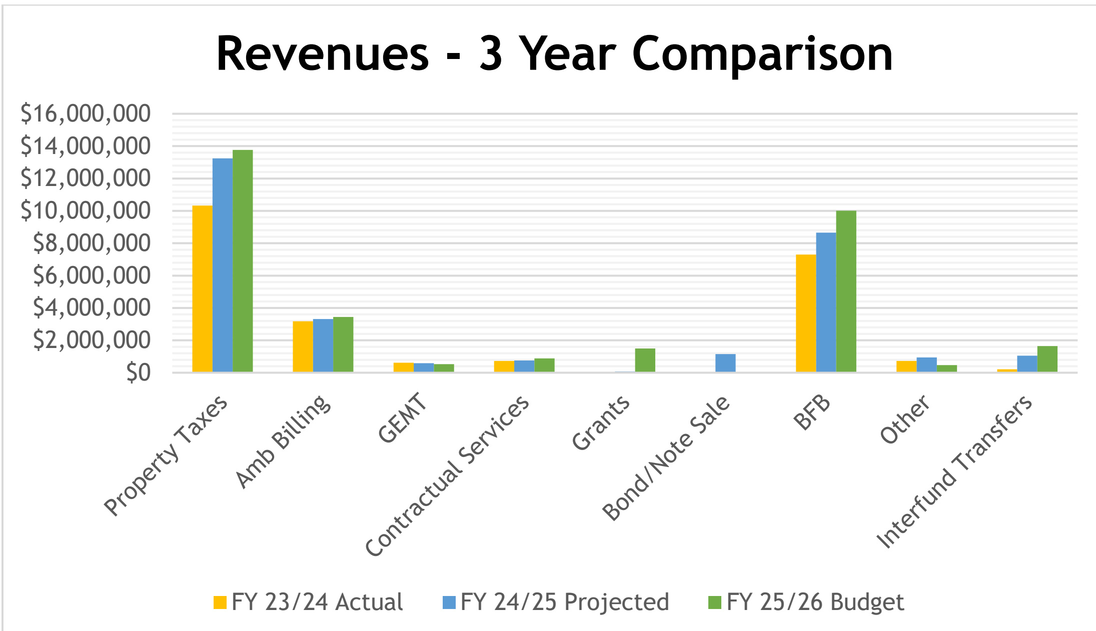
- Implemented Tablet Command, a software program that provides situational awareness for our staff and incident command support for our Chief Officers.
- Began the process of implementing First Arriving dashboards in every fire station. This technology is designed to enhance interdepartmental communication and provide initial dispatch information on a large monitor.
- Established a joint labor-management policy review committee to complete a full review and revision of all departmental policies.
- Completed the re-rate process for the insurance services office (ISO), for which the District received a Final Community Classification = 03/10. This score indicates how well-equipped and prepared a community is to respond to fires, and it directly impacts home insurance premiums. ISO uses a scale of 1 to 10, with one being the best. The District will continue to evaluate the rating and seek opportunities to increase to a class 2 rating.

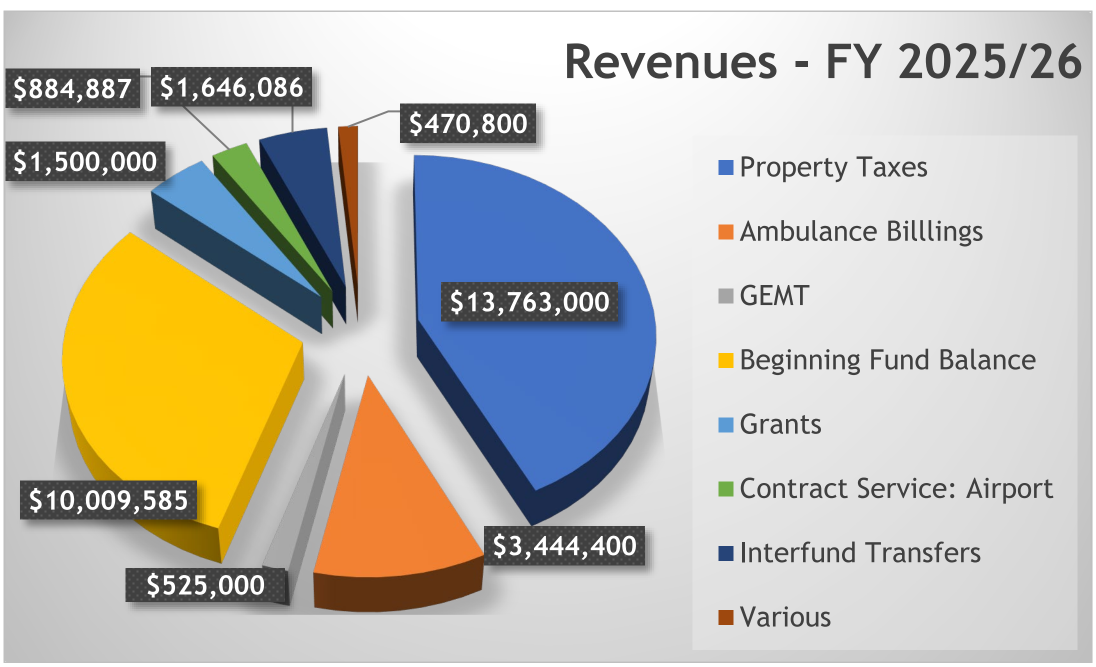

Caption: Firefighters from partner agencies participate in a 'Burn to Learn' training exercise.

Revenues

District resources include property taxes, ambulance billings, contractual services, Ground Emergency Medical Transport (GEMT), beginning fund balance, and other sources.

Below is a comparison and breakdown of the FY 2025/26 resources, which total $32,243,728. More information on the major revenues of property taxes, ambulance billing, contracted services and beginning fund balance follows.





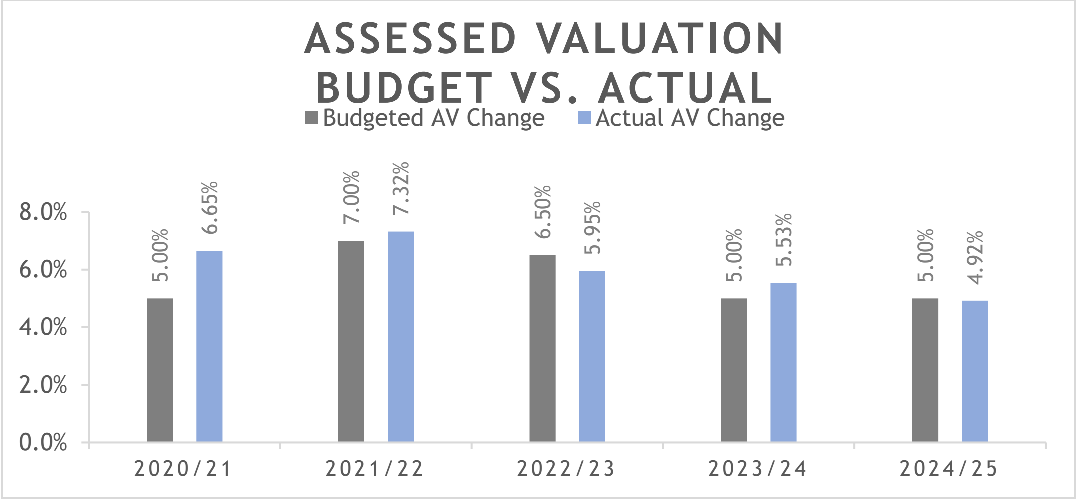
Property Taxes

Property taxes are the District's main source of income. The FY 2025/26 budget is projecting a 4.7% increase in total Assessed Valuation (AV) from the previous fiscal year, with a 95.5% collection rate. The projected property taxes to be received in FY 2025/26 from the District's permanent rate are $9,718,000, which includes prior year taxes and interest of $65,000, while the local option levy is expected to raise an additional $4,045,000, which includes $8,000 in prior year taxes. Prior year taxes are those that were assessed in a prior year but collected in the current year (and in the case of the local option levy, assessed on the old levy).

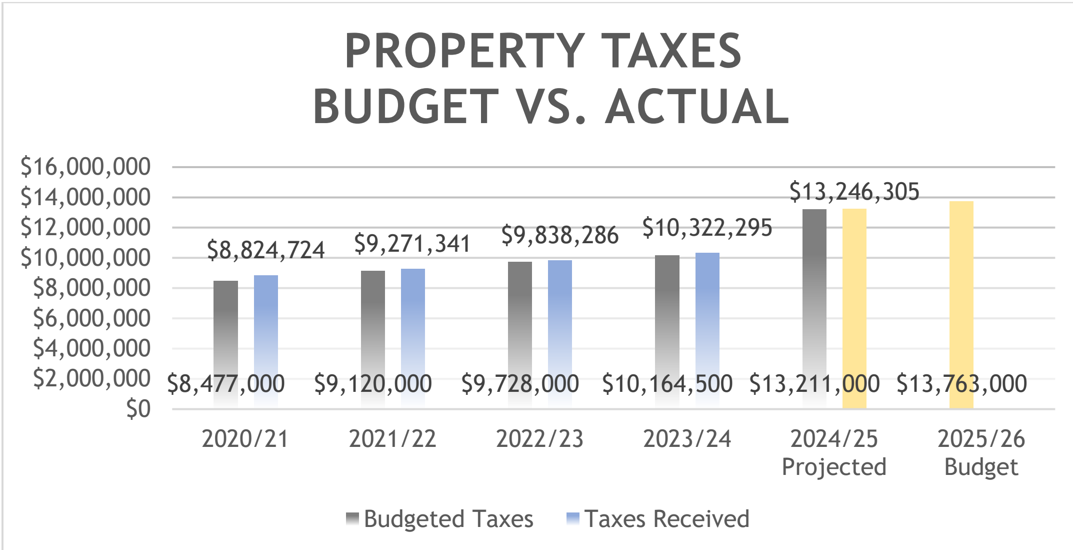
In FY 2025/26, the budget levies the full permanent tax rate of $1.7542 per $1,000 of assessed value. In November 2023, voters approved a new five-year local option in the amount of $0.75 per $1,000 of assessed value. This will be the second year of five this amount is being levied. Combined, the permanent and levy rates equal $2.5042 per $1,000 of assessed value.

The county assessor determines the assessed value of the property as of January (January 1, 2025 for FY 2025/26 property taxes) each year, bills and collects the taxes and remits collections to the District. Taxes for FY 2025/26 will be billed by late October 2024 and can be paid in thirds on November 15, February 15 and May 15.

The District continues to maintain a conservative, yet realistic, approach when budgeting property taxes as seen in both graphs below which illustrate budget assessed valuation (and corresponding tax dollars) versus actual assessed valuation and dollars received. The District's budgeted collection rate of 95.5% is consistent with the average collection rate over the past five years. The assumed collection rate also includes the impact of the 3% early payment discount taken by the majority of taxpayers, as well as the impact of compression on the total tax rates, which reduces the amount of taxes paid by taxpayers.

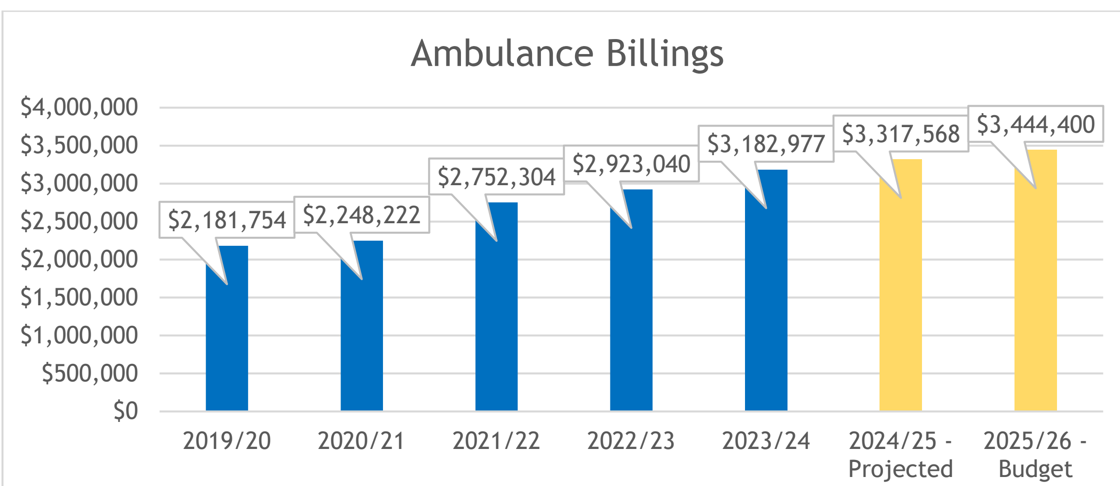


Property Taxes *(continued)*



Ambulance Billings

Revenues from charges for ambulance services are a significant source of operational income. The addition of ambulance billing staff has improved efficiency in both billing and collections, as well as increased call volume and a fee increase led to rising ambulance revenues. With these added efficiencies, the District has seen revenue collections at much higher rates than in the past. After years of significant growth, revenue growth is still increasing, but at a slower pace than in the early 2020's. The FY 2025/26 budget is projecting that revenues will increase by 4.0%, which is an average of the last two years, at $3,444,400.



Contractual Services – City of Redmond Airport

The City of Redmond contracts with the District to staff the Aircraft Rescue & Firefighting (ARFF) station at Roberts Field, the commercial airport for the region. The City will reimburse the District for three firefighters, a portion of a battalion chief, and associated training fees. The budgeted revenue for FY 2025/26 is $884,887, a 6.1% increase from the prior year. This increase is primarily due to the increase in personnel costs, as well as increases in materials and services.

Beginning Fund Balance

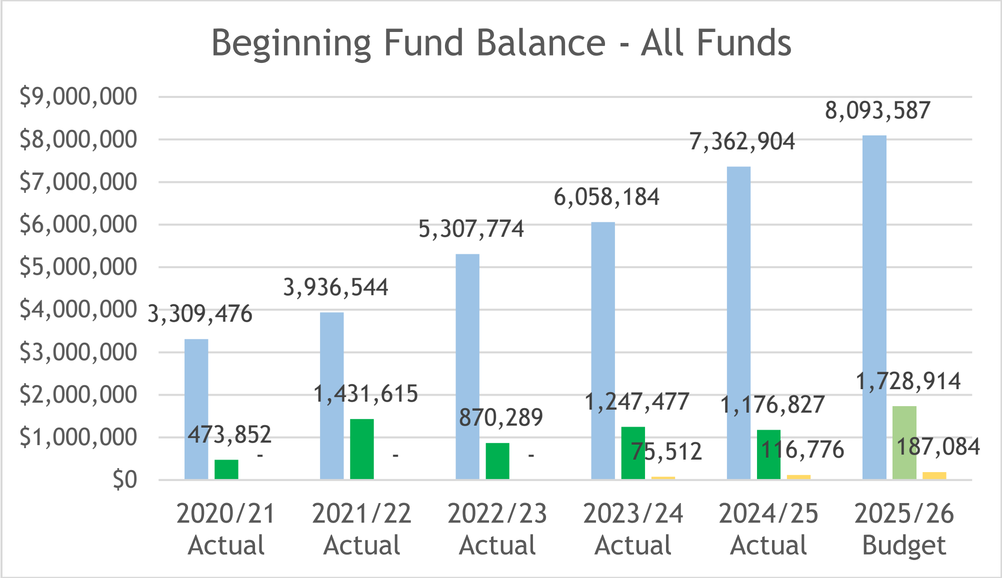
The beginning fund balance (BFB) is the second largest resource within the budget. The beginning fund balance consists of all unspent dollars from the prior fiscal year, including prior contingencies and reserves, for both the General and Capital funds.

For FY 2025/26, the combined budgeted beginning fund balance is $10,009,585, an increase of $1,353,078, or 15.6%, from the actual FY 2024/25 amount of $8,656,507. This increase was identified in each fund as follows.

- **General Fund:** Increased by a projected $730,683 mostly due to actual expenditures exceeding budgeted expenditures. This equates to 4.3% of the budgeted operating expenditures.

- **Capital Projects Fund:** Increased by a projected $552,087, primarily due to not incurring some capital outlay, such as the $300,000 that was to be determined.

- **MERRC Fund:** Increased by $70,308 due to fees for service revenues exceeding planned capital outlay eligible for MERRC funds.



Ground Emergency Medical Transport (GEMT)

The Ground Emergency Medical Transport (GEMT) revenues are supplemental payments to help offset the funding gap between the District's actual costs per GEMT transport and the allowable amount received from the Oregon Health Plan (Medicaid) and any other sources of reimbursement. House Bill 4030 (2016) allowed for the GEMT program, which is administered by the Oregon Health Authority (OHA).

The FY 2025/26 budget includes $525,000 in revenues related to the GEMT supplemental payment program, which is comprised of the two components described below. This is an increase from the prior year budget of $375,000, but aligns with historical collections. The GEMT program was previously limited to only transports paid by the Oregon Health Plan under the fee-for-service (FFS) plan. Effective January 1, 2021, the state modified the GEMT program to make transports paid through a coordinated care organization (CCO) eligible for payment. The District's total number of CCO-paid transports is about 4-5 times the number of FFS transports.

- **GEMT – FFS:** The District budgeted for $100,000 in revenues (with the offsetting expense of $33,000 for the State fee/match required for participation in the program). This is consistent with the revenues received in FY 2024/25. To receive these funds, each fall the District files a cost report with the State of Oregon and funds are received the following spring.

- **GEMT – CCO:** The District budgeted for $425,000 in revenues (with the offsetting expense of $140,250 for the State fee/match required for participation in the program). The District is taking a conservative approach due to the volatility of this program, as the State government has made several mid-year adjustments to the rates being paid. The program also must be approved annually by the Federal government and has more participation requirements than the GEMT – FFS program. To receive these funds, the District must have a contract in place with every CCO and funds are distributed periodically based upon a fixed amount per qualifying transport as determined by the state.

Grants

The District makes every attempt to obtain grant funding to support operations and capital needs. During FY 2024/25, the District received grants for a UTV and trailer to aid in Fire & EMS (Cline Falls) and a $75,000 Wildfire Risk Reduction grant that assisted numerous citizens with improving the defensible space of their property.

The FY 2025/26 budget includes a $1,500,000 grant for seismic improvements at the Cline Falls Station. The District also budgeted for an additional $500,000 in remodel costs to improve the functionality of the station. All construction work will be completed at the same time.

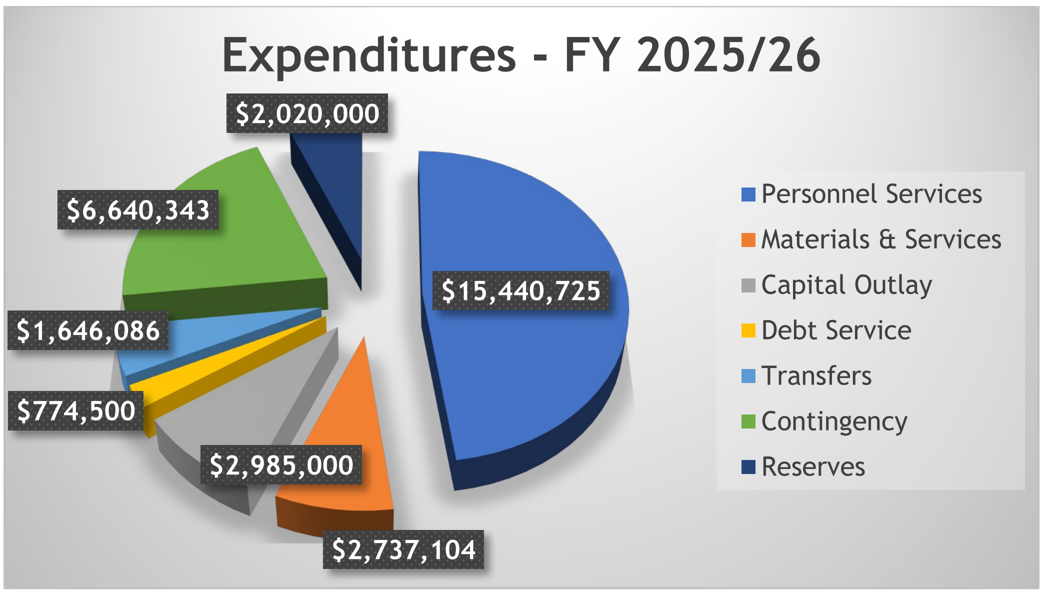
Over the years, the District has applied for, but has been unsuccessful at, multiple FEMA grants for equipment and personnel. The District will continue to apply for all FEMA grants which fall into the categories of Fire Prevention and Safety (FP&S), the Staffing For Adequate Fire and Emergency Response (SAFER) for the hiring of new firefighters, and capital equipment through the Assistance to Firefighters Grant (AFG). The SAFER grant for new firefighters is paid at 75% for the first two years and 35% for the third year. Given the uncertainty of receiving these grants, no match or unreimbursed costs have been budgeted. If awarded, the District would utilize existing funds for the match.

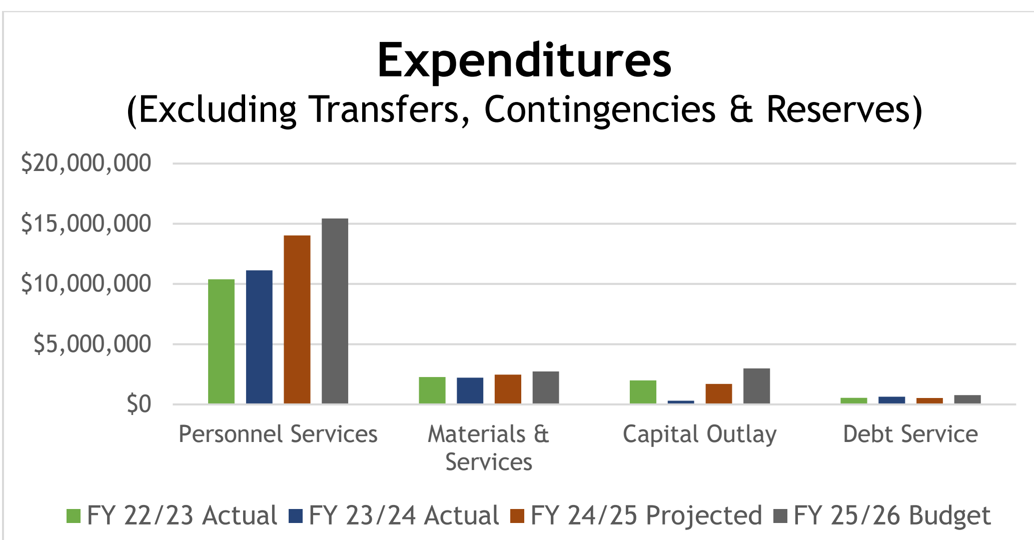
Expenditures

District expenditures are broken into seven different categories within each cost center. These categories include:

- Personnel Services
- Materials & Services
- Capital Outlay
- Debt Service
- Transfers
- Contingency
- Reserves

A comparison and breakdown of the FY 2025/26 expenditures, which total $32,243,758, including contingencies and reserves, are included below. Further information on the categories follows.





Personnel Services

Personnel Services is the largest expenditure for the FY 2025/26 budget and includes 73 full-time equivalent (FTE) employees. Total FTE counts include the addition of one position described below. Costs continue to rise to a projected $15,440,725, which accounts for about 81% of the total operating budget.

Staffing changes of note from current actual staffing levels are:

- **+0 FTE:** The Chief Financial Officer (CFO) position was vacated early in the year and the District utilized outside contracting for CFO services. In FY 2025/26, the District plans hire a payroll/human resources specialist position to perform basic accounting functions with continued support from the outside contractor for more complex items. There is no change to the FTE level in administration but does retain an outside consultant for CFO services.

- **+0 FTE:** One Emergency Medical Technician (EMT) position was transitioned to a firefighter/paramedic through attrition which balanced the shifts with two medical-only personnel per shift (one paramedic and five EMTs in total).

Benefit Changes are note are:

- The District's medical insurance plan, coverage and employee contribution rates remain consistent with the prior year, however total premiums are increasing by 6%. The District pays 95% of the medical insurance premiums, the 6% PERS Individual Account Plan (IAP) pickup, and Voluntary Employees' Benefit Association (VEBA) and Post Employment Health Plan (PEHP) contributions.

- Paid Leave Oregon (PLO) is a new state program that began on January 1, 2023 and benefits can be drawn by employees starting September 3, 2023. The program is funded by a 1% contribution (split 0.60% to employees and 0.40% for employers) on subject wages. The District has elected to utilize a third party equivalent plan to administer the plan. Due to high utilization of the plan, the District's portion has increased to approximately 0.70%.

- The District's workers' compensation rates continue to increase in part due to policy-wide workplace injuries and disability settlements resulting from Oregon State presumption laws for public safety employees. In addition, the District's own high claim utilization and experience rating heavily impacts premiums. In FY 2025/26, the District is anticipating premiums of $564,000.

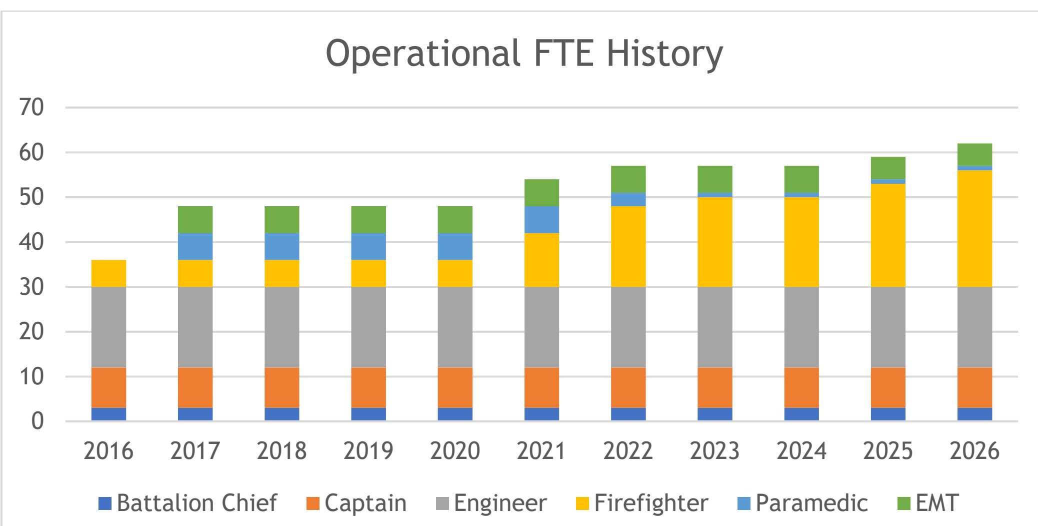
Personnel Services *(continued)*

The chart below lists total FTE counts over the past few years.

Position	FY 2023/24 Actual	FY 2024/25 Budget	FY 2024/25 Actual	FY 2025/26 Budget
Fire Chief	1	1	1	1
Deputy Fire Chief	1	1	1	1
CFO	1	1	0	0
HR Manager	1	1	1	1
Admin Specialists	3	4	3	4
Fire Marshal	1	1	1	1
Deputy Fire Marshal	1	1	1	1
Battalion Chief	3	3	3	3
Captains - 56hr	9	9	9	9
Captains - 40hr	2	2	2	2
Engineer/Paramedic	18	18	18	18
Firefighter/Paramedic*	20	29	23	26
Paramedic	1	1	1	1
Emergency Medical Tech	6	6	5	5
Total	**68.0**	**78.0**	**69.0**	**73.0**

*Six firefighters were hired during the year, which averages to three positions for the year. All six will be employed for the full year of FY 2025/26.

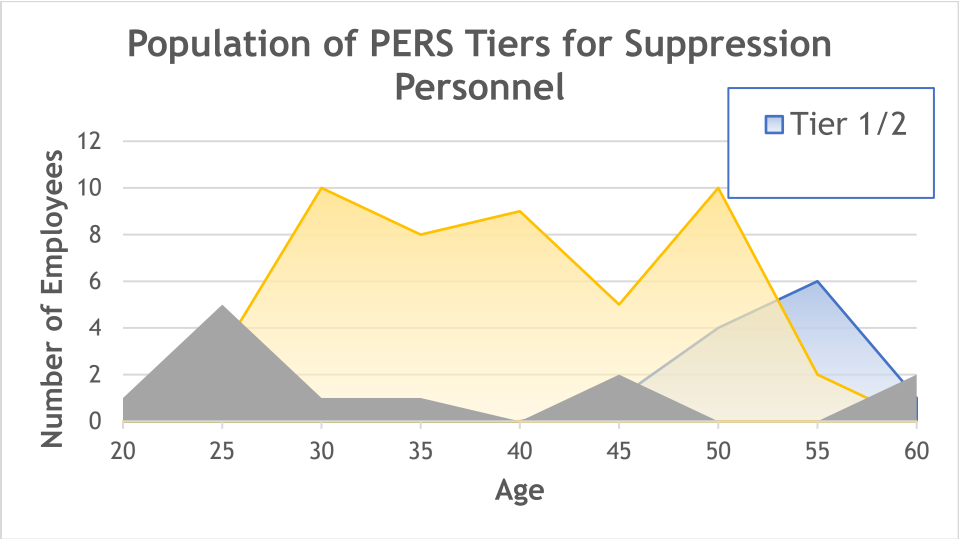
Since the District separated from the City of Redmond in 2011, total operational staff FTEs has doubled from 30 personnel to 62 personnel. Also, in the past two years, the District has, through staff attrition, transitioned five single-role paramedic positions into firefighter/paramedics. This does not increase the overall FTE count but does add versatility in response capabilities.



Personnel Services *(continued)*

Additionally, the District continues to focus on succession planning and leadership development for our next generation of managers, especially within the Fire & Rescue division. We believe this is a continual process to ensure competent leaders at every level are available to integrate into the operation when and where they are needed. The normal retirement age for firefighters under PERS is age 55 for Tier 1/2 or 60 for OPSRP or earlier for both plans with 25 years of service because of the physically demanding nature of the profession. Therefore, the District constantly seeks to develop its employees as future leaders.

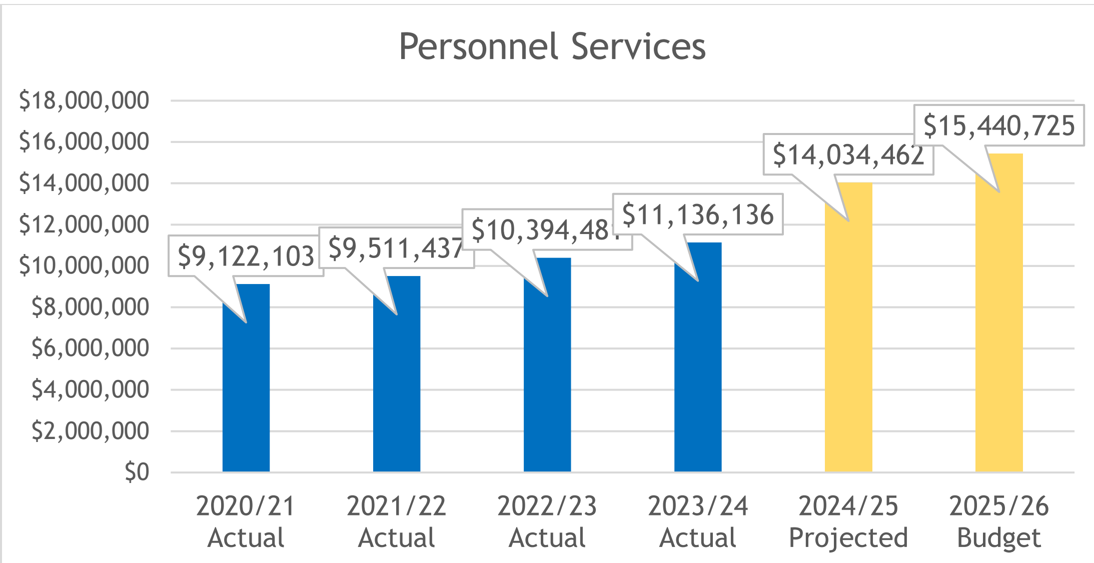
The chart below demonstrates the current ages and PERS classifications of Fire & Rescue suppression personnel from Battalion Chiefs to Firefighters and including fire and life safety. Currently, there are a total of 59 FTE with the number of OPSRP employees (47 employees) nearly four times the number of Tier 1/2 employees (12 employees). The chart can be read as there are 2 Tier 1/2 suppression employees over the age of 50 who are approaching retirement eligibility. The District's latest hirings have been younger in their careers which has created more balance across the ages. This balance helps the District absorb retirements as they occur.



Personnel Services *(continued)*

Notable expenditures within the Personnel Service category include wages, contributions to the Public Employee Retirement System (PERS), and medical insurance costs.

Total personnel services costs including all wages and benefits over the past five years and the FY 2025/26 budget are shown in the chart below. Total personnel costs for FY 2025/26 are budgeted at $15,440,725.



- **Wages & Salaries**: The total budgeted wages for FY 2025/26 are $8,990,348, which is consistent with the projection for FY 2024/25 of $8,596,917. The primary reasons for the increase are:

    - **Upcoming COLAs/Steps:** There are regular step increases and negotiated cost of living allowance increases (COLA) that occur. The negotiated COLAs are budgeted to occur on July 1, 2025 and are 4% for all bargaining units. The current collective bargaining agreements (CBAs) between the District and the Redmond Firefighters Association, Local 3650 expires on June 30, 2027 and covers approximately 90% of the District's employees.

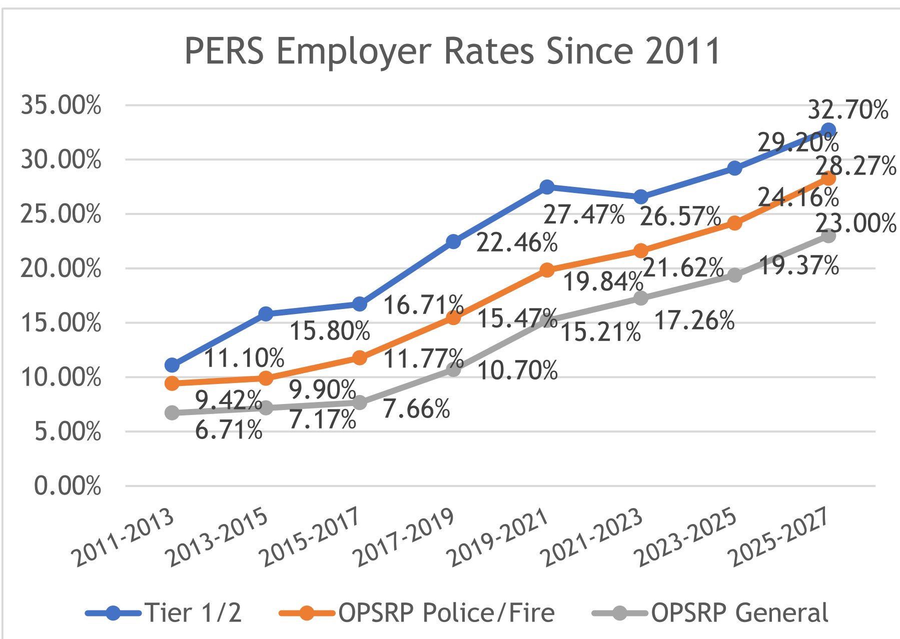
    - **New Hires:** The District plans to hire an administrative accounting position as discussed on the previous page.

Personnel Services *(continued)*

- **PERS:** The total PERS contribution budgeted for FY 2025/26 is $3,102,454. Contributions are the money given to the retirement system to fund a member's benefits. The employer contribution rate for FY 2025/26 to FY 2026/27 increased an average of 15.91% for each tier from the prior rates.. Changes to PERS rates are factored into the District's financial forecasts to help ensure services can be maintained over the long-term planning horizon. Contributions are made on subject salary and comprised of the following two contribution rates:

  - **Member Contributions:** The first calculation is a flat 6% of subject salary contributed to the Individual Account Program (IAP) of each employee. The District pays the 6% IAP contribution for every employee.

  - **Employer Contributions:** The second calculation is provided by PERS and is based on the employee's retirement classification (Tier 1/2 or OPSRP). Contributions are based on a rate designated by the PERS board and are to fund the actual costs of future retirement and death benefits. These rates are adjusted every two years. A history of the rates by classification is below. Rates have risen steadily over the years.

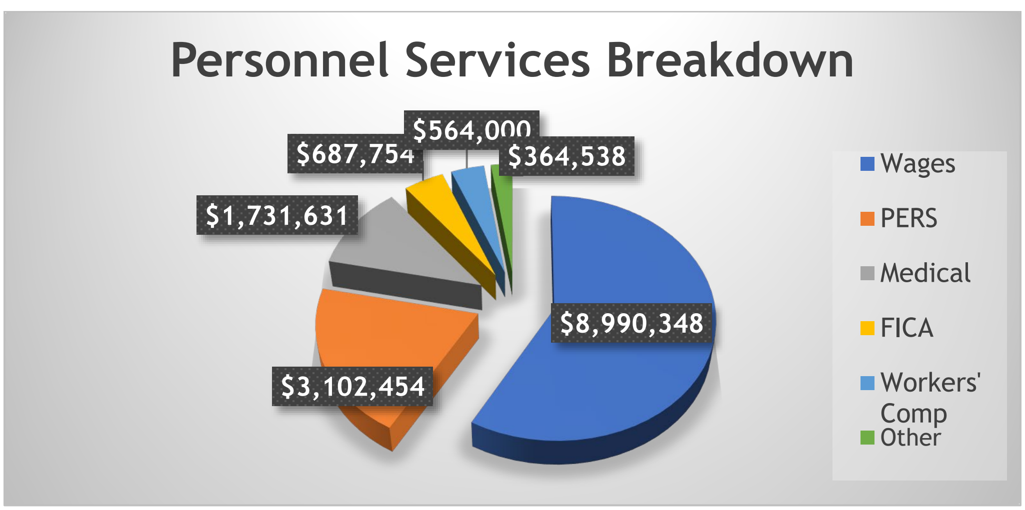


Personnel Services *(continued)*

- **PERS Side Account:** In FY 2019/20, the District participated in the State of Oregon Senate Bill 1049 PERS Side Account 25% match program. The District established a PERS Side Account through a $100,000 deposit as authorized by the Board. This contribution was matched at 25% by the State of Oregon for a total initial deposit of $125,000. Side accounts earn the same investment returns as the PERS fund, are typically amortized over a 20-year period and the rate reduction is recalculated each biennium. Historically, the PERS fund has achieved greater investment returns than the District's Local Government Investment Account (LGIP). The District experiences a slight rate reduction from the side account (approximately 1.9% overall). The FY 2025/26 budget does not include a side account deposit, but the District will continue to evaluate options to fund the side account.

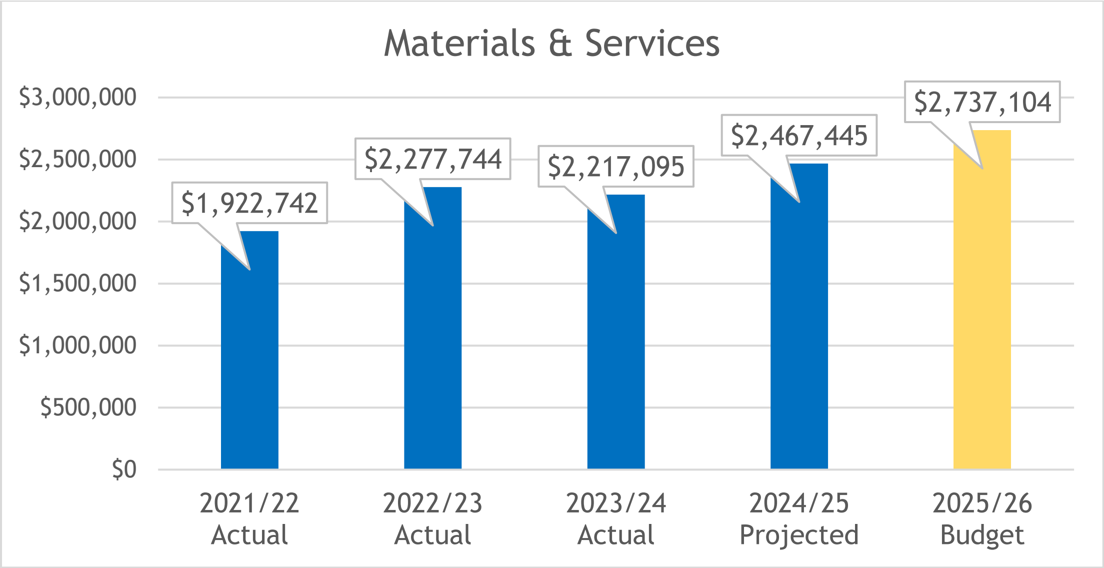
- **Medical Insurance:** Total is budgeted at $1,731,631, which includes $278,5600 to contribute to employees' VEBA accounts. Medical premiums in FY2025/26 show an increase of 6% based on communication from the provider.

- **Workers' Compensation:** The District's workers' compensation rates continue to increase in part due to policy-wide workplace injuries and disability settlements resulting from Oregon State presumption laws for public safety employees. In addition, the District's own high claim utilization and experience rating heavily impacts premiums. In FY 2025/26, the District is anticipating premiums of $564,000, which is a significant increase from the prior year premiums of $397,000.



Materials & Services

Materials & services is the second largest operating expenditure category at 8.6% of total budgeted operating expenditures. Notable materials & services items are discussed in further detail within each cost center of the General Fund starting on page 73. Materials & services costs over the past five years and the FY 2025/26 budget are shown in the chart below.



Caption: Redmond Firefighters stand atop the ladder truck during a training exercise.

Redmond Fire & Rescue

Debt Service

Rural fire protection districts formed under ORS Chapter 478 are limited to the total amount of indebtedness they may incur, which includes both general obligation bonds and other financing liabilities. At no time may the aggregate amount of debt liabilities exceed one and one-fourth percent (0.0125) of the District's real market value, which for FY 2024/25 is $13,173,601,936. The real market value is not yet available for FY 2025/26.

The District's legal debt limit for FY 2024/25 is approximately $164,670,024. As of the end of FY 2024/25, Redmond Fire & Rescue's total outstanding debt is $2,750,888 as detailed in the chart below. On February 15, 2017, Moody's Investors Services upgraded its rating of the District's Full Faith and Credit Obligations, Series 2012 (the Main Station) from A1 to Aa3. This rating remains in effect. Debt service is discussed in further detail within the General Fund Non-Departmental narrative on page 92 with detailed debt service schedules in the Appendix starting on page 109.

Outstanding Debt as of June 30, 2025

Purpose	Maturity Date	Interest Rate	Original Amount	Balance at 6/30/24
Terrebonne Station	1/1/31	3.75% - 4.7%	935,000	305,000
Main Station	7/1/28	2.0% - 4.0%	1,540,000	335,000
2015 Pierce Engine	12/8/30	3.98%	498,807	235,620
2021 Pierce Type 3	6/18/26	1.96%	416,566	86,594
2023 Pierce Engines	8/16/32	4.09%	1,739,100	1,366,024
2025 Pierce Engine	4/30/30	4.60%	1,111,197	1,111,197
			TOTAL	**$3,439,435**

Upcoming Debt Service Payments

Fiscal Year	Principal	Interest	Total
FY 2025/26	634,347	138,679	773,026
FY 2026/27	565,001	115,230	680,231
FY 2027/28	593,002	90,879	683,881
FY 2028/29	506,788	65,308	572,096
FY 2029/30	531,393	43,118	574,511
FY 2030/31 - FY 2032/33	608,904	34,934	643,838
TOTAL	**$ 3,439,435**	**$ 488,148**	**$ 3,927,583**

Capital Outlay

The budget includes $2,875,000 for capital outlay and is discussed in further detail with the Capital Projects Fund on page 97.

Contingency

Contingencies are monies set aside for unforeseen expenditures and will revert to fund balance if not used. Board policy targets a working capital (operating) contingency of 120 days of operations to fund cash needs, especially in the beginning of each fiscal year until property tax revenues are received in November. Operating contingency gives the District the flexibility to transfer funds to line item accounts within a major category should the need arise, with the approval from the Board of Directors via a Resolution. Expenditures which are known to be necessary and can be reasonably ascertained and anticipated, but which are too small in amount to list separately, are not to be funded by operating contingencies, but rather absorbed within the major category.

The FY 2025/26 budget has a total General Fund contingency of $6,553,259 which is 126 days of total operating expenditures (personnel services, materials & services, and debt service). Contingencies are discussed in further detail within the General Fund Non-Departmental narrative starting on page 92.

Reserves

Reserves represent fund balances that are not planned to be spent during FY 2024/25 and will be carried over to the FY 2025/26 beginning fund balances. These reserves are either categorized as “Reserve for Future Expenditure” or “Reserve for Debt Service.” A reserve for future expenditure represents savings for capital projects, infrastructure maintenance, balances required for cyclical cash flow needs or risk mitigation. A reserve for debt service is either a required reserve via bond covenant or an internal reserve for debt service set aside for in the event a revenue shortfall occurs, requiring the short-term use of reserves to make payments.

The FY 2025/26 budget has total reserves of $2,020,000 which are entirely reserved for future expenditure and are unappropriated. Reserves are discussed in further detail within the Capital Projects fund narrative starting on page 97 and in the MERRC fund on page 101.

Performance Measures and Data

A performance measure is defined as a numeric description of an organization's work and the results of that work. Performance measures are based on data and tell a story about whether the organization or activity is achieving its objectives and if progress is being made toward attaining policy or organizational goals.

In technical terms, a performance measure is a quantifiable expression of the amount, cost, or result of activities that indicate how much, how well, and at what level, products or services are provided to customers during a given time period.

> "Quantifiable" means the description can be counted more than once or measured using numbers.
>
> "Activities" mean the work, business processes and functions of the organization.
>
> "Results" are what the organization's work is intended to achieve or accomplish for its customers.

The District plans to increase the number and relevancy of performance measures in the coming years. Recently, new software systems have been implemented and staff have gained a better understanding of the capabilities of existing systems, which will better facilitate timely, accurate data.

Financial

District Budget

Goal: Earn Distinguished Budgeting award through GFOA.

Status: Met - The District has earned the award eleven years in a row starting with the 2013/14 fiscal year. The District will be submitting the FY 2025/26 budget for review and feels it meets the requirements.

District Audit

Goal: Complete the audit process receiving zero findings/deficiencies.

Status: Met - There were no findings/deficiencies in the four most recent audits.

Ambulance Billing

Goal: Review and process the bill for each call within 10 days from when the call occurred.

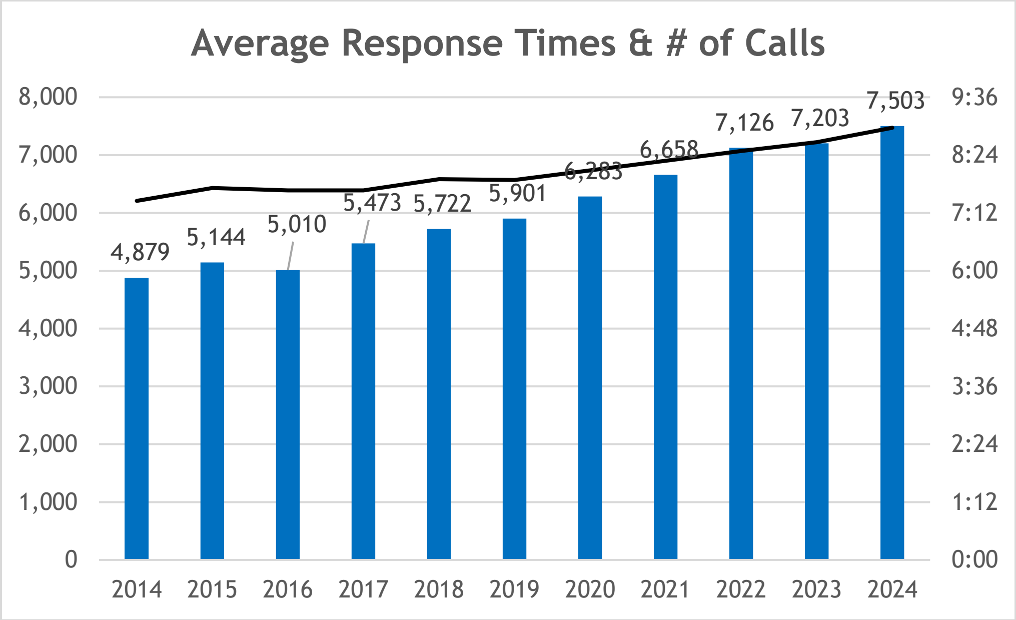
Status: Met - The District feels that this was exceeded for the prior fiscal year.

Operational

Response Times

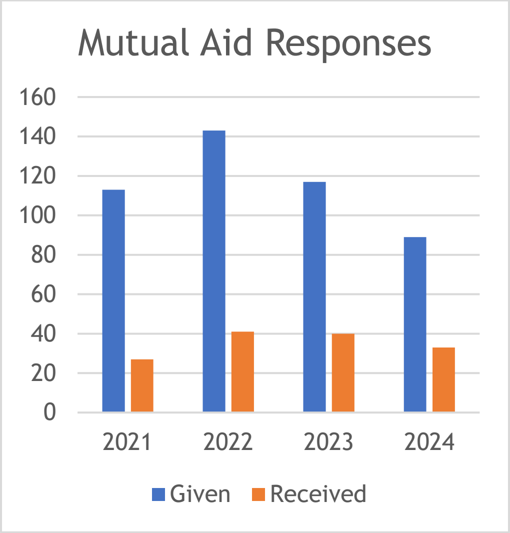
Goal: Reach an average response time of less than 8 minutes on all emergency calls.

Status: The District continues to refine our ability to track response times for just emergency calls accurately. However, no response time data was available for the years 2020-2022, as the data was not preserved. Response times for those years are estimated as a linear progression from the 2019 and 2023 data. The District is working to improve the response time to meet the goal.



Mutual Aid

The District both gives and receives mutual aid from partner agencies. As the District is the second-largest fire and EMS agency in the area, the District always provides more mutual aid than it receives. The fire service relies on these mutual aid systems, which allow agencies to share supplies, equipment, personnel, and information across jurisdictional boundaries. As calls for service increase across the Central Oregon region, the District anticipates an increase in mutual aid activity.



Redmond Fire & Rescue

Training Hours

Goal: Meet or exceed the Oregon Health Authority Training Hours of 48 hours of EMS training per individual every two years (24 hours per year).

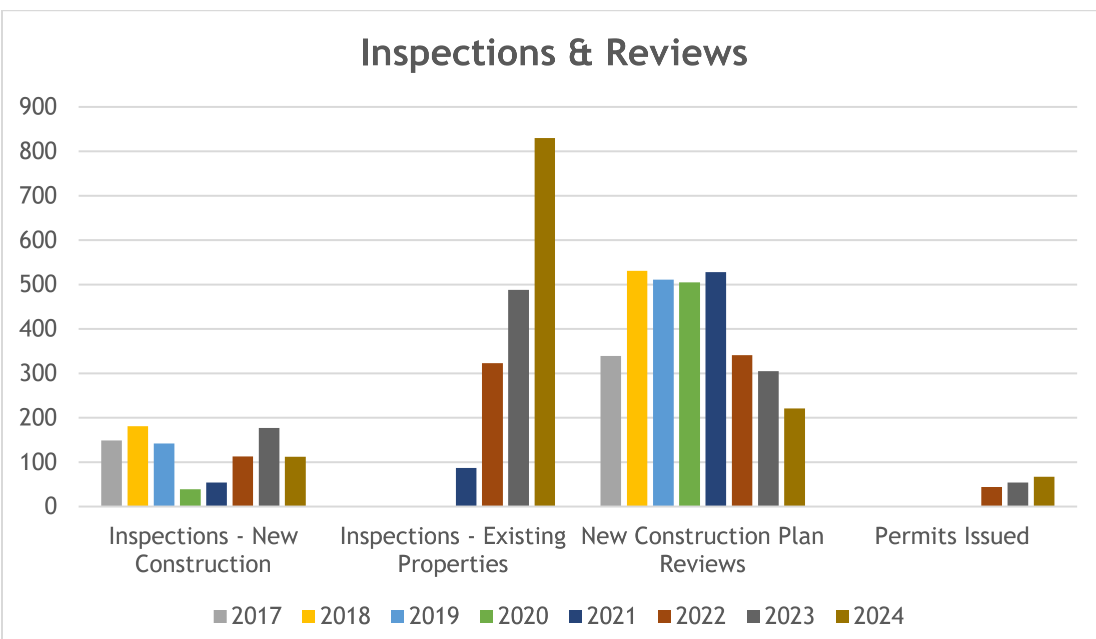
Status: Exceeded – See table below for history.

FY 2013 - 2015	107.61
FY 2015 - 2017	96.25
FY 2017 - 2019	99.04
FY 2019 - 2021	113.02
FY 2021 - 2023	81.96
FY 2023 - 2025	91.05*
*At time budget was prepared	

Inspections & Reviews

Goal: Inspect existing construction and new construction plans, and review compliance engine generated reports for compliance with applicable fire and life safety codes. The compliance engine is a code compliance tool.

Status: Inspections and reports continue to increase along with regional construction trends. In FY 2022/23, the Fire & Life Safety division implemented a new inspection software system that allows the District to track properties, inspect and ensure compliance with building codes. The District will be able to pull accurate, timely data from the system.



Financial Summary – All Funds

The District's budget is comprised of three funds, the General Fund, the Capital Projects Fund, and the Mobile Emergency Responder Radio Coverage (MERRC) Fund. The General Fund is further split into seven cost centers (Administration, Fire & Rescue Operations, Fire & Rescue Training, EMS Operations, Fire & Life Safety, Facilities, Vehicles & Equipment, and Non-Departmental) with revenues and certain non-department expenses shown separately.

Summary of Revenues, Expenditures & Changes in Fund Balance

The chart below shows the budgeted combined sum of all revenues, expenditures and changes in fund balance for funds and contrasts with prior year actuals, current year projected and the budgeted activity.

ALL FUNDS				
	Actual FY 2022/23	Actual FY 2023/24	Projected FY 2024/25	Proposed Budget FY 2025/26
Revenues				
Property Taxes	9,838,286	10,322,295	13,246,305	13,763,000
Charges for Services	4,493,582	4,710,642	4,852,901	4,995,087
Grants and Contributions	40,000	11,221	146,472	1,500,000
Investment Earnings	225,352	419,897	425,000	300,000
Bond / Note Sale	1,739,100	-	1,150,000	-
Miscellaneous	69,992	112,978	261,689	30,000
Interfund Transfers In	628,694	212,214	1,051,593	1,646,086
Total Resources	**17,035,007**	**15,789,247**	**21,133,960**	**22,234,173**
Expenditures				
Personnel Services	10,394,481	11,136,136	14,034,462	15,440,725
Materials & Services	2,277,744	2,217,095	2,467,445	2,737,104
Capital Outlay	1,990,606	306,438	1,699,382	2,985,000
Debt Service	540,371	642,031	528,000	774,500
Interfund Transfers Out	628,694	212,214	1,051,593	1,646,086
Contingency	-	-	-	6,640,343
Unappropriated Fund Balance / Reserve	-	-	-	2,020,000
Total Expenditures	**15,831,897**	**14,513,913**	**19,780,882**	**32,243,758**
Excess or Deficiency	1,203,110	1,275,334	1,353,078	(10,009,585)
Plus: Contingency/Reserves	-	-	-	8,660,343
Total Excess / (Deficiency)	**1,203,110**	**1,275,334**	**1,353,078**	**(1,349,242)**
Changes in Fund Balance *(the cash available at the end of the fiscal year)*				
Beginning Fund Balance	6,178,063	7,305,661	8,656,507	10,009,585
Revenues Over/(Under) Expenditures	1,203,110	1,275,334	1,353,078	(1,349,242)
Ending Fund Balance	**7,381,173**	**8,580,995**	**10,009,585**	**8,660,343**

Breakdown by Fund

The chart below breaks the revenues and expenditures down by funds.

GENERAL FUND	Actual FY 2022/23	Actual FY 2023/24	Projected FY 2024/25	Proposed Budget FY 2025/26
Revenues				
Property Taxes	9,838,286	10,322,295	13,246,305	13,763,000
Charges for Services	4,418,070	4,657,804	4,782,593	4,965,087
Grants and Contributions	40,000	11,221	96,596	-
Investment Earnings	225,352	419,897	425,000	300,000
Miscellaneous	69,992	100,978	261,689	30,000
Total Resources	**14,591,701**	**15,512,195**	**18,812,183**	**19,058,087**
Expenditures				
Personnel Services	10,394,481	11,136,136	14,034,462	15,440,725
Materials & Services	2,277,744	2,217,095	2,467,445	2,737,104
Debt Service	540,371	642,031	528,000	774,500
Interfund Transfers Out	628,694	212,214	1,051,593	1,646,086
Contingency	-	-	-	6,553,259
Unappropriated / Reserve	-	-	-	-
Total Expenditures	**13,841,290**	**14,207,475**	**18,081,500**	**27,151,674**
Excess or Deficiency	750,410	1,304,720	730,683	(8,093,587)
Plus: Contingency/Reserves	-	-	-	6,553,259
Total Excess / (Deficiency)	**750,410**	**1,304,720**	**730,683**	**(1,540,328)**
Changes in Fund Balance *(the cash available at the end of the fiscal year)*				
Beginning Fund Balance	5,307,774	6,058,184	7,362,904	8,093,587
Revenues Over/(Under) Expenditures	750,410	1,304,720	730,683	(1,540,328)
Ending Fund Balance	**6,058,184**	**7,362,904**	**8,093,587**	**6,553,259**

This reconciliation shows that the budgeted net *operational* change in the General Fund is neutral, meaning that the District expects to expend only what it receives in revenues in the current year. The District does plan to transfer $1,646,086 to the Capital Projects Fund, which creates the deficiency. However, this is done by utilizing a higher than needed beginning fund balance.

Reconciliation of Change in Fund Balance (Excludes transfers, contingencies, and reserves)	
Budgeted Resources	19,058,087
Budgeted Expenditures	(18,952,329)
Excess or Deficiency	**105,758**
Less: Transfers to Capital Project:	(1,646,086)
Total Excess / (Deficiency)	**(1,540,328)**
Beginning Fund Balance:	8,093,587
Total Excess / (Deficiency)	(1,540,328)
Ending Fund Balance	**6,553,259**

Breakdown by Fund (continued)

CAPITAL PROJECTS FUND				
Capital Projects Fund	**Actual FY 2023/24**	**Actual FY 2022/23**	**Projected FY 2024/25**	**Proposed Budget FY 2025/26**
Revenues				
Grants and Contributions	-	-	49,876	1,500,000
Bond / Note Sale	1,739,100	-	1,150,000	-
Miscellaneous	-	12,000	-	-
Interfund Transfers In	628,694	212,214	1,051,593	1,646,086
Total Resources	**2,367,794**	**224,214**	**2,251,469**	**3,146,086**
Expenditures				
Capital Outlay	1,990,606	294,864	1,699,382	2,875,000 *
Unappropriated / Reserve	-	-	-	2,000,000
Total Expenditures	**1,990,606**	**294,864**	**1,699,382**	**4,875,000**
Excess or Deficiency	377,188	(70,650)	552,087	(1,728,914)
Plus: Contingency/Reserves	-	-	-	2,000,000
Total Excess / (Deficiency)	**377,188**	**(70,650)**	**552,087**	**271,086**
Changes in Fund Balance *(the cash available at the end of the fiscal year)*				
Beginning Fund Balance	870,289	1,247,477	1,176,827	1,728,914
Revenues Over/(Under) Expenditure	377,188	(70,650)	552,087	271,086
Ending Fund Balance	**1,247,477**	**1,176,827**	**1,728,914**	**2,000,000**

* Denotes budget appropriation level

Breakdown by Fund *(continued)*

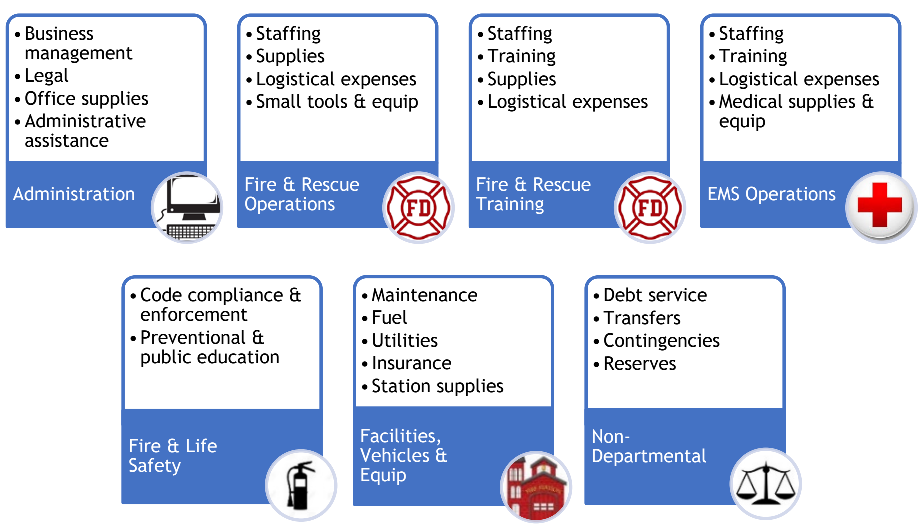
MERRC FUND				
	Historical			Proposed
	Actual	Actual	Projected	Budget
MERRC Fund	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26
Revenues				
Charges for Services	75,512	52,838	70,308	30,000
Total Resources	**75,512**	**52,838**	**70,308**	**30,000**
Expenditures				
Capital Outlay	-	11,574	-	110,000 *
Contingency	-	-	-	87,084 *
Unappropriated / Reserve	-	-	-	20,000
Total Expenditures	-	**11,574**	-	**217,084**
Excess or Deficiency	75,512	41,264	70,308	(187,084)
Plus: Contingency/Reserves	-	-	-	107,084
Total Excess / (Deficiency)	**75,512**	**41,264**	**70,308**	**(80,000)**
Changes in Fund Balance *(the cash available at the end of the fiscal year)*				
Beginning Fund Balance	-	75,512	116,776	187,084
Revenues Over/(Under) Expenditures	75,512	41,264	70,308	(80,000)
Ending Fund Balance	**75,512**	**116,776**	**187,084**	**107,084**

* Denotes budget appropriation level

General Fund

The purpose of the General Fund is to account for the day-to-day operations of the District and is overseen by the fire chief and deputy fire chief. It includes categories like personnel services, materials and services, debt service, operating contingency, interfund transfers and ending fund balance. Within the fund, the District has allocated seven cost centers that each depict their own unique set of accounts under the personnel services and materials & services classifications. The seven cost centers are listed below.

- Administration Cost Center - funds the business management side of the organization; training of administrative staff; purchasing office supplies; purchasing contractual legal or administrative assistance as needed; ensuring revenue is generated and collected.
- Fire & Rescue Operations Cost Center - funds daily fire & rescue operations including staffing and all logistical expenses.
- Fire & Rescue Training Cost Center - funds daily fire & rescue training operations including staffing, training, and all logistical expenses.
- EMS Operations Cost Center - funds daily Emergency Medical Services operations including staffing, training, and all logistical expenses.
- Fire & Life Safety Cost Center - funds code compliance and enforcement activities which include working closely with contractors and City of Redmond departments to ensure safe and code-compliant projects; prevention and public education activities.
- Facilities, Vehicles & Equipment Cost Center - accounts for the operational costs related to the District's assets which includes utilities, fuel, insurance and repair and maintenance.
- Non-Departmental Cost Center - accounts for debt service, transfers, contingencies and reserves.



Summarized General Fund Budget

GENERAL FUND	Actual FY 2022/23	Actual FY 2023/24	Projected FY 2024/25	Proposed Budget FY 2025/26	
Revenues					
Property Taxes	9,838,286	10,322,295	13,246,305	13,763,000	
Charges for Services	4,418,070	4,657,804	4,782,593	4,965,087	
Grants & Contributions	40,000	11,221	96,596	-	
Investment Earnings	225,352	419,897	425,000	300,000	
Miscellaneous	69,992	100,978	261,689	30,000	
Total Resources	**14,591,701**	**15,512,195**	**18,812,183**	**19,058,087**	
Expenditures					
Administration					
Personnel Services	712,490	800,768	941,348	1,137,396	
Materials & Services	411,083	405,981	337,483	447,396	
Total Administration	**1,123,573**	**1,206,749**	**1,278,831**	**1,584,792**	*
Fire & Rescue Operations					
Personnel Services	8,080,282	9,050,832	11,423,177	12,499,141	
Materials & Services	478,537	316,323	421,938	451,255	
Total Fire & Rescue Operations	**8,558,819**	**9,367,155**	**11,845,115**	**12,950,396**	*
Fire & Rescue Training					
Personnel Services	375,141	201,930	255,745	241,085	
Materials & Services	97,661	124,506	172,160	149,115	
Total Fire & Rescue Training	**472,802**	**326,437**	**427,905**	**390,200**	*
EMS Operations					
Personnel Services	898,565	802,901	1,054,862	1,154,562	
Materials & Services	472,321	481,217	505,765	542,550	
Total EMS & Training Operations	**1,370,885**	**1,284,118**	**1,560,627**	**1,697,112**	*
Fire & Life Safety					
Personnel Services	328,004	279,704	359,330	408,541	
Materials & Services	24,481	31,096	61,406	31,900	
Total Fire & Life Safety	**352,485**	**310,800**	**420,736**	**440,441**	*

* Denotes budget appropriation level

Summarized General Fund Budget *(continued)*

GENERAL FUND				
	Actual FY 2022/23	Actual FY 2023/24	Projected FY 2024/25	Proposed Budget FY 2025/26
Expenditures				
Facilities, Vehicles & Equipment				
Materials & Services	793,662	857,971	968,693	1,114,888
Total Facilities, Vehicles & Equipment	**793,662**	**857,971**	**968,693**	**1,114,888** *
Non-Departmental				
Debt Service	540,371	642,031	528,000	774,500 *
Transfers - Out	628,694	212,214	1,051,593	1,646,086 *
Contingency	-	-	-	6,553,259 *
Unappropriated Fund Balance / Reserve	-	-	-	-
Total Non-Departmental	**1,169,065**	**854,245**	**1,579,593**	**8,973,845**
Total Expenditures	**13,841,290**	**14,207,475**	**18,081,500**	**27,151,674**
Excess or Deficiency	750,410	1,304,720	730,683	(8,093,587)
Plus: Contingency/Reserves	-	-	-	6,553,259
Total Excess / (Deficiency)	**750,410**	**1,304,720**	**730,683**	**(1,540,328)**
Changes in Fund Balance *(the cash available at the end of the fiscal year)*				
Beginning Fund Balance	5,307,774	6,058,184	7,362,904	8,093,587
Revenues Over/(Under) Expenditures	750,410	1,304,720	730,683	(1,540,328)
Ending Fund Balance	**6,058,184**	**7,362,904**	**8,093,587**	**6,553,259**

* Denotes budget appropriation level

General Fund – Revenues

Overview & Highlights

All District revenues, other than those that are directly related to expenditures such as the issuance of debt, are reported in the General Fund. Major revenues are property taxes, ambulance billings and contractual services. See Revenues on page 50 for additional detail.

Property Taxes

The FY 2025/26 budget is projecting a 4.7% increase in total Assessed Valuation (AV) from the previous fiscal year, with a 95.5% collection rate. Permanent rate property tax revenues are expected to be at $9,718,000, including collections from prior years and interest. Additionally, the District expects to receive $4,045,000 from the second year of its newly approved local operating levy.

Ambulance Billings

Ambulance billing revenues have continued to increase. Therefore, the FY 2025/26 budget is projecting that revenues will grow at 4.0% to $3,444,400.

Contractual Services - City of Redmond Airport

The District estimates that contractual service revenues for staffing the airport fire station will be $884,887.

GEMT (FFS & CCO)

The District is conservatively estimating total GEMT revenues at $525,000 with $100,000 from FFS and $425,000 from CCO.

Revenues Budget Detail

Revenues	Historical Actual FY 2022/23	Historical Actual FY 2023/24	Historical Projected FY 2024/25	Prior Budget FY 2024/25	Current Proposed FY 2025/26
Property Taxes - Current	8,432,887	8,892,214	9,296,367	9,249,000	9,653,000
Property Taxes - Prior	100,391	68,129	63,422	62,500	62,500
Property Taxes - Interest	3,016	4,267	5,961	1,500	2,500
Property Taxes - Levy Current	1,289,499	1,348,384	3,871,181	3,888,000	4,037,000
Property Taxes - Levy Prior	12,493	9,302	9,374	10,000	8,000
Ambulance Billings	2,935,747	3,211,007	3,326,338	3,186,560	3,459,400
Rescue Billing	-	2,107	1,943	-	-
GEMT	617,582	614,875	591,364	375,000	525,000
Fire Med Memberships	40,837	40,964	28,215	35,000	20,000
Special Events	24,655	45,913	34,084	20,000	25,000
Ambulance Refunds	(12,707)	(30,137)	(10,713)	(35,000)	(15,000)
Interest Revenue	225,352	419,897	425,000	155,000	300,000
Conflagration	78,422	28,048	-	25,000	25,000
Training Revenue	-	5,600	-	-	-
Contractual Services - Airport	633,226	722,129	758,706	758,706	884,887
Training Center Rental Fees	89,700	-	16,800	16,800	16,800
Fire & Life Safety - Inspectio	-	2,945	2,925	-	2,500
Fire & Life Safety - Permits	825	775	2,375	1,000	2,000
Fire & Life Safety - Reviews	-	550	22,905	-	15,000
Fire & Life Safety - Violation	-	-	1,300	-	1,000
Reports, Records, Address Sign	799	993	1,359	500	500
Collections	8,984	12,035	4,993	7,500	3,000
Refunds / Reimbursements	768	21,161	6,600	1,000	5,000
Insurance Dividends & Reimb	68,138	77,416	249,416	20,000	25,000
Non-Federal Grants	40,000	9,000	75,000	-	-
Private Source / Donations	-	2,221	21,596	-	-
Sale of Property	185	1,330	4,164	-	-
Room Rental Fees	-	-	50	-	-
Miscellaneous	902	1,071	1,459	-	-
Beginning Fund Balance	5,307,774	6,058,184	7,362,904	7,362,904	8,093,587
Revenue Total	**19,899,474**	**21,570,379**	**26,175,087**	**25,140,970**	**27,151,674**

General Fund – Administration

Overview & Highlights

The Administration cost center is managed by the fire chief. There are six full-time positions funded through the administration cost center. This cost center remained relatively consistent with the prior year's budget and projected expenditures.

Personnel Services

There are 6.0 employees funded in this cost center including their salaries and benefits. Personnel costs are anticipated to decrease slightly from the prior year's budget of $1,248,279 to $1,137,396, mostly due to hiring a payroll/human resources specialist instead of a chief financial officer. Additional funds for consulting services are budgeted in Materials & Services.

Materials & Services

Materials and services for this cost center are anticipated to increase from the prior year and total $447,396. With the exception of the items mentioned below, all other costs are expected to remain relatively stable. Items to note are:

- Consulting – Increased from $50,000 to $89,500 for contributions to the Central Oregon Intergovernmental Council for the District's share of funding for the CORE3 project (CORE3 will be a dedicated, multi-agency coordination center and collaborative training facility for local, state, and federal public safety and emergency management personnel located in Redmond), along with funds for outside chief financial officer and other consulting fees.

- IT Software/Maintenance – Increased to a budgeted $91,000 due to general increase in IT costs for existing services along with new services such as Lexipol, a policy management software, that began in FY 2024/25. Also includes $35,000 for a one-time upgrade cost to enhance existing Microsoft programs.

- Election expenses – Expenditures are expected to decrease $7,500 as the FY 2025/26 fiscal year will only have elections for Board member positions that expire or become open during the fiscal year.

- Admin Training & Travel – Budget increased to $23,000 to ensure sufficient resources are available for the growth and development of current and new staff.

Administration Budget Detail

Administration	Historical Actual FY 2022/23	Historical Actual FY 2023/24	Historical Projected FY 2024/25	Prior Budget FY 2024/25	Current Proposed FY 2025/26
Personnel Services					
Regular Pay	440,362	519,090	595,458	759,371	660,673
Regular Pay - Board	2,600	3,000	2,842	3,000	3,000
Overtime	173	-	-	-	-
Wellness Bonus	-	-	-	3,600	3,600
Vacation Buy Back	21,498	4,017	12,358	40,000	30,000
Special Pay (Assignment, FTO)	633	3,000	-	3,000	-
Employer Social Security	28,301	32,155	37,614	50,156	43,231
Employer Medicare	6,619	7,520	8,761	11,732	10,111
OR Workers Benefit Fund Tax	96	88	78	170	170
Paid Leave Oregon	-	1,905	2,759	3,236	4,672
Employer PERS	96,364	119,353	143,454	214,297	212,003
Medical Insurance	79,677	77,438	86,484	101,028	114,655
Employer Deferred Comp	7,725	6,313	16,642	19,614	17,506
Life Insurance	94	86	341	156	156
Long Term Disability	1,233	1,156	1,949	1,644	1,644
Accidental D&D	416	416	674	374	374
Workers Comp	2,204	(374)	2,028	2,000	2,000
FSA	232	241	232	236	236
EAP	131	-	157	120	120
PEHP	6,408	6,820	7,128	7,920	7,920
VEBA	16,625	18,084	21,600	24,000	24,000
Air & Ground Transport Mbrshp	1,100	460	789	625	1,325
Personnel Services Total	**712,490**	**800,768**	**941,348**	**1,246,279**	**1,137,396**
Materials & Services					
Uniforms	1,075	1,924	653	5,000	5,000
Office Supplies	6,385	5,126	6,737	7,500	8,000
Operating Supplies	32	-	-	-	-
Postage	2,668	3,190	4,467	3,500	5,000
Printing	760	914	901	1,200	1,500
Election Expenses	6,669	74,096	-	20,000	7,500
Directors	1,592	5,465	4,375	6,500	6,500
Consulting	239,542	142,608	74,733	50,000	89,500
Contract Services	13,637	23,989	22,581	24,000	20,100
IT Software/Maintenance	25,961	31,329	54,355	40,449	91,000
IT Hardware & Supplies	376	1,249	225	2,000	5,000
Addressing	269	199	304	500	500
Reserves / Volunteers	300	-	-	-	-
Volunteer Scholarships	10,500	-	-	-	-
Audit	14,195	16,695	23,063	21,000	21,000
Legal	5,310	10,690	21,894	10,000	13,000
Insurance	33,171	39,036	55,855	50,000	53,500
Advertising/Promotion	3,020	3,320	2,188	-	4,000
Bank & Credit Card Fees	14,104	15,806	18,593	20,000	20,000
Admin Training & Travel	3,993	6,870	15,806	15,000	23,000
Peer Support Training	-	-	-	10,000	10,000
Subscrip, Memberships, Dues	7,815	6,985	12,484	10,200	11,500
Small Tools & Work Equipment	76	265	5	1,000	500
Meetings/Meals	1,564	3,887	1,949	2,000	2,000
Wellness / Fitness	4,700	9	4,781	22,500	22,500
Employee / Volunteer Recogn	7,646	6,009	5,724	20,300	20,300
Equipment Rental / Maint	5,119	5,212	4,967	5,500	5,500
Miscellaneous	603	1,108	844	996	996
Materials & Services Total	**411,083**	**405,981**	**337,483**	**349,145**	**447,396**
Administration Total	**1,123,573**	**1,206,749**	**1,278,831**	**1,595,424**	**1,584,792**

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General Fund – Fire & Rescue Operations

Overview & Highlights

The Fire & Rescue Operations cost center is managed by the deputy fire chief. It contains the necessary line items to support all aspects of fire and rescue services except for training costs. This cost center includes personnel services and materials & services. Personnel services were discussed in the budget overview. The total budget is consistent with the prior year.

Personnel Services

There are currently 57.0 employees funded in this cost center including their salary and benefits. There is one deputy fire chief, three battalion chiefs, nine captains, eighteen engineers, and 26 firefighters. All full-time employees in this cost center are also paramedics. This is consistent staffing with the prior year with the exception of the six firefighters that were hired throughout the prior fiscal year.

The total Personnel Services budget is increasing from $11,602,941 in FY 2024/25 to $12,499,149 FY 2025/26. Items to note are:

- The budget includes scheduled step increases along with cost of living adjustments of 4% effective July 1, 2025.
- The budget includes a full twelve months of wages and benefits for the six employees hired throughout FY 2024/25, which averaged about six months of employment due to hiring in two groups; one in fall 2024 and one in spring 2025.
- Medical insurance is expected to increase from $1,047,861 to $1,124,361 due to the addition of staff as well as a 6% increase in premiums.
- PERS is expected to increase from $2,169,026 to $2,557,598. These increases are mostly related to the general increase in PERS rates which averaged 15.91% across all tiers along with an increase in wages.
- Workers' compensation is expected to increase from a budget of $365,484 to $364,000 based upon estimates from the District's insurance agent which is based on industry wide rates and the District's own usage, in addition to the addition of staff.

Materials & Services

Total expenditures for materials and services for this cost center are anticipated to remain consistent from the prior year budget of $443,050 to $451,255. Items to note are:

- Uniforms have decreased from the prior budget of $95,000 to $60,000 as the prior year budget included additional unform costs to outfit the newly hired staff.

- Personal Protective Equipment (PPE) – Includes $130,000 for scheduled turnout replacements and boots, along with other protective equipment.

- Fire Training & Travel – Expenditures of $45,000 have been budgeted for FY 2025/26 for training and the setup of a Peer Support program within the division.

- Hose and Ladders – Expenditures increase from $13,000 to $33,000 for the anticipated replacement of large quantities of hose.

- ARFF – Budgeting kept at $40,000 for costs associated with travel and training. Additionally, $15,000 is budgeted for overtime for training, but that resides within the personnel section. These costs are reimbursed by the City of Redmond through the ARFF contract.

- Wellness/Fitness – Budget of $50,000 includes annual physicals, hearing tests, and physical assessments.

Caption: Redmond Firefighters pose together after a training exercise.

Fire & Rescue Operations Budget Detail

Fire & Rescue Operations	Historical Actual FY 2022/23	Historical Actual FY 2023/24	Historical Projected FY 2024/25	Prior Budget FY 2024/25	Current Proposed FY 2025/26
Personnel Services					
Regular Pay	4,262,635	4,641,748	5,565,893	5,666,748	6,194,095
Overtime - Suppression	523,951	738,873	1,059,528	908,332	790,000
Conflagration Wages	33,055	9,033	45,354	25,000	25,000
Wellness Bonus	7,550	7,460	699	33,000	34,200
Vacation Buy Back	66,542	36,802	56,777	248,450	103,000
Special Purpose Wages	34,400	-	70,000	75,000	5,000
FLSA	41,670	37,611	40,649	41,600	44,800
Acting in Capacity	8,944	10,257	21,330	25,500	28,560
Special Pay (Assignment, FTO)	7,629	2,917	16,927	16,250	15,400
Employer Social Security	305,496	336,911	424,624	427,262	448,881
Employer Medicare	71,447	78,797	99,307	99,921	104,980
OR Workers Benefit Fund Tax	1,788	1,777	1,179	1,780	1,856
Paid Leave Oregon	-	21,587	29,689	27,563	48,516
Employer PERS	1,417,783	1,718,067	2,142,650	2,169,026	2,557,598
Medical Insurance	839,503	902,541	1,073,556	1,047,861	1,124,361
Employer Deferred Comp	21,625	25,300	118,310	119,917	131,871
Life Insurance	1,276	1,120	3,617	1,395	1,482
Long Term Disability	13,242	11,620	17,731	14,705	15,618
Accidental D&D	3,044	3,001	5,229	3,345	3,616
Workers Comp	189,517	219,473	363,281	365,484	522,000
FSA	792	1,170	971	890	962
EAP	917	-	-	1,020	1,140
PEHP	63,800	67,430	70,224	70,840	75,240
VEBA	157,042	171,002	195,498	211,167	213,000
MERP	1,000	-	-	-	-
Air & Ground Transport Mbrshp	4,945	5,585	-	-	7,125
Exposure Reporting System	690	750	152	885	840
Personnel Services Total	**8,080,282**	**9,050,832**	**11,423,177**	**11,602,941**	**12,499,141**
Materials & Services					
Uniforms	64,478	44,873	65,396	95,000	60,000
Office Supplies	172	42	-	500	500
Safety Supplies	463	-	-	-	-
Operating Supplies	4,071	3,388	1,247	6,000	2,000
Personal Protective Equipment	141,129	79,020	139,968	105,000	130,000
Postage	32	-	323	-	500
Consulting	-	-	9,800	-	10,000
Contract Services	103,580	5,558	11,259	1,950	4,300
IT Software/Maintenance	18,790	22,966	30,355	20,000	30,155
Unemployment Benefit Pmts	698	-	-	-	-
IT Hardware & Supplies	3,239	-	4,810	4,000	5,000
Legal	921	9,829	-	30,000	10,000
Advertising/Promotion	2,012	-	819	1,500	1,500
Subscrip, Memberships, Dues	1,733	519	1,198	2,500	2,000
Hose and Ladders	21,262	38,882	14,767	13,000	33,000
Small Tools & Work Equipment	46,256	23,484	27,931	35,000	35,000
ARFF	11,656	29,002	35,820	40,000	40,000
Firefighting Foam / Extinguish	7,920	8,895	10,870	10,000	10,000
Meetings/Meals	2,377	1,394	3,391	2,000	2,500
Equipment Maintenance	5,054	5,033	6,397	9,000	7,000
Wildland Supplies	12,352	10,134	13,790	15,000	15,000
Wellness / Fitness	24,449	33,251	43,649	50,000	50,000
Licenses & Permits	273	-	149	-	-
Employee / Volunteer Recogn	5,620	52	-	2,600	2,800
Materials & Services Total	**478,537**	**316,323**	**421,938**	**443,050**	**451,255**
Fire & Rescue Ops Total	**8,558,819**	**9,367,155**	**11,845,115**	**12,045,991**	**12,950,396**

General Fund – Fire & Rescue Training

Overview & Highlights

The Fire & Rescue Training cost center is managed by the deputy fire chief with assistance from the Training Captain. It contains the necessary line items to support training for fire and rescue services. This cost center includes personnel services and materials & services. Personnel services were discussed in the budget overview.

Personnel Services

There is 1.0 employee funded in this cost center including their salary and benefits, plus the wages for overtime incurred for training. The total costs are consistent with the prior budget. The overtime could be to send staff to required training or operate an on-site academy for new hires.

Materials & Services

Total expenditures for materials and services for this cost center are anticipated to decrease from the prior year budget of $231,000 to $149,115. Items to note are:

- Facility maintenance is expected to decrease from a budget of $90,000 to $7,500 as the prior budget included significant tenant improvements to the training center as required by the contract with the City of Redmond. This contractual investment has been met and the District expects only typical facility maintenance costs to be incurred.

- Fire Training/Travel – Also remaining at $51,500 to align with past expenditures and allow for increased costs of training materials and small tools.

- Small Tools & Work Equipment – Decreasing slightly to $8,000 to maintain the tools and equipment for training, which could also be utilized by operations staff in case front line equipment is not available.

- Lease – Property/Equipment – Budget continues to include the lease paid to the City of Redmond for use of property which is used as the District’s training center. The lease payments will be offset with payments made under an Intergovernmental Agreement with the State of Oregon Department of Public Safety Standards and Training to share the costs of the Training Center.

Fire & Rescue Training Budget Detail

Fire & Rescue Training	Historical Actual FY 2022/23	Historical Actual FY 2023/24	Historical Projected FY 2024/25	Prior Budget FY 2024/25	Current Proposed FY 2025/26
Personnel Services					
Regular Pay	203,834	108,843	135,678	129,000	134,148
Overtime	38,804	21,711	29,705	35,000	5,000
Wellness Bonus	-	-	-	600	600
Vacation Buy Back	1,611	-	-	2,500	2,000
Employer Social Security	14,497	6,761	8,943	10,360	8,788
Employer Medicare	3,390	1,581	2,092	2,423	2,055
OR Workers Benefit Fund Tax	64	22	19	55	55
Paid Leave Oregon	-	431	601	668	950
Employer PERS	51,140	33,257	43,841	50,397	48,577
Medical Insurance	39,404	16,237	17,320	17,369	18,368
Employer Deferred Comp	875	500	3,594	3,507	3,647
Life Insurance	26	22	69	26	26
Long Term Disability	270	228	360	274	274
Accidental D&D	62	61	104	62	62
Workers Comp	9,028	7,292	8,034	8,000	11,000
FSA	40	34	46	55	55
EAP	19	-	-	20	20
PEHP	2,530	1,320	1,320	1,320	1,320
VEBA	9,417	3,500	4,000	4,000	4,000
Air & Ground Transport Mbrshp	115	115	-	-	125
Exposure Reporting System	15	15	19	15	15
Personnel Services Total	**375,141**	**201,930**	**255,745**	**265,651**	**241,085**
Materials & Services					
Station Supplies	50	847	613	-	1,000
Station Furnishing	-	5,656	-	-	2,500
Uniforms	392	135	76	500	500
Office Supplies	373	860	604	1,000	1,000
Operating Supplies	702	1,941	618	1,600	1,600
Postage	392	-	103	300	250
Consulting	1,200	863	-	2,000	2,000
Contract Services	603	-	-	525	500
IT Software/Maintenance	3,723	540	6,360	1,600	5,165
Water / Sewer	1,624	1,596	1,725	2,200	2,200
Utility Electric	3,409	4,469	6,239	5,500	5,500
Utility Propane / Natural Gas	6,831	5,577	6,114	8,800	6,500
Garbage Collection	966	1,236	572	1,650	1,500
Phone / Cable / Internet	648	1,058	-	825	650
Facility Maintenance	68	6,001	70,270	90,000	7,500
IT Hardware & Supplies	7,643	2,988	252	3,800	3,000
Legal	122	-	4,197	-	-
Fire Training & Travel	47,611	45,627	24,624	55,000	51,500
Fire Training Materials	10,347	8,308	11,816	7,500	11,000
Small Tools & Work Equipment	6,924	14,791	3,848	13,000	8,000
Radios	1,140	-	-	-	-
Meetings/Meals	985	2,144	341	200	200
Equipment Maintenance	1,102	-	-	-	500
Wellness / Fitness	354	-	-	1,000	1,000
Employee / Volunteer Recogn	-	-	-	-	50
Lease - Property/Equipment	450	19,869	33,789	34,000	35,500
Materials & Services Total	**97,661**	**124,506**	**172,160**	**231,000**	**149,115**
Fire & Rescue Training	**472,802**	**326,437**	**427,905**	**496,651**	**390,200**

General Fund - EMS Operations

Overview & Highlights

The Emergency Medical Services (EMS) Operations cost center is managed by the deputy fire chief with assistance from the EMS Captain. It contains the necessary line items to support all aspects of EMS service delivery. This cost center includes personnel services and materials & services. Costs are consistent with the prior year's projections and budget.

Personnel Services

There are 7.0 employees funded in this cost center including their salary and benefits. There is one captain, one paramedic, and five EMTs. Items to note are:

- The total personnel budget is expected to decrease from $1,221,899 to $1,154,562 primarily due to the balancing of EMS personnel through one EMT position transitioning to a firefighter/paramedic.

- The budget includes scheduled step increases along with cost of living adjustments of 4% effective July 1, 2025.

- Medical insurance is expected to increase from $135,565 to $143,329 mostly due to the 6% increase in premiums.

Materials & Services

Materials and services for this cost center are anticipated to increase from the prior year. Items to note are:

- Medical Supplies /Equipment – Increasing budget to $215,000 to account for rising costs.

- GEMT Fee & Match – Budgeted $173,250 for the required approximately 30-35% State fee assessed for participation in the GEMT program.

- External Equipment Maintenance – Budget of $44,000 includes preventative maintenance contracts on LifePak15s, Lucas3s, autoloaders and gurneys. These are ongoing costs that extend the life and operability of these critical medical devices.

- EMS Licenses – Decreasing from $12,000 to $2,500 as staff medic license renewals are on a two-year cycle; therefore, every other budget year will see a larger amount. Ambulance licenses are annual.

EMS Operations Budget Detail

EMS Operations	Historical Actual FY 2022/23	Historical Actual FY 2023/24	Historical Projected FY 2024/25	Prior Budget FY 2024/25	Current Proposed FY 2025/26
Personnel Services					
Regular Pay	345,681	334,379	408,109	443,852	415,716
Overtime - EMS	191,104	148,304	222,898	287,162	246,523
Wellness Bonus	659	1,990	83	4,200	4,200
Vacation Buy Back	8,112	-	2,594	10,000	7,000
Special Purpose Wages	5,131	-	-	-	-
Special Pay (Assignment, FTO)	1,368	988	2,865	271	-
Employer Social Security	33,687	29,796	39,164	46,218	41,752
Employer Medicare	7,878	6,968	9,160	10,812	9,763
OR Workers Benefit Fund Tax	303	240	192	224	224
Paid Leave Oregon	-	1,909	2,657	2,980	4,514
Employer PERS	118,846	119,418	154,559	195,694	202,770
Medical Insurance	120,570	98,303	135,994	135,565	143,329
Employer Deferred Comp	250	-	4,295	7,893	8,208
Life Insurance	177	132	580	208	182
Long Term Disability	2,022	1,532	1,884	2,192	1,918
Accidental D&D	612	596	965	499	439
Workers Comp	21,084	23,413	29,154	31,000	28,000
FSA	192	168	189	164	164
EAP	187	-	-	160	140
PEHP	13,152	10,230	10,032	10,560	9,240
VEBA	26,250	23,625	28,400	32,000	29,500
Air & Ground Transport Mbrshp	1,150	805	158	125	875
Exposure Reporting System	150	105	928	120	105
Personnel Services Total	**898,565**	**802,901**	**1,054,862**	**1,221,899**	**1,154,562**
Materials & Services					
Uniforms	3,539	3,646	4,607	5,000	5,000
Office Supplies	150	83	-	200	200
Safety Supplies	-	39	-	500	500
Operating Supplies	461	1,300	366	750	750
Medical Supplies	168,223	163,877	181,287	170,000	215,000
Taxi Vouchers	88	30	-	100	100
Postage	59	15	65	300	300
Contract Services	14,829	15,716	19,906	14,650	20,100
IT Software/Maintenance	19,511	10,161	21,335	18,000	25,000
Unemployment Benefit Pmts	-	5,398	-	-	-
GEMT Fee & Match	157,416	215,804	203,546	166,250	173,250
IT Hardware & Supplies	303	540	67	1,500	3,000
Legal	-	621	-	5,000	5,000
Advertising/Promotion	1,154	405	719	1,000	1,000
Collection Fees	487	246	-	500	250
EMS Training & Travel	10,506	9,405	4,936	17,350	17,350
EMS Training Materials	4,976	250	3,682	1,600	3,000
Subscrip, Memberships, Dues	900	650	250	1,770	1,300
Minor Medical Equip	35,510	5,360	17,243	5,000	15,000
Meetings/Meals	266	813	298	1,600	1,600
Equipment Maintenance	39,133	40,126	32,303	44,000	44,000
Wellness / Fitness	4,024	4,574	2,675	8,000	8,000
Licenses & Permits	10,580	2,157	12,000	12,000	2,500
Employee / Volunteer Recogn	205	-	480	450	350
Materials & Services Total	**472,321**	**481,217**	**505,765**	**475,520**	**542,550**
EMS Total	**1,370,885**	**1,284,118**	**1,560,627**	**1,697,419**	**1,697,112**

General Fund – Fire & Life Safety

Overview & Highlights

The Fire & Life Safety (FLS) cost center is managed by the fire marshal. There are two employees funded through this division. This cost center is responsible for the fire & life safety division's staff, programs and equipment. The individual expenditures from this cost center include all fire and injury prevention programs, public education, necessary equipment and supplies, uniforms and training.

Personnel Services

There are 2.0 employees funded in this cost center. The total personnel budget of $408,541 is consistent with the prior year. Items to note are:

- PERS is expected to increase from $71,548 to $81,506. These increases are mostly related to the general increase in PERS rates which averaged 15.91% across all tiers along with an increase in wages.

Materials & Services

Materials and services for this cost center are anticipated to remain consistent with the prior year. Items to note are:

- Training Materials – The budget includes $7,000 for training to maintain both employees' required training and cover additional certification costs.

- Public Education and Community Events – Maintaining outreach efforts at anticipated costs of $3,500. The prior year actual costs were significantly higher due to the Wildfire Risk Reduction grant that assisted numerous citizens with improving the defensible space of their property.

Fire & Life Safety Budget Detail

Fire & Life Safety	Historical			Prior	Current
	Actual	Actual	Projected	Budget	Proposed
	FY 2022/23	FY 2023/24	FY 2024/25	FY 2024/25	FY 2025/26
Personnel Services					
Regular Pay	177,000	173,546	221,075	234,528	235,133
Overtime	1,640	-	-	1,500	1,500
Wellness Bonus	-	189	115	1,200	1,200
Vacation Buy Back	16,218	-	-	-	-
Special Pay (Assignment, FTO)	10,000	-	-	-	-
Employer Social Security	12,472	10,664	13,576	14,709	14,745
Employer Medicare	2,917	2,494	3,175	3,440	3,448
OR Workers Benefit Fund Tax	42	34	36	46	46
Paid Leave Oregon	-	684	972	949	1,594
Employer PERS	60,948	52,299	63,301	71,548	81,506
Medical Insurance	37,289	31,322	42,031	49,580	52,418
Employer Deferred Comp	500	-	2,635	4,177	4,212
Life Insurance	42	35	139	52	52
Long Term Disability	436	353	778	548	548
Accidental D&D	121	119	208	125	124
Workers Comp	-	147	597	700	1,000
FSA	64	56	14	55	55
EAP	37	-	-	40	40
PEHP	2,200	2,090	2,640	2,640	2,640
VEBA	5,833	5,542	8,000	8,000	8,000
Air & Ground Transport Mbrshp	230	115	-	-	250
Exposure Reporting System	15	15	38	30	30
Personnel Services Total	**328,004**	**279,704**	**359,330**	**393,867**	**408,541**
Materials & Services					
Station Furnishing	180	446	-	-	-
Uniforms	623	2,842	154	2,500	2,500
Office Supplies	173	128	133	200	200
Operating Supplies	-	38	-	500	500
Contract Services	1,140	755	-	1,500	1,500
IT Software/Maintenance	6,411	7,082	5,934	7,600	6,100
IT Hardware & Supplies	2,128	103	-	-	-
Advertising/Promotion	587	405	-	-	-
FLS Training & Travel	5,068	5,585	5,932	2,500	7,000
FLS Training Materials	214	476	722	500	500
Subscrip, Memberships, Dues	2,245	1,937	2,089	1,700	2,000
Small Tools & Work Equipment	1,990	1,369	853	1,500	1,500
Meetings/Meals	169	-	138	2,000	2,000
Wellness / Fitness	94	1,610	-	2,000	2,000
Employee / Volunteer Recogn	114	175	45	100	100
Public Education	2,427	5,870	42,112	2,600	3,500
Community Events	918	2,273	3,293	2,100	2,500
Materials & Services Total	**24,481**	**31,096**	**61,406**	**27,300**	**31,900**
Fire & Life Safety Total	**352,485**	**310,800**	**420,736**	**421,167**	**440,441**

General Fund – Facilities, Vehicles & Equipment

Overview & Highlights

The Facilities, Vehicles & Equipment cost center accounts for the costs associated with the maintenance and operation of the District's facilities, vehicles, apparatus and equipment.

The District contracts with the City of Redmond to provide mechanic services for District vehicles, apparatus and some equipment. Third party vendors are utilized for maintenance of facilities and other equipment. This cost center also includes associated utilities, insurance, communication equipment, fuel and supplies.

Materials & Services

Materials and services for this cost center are anticipated to remain relatively consistent with the prior year, however most line items have been increased slightly to account for rising costs. Changes to note are:

- Contract Services – This is consistent with the prior year. The majority is an estimated $30,000 in annual contracts with Deschutes County 911 (DC911) for IT and radio/mobile equipment support services.
- IT Software/Maintenance – The District contracts with DC911 for the maintenance of mobile devices, modems, software and radios. These items are expected to cost approximately $20,000 in FY 2025/26.
- Insurance – Per estimates from the District's insurance agent, insurance premiums for property insurance are expected to be $80,000, an increase of 15% from the prior year actual costs.
- Radios – Budgeting $55,000 to continue the District's radio program where mobiles and portables are upgraded to newer technologies and an inventory of spare radios is established for use when primary units are being repaired.
- Facility Maintenance – As facilities age, additional maintenance is required therefore the District has budgeted $70,000 to cover potential repairs.
- Fuel – Expecting ongoing high costs for fuel prices. When combined with the existing call volume, the District is budgeting a fuel budget of $95,000.
- Vehicle Maintenance – Contracted – Increasing from $357,353 to an estimated $412,000. This line item accounts for the contract between the District and the City of Redmond for the use of their City vehicle maintenance shop. Like the District, the City continues to experience rising costs of personnel and materials which increases their rates assessed.

Facilities, Vehicles & Equipment Budget Detail

Facilities, Vehicles & Equip	Historical Actual FY 2022/23	Historical Actual FY 2023/24	Historical Projected FY 2024/25	Prior Budget FY 2024/25	Current Proposed FY 2025/26
Materials & Services					
Station Supplies	17,715	18,335	18,048	17,500	20,000
Station Furnishing	1,520	7,900	5,795	12,500	20,000
Operating Supplies	523	1,430	-	-	-
Contract Services	38,839	30,123	43,328	47,980	57,388
IT Software/Maintenance	36,464	14,353	44,500	47,000	48,500
Water / Sewer	7,661	7,928	6,852	9,350	9,000
Utility Electric	26,020	31,159	38,608	33,000	40,000
Utility Propane / Natural Gas	30,246	25,424	30,243	38,500	35,000
Garbage Collection	4,800	5,606	5,502	6,050	6,000
Phone / Cable / Internet	52,940	61,046	60,021	64,000	64,000
Facility Maintenance	43,514	54,283	55,419	50,000	70,000
IT Hardware & Supplies	7,883	16,096	804	3,000	3,000
Insurance	58,183	63,178	68,865	84,000	80,000
Small Tools & Work Equipment	7,395	9,570	14,761	10,000	17,500
Radios	79,392	54,236	61,163	55,000	55,000
Equipment Maintenance	6,500	4,414	2,903	7,500	7,500
Fuel	83,903	77,541	75,858	95,000	95,000
Vehicle Maint - Contracted	262,160	313,468	357,354	357,354	412,000
External Vehicle Maintenance	23,492	47,463	69,764	40,680	60,000
Wellness / Fitness Equipment	2,521	14,419	8,908	15,000	15,000
Lease - Property/Equipment	1,992	-	-	-	
Materials & Services Total	**793,662**	**857,971**	**968,693**	**993,414**	**1,114,888**
Facilities, Vhcls & Equip Total	**793,662**	**857,971**	**968,693**	**993,414**	**1,114,888**

General Fund – Non-Departmental

Overview & Highlights

The Non-Departmental section of the General Fund consists of items not directly attributed to one of the other seven cost centers. This section includes debt service, transfers, contingency and reserves.

Items to note are:

- Debt service includes principal and interest payments on existing debt; one new loan is budgeted for FY 2025/26. Debt service schedules can be found on page 109.
- Transfers Out are from the General Fund to support the Capital Projects Fund.
- Contingencies and Reserves are funded based upon the Board reserve policy described on page 94.

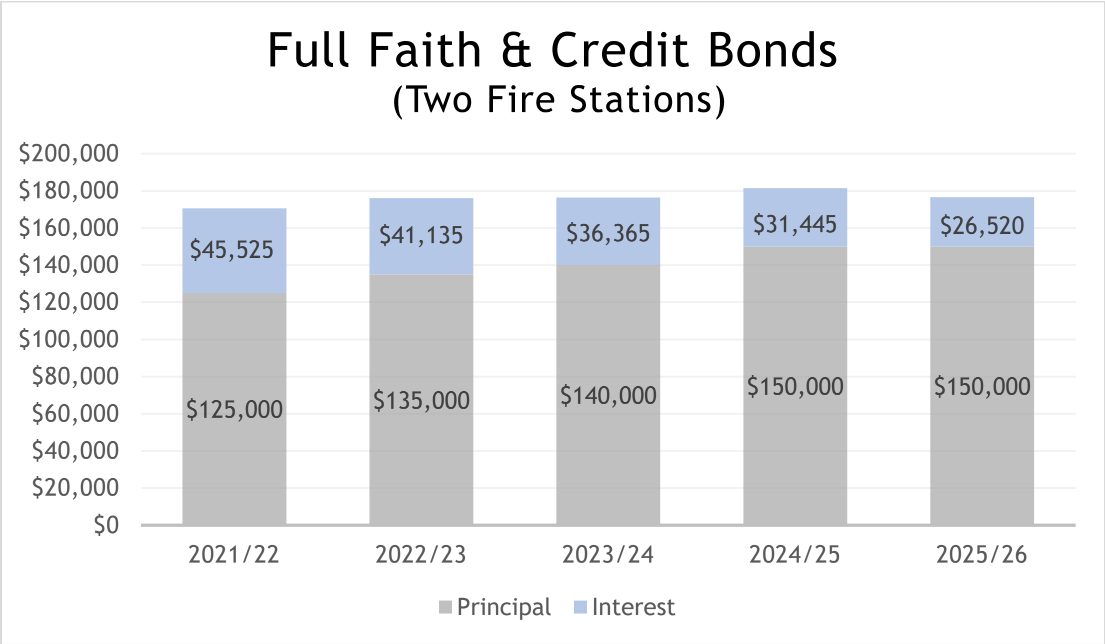
Debt Service

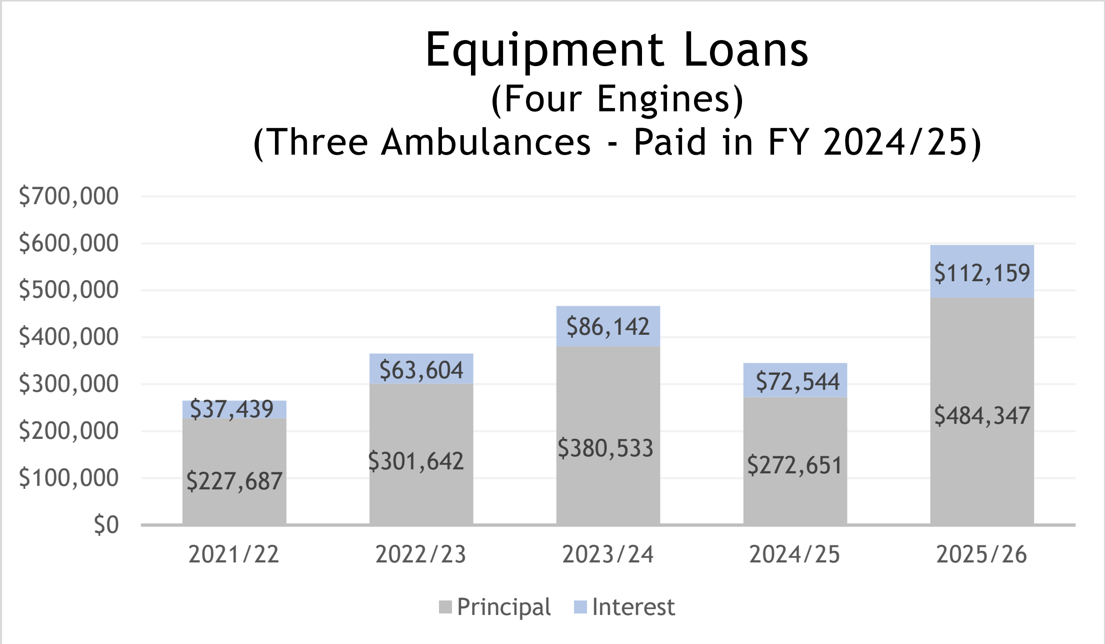
Debt Service includes repayment of principal and interest on bonds, loans and other financing agreements. Total debt service will increase from the prior year due to a new loan on a new fire engine approved in FY 2024/25. However, the maturity and payoff of three ambulance loans in FY 2023-24 partially offsets the new loan issued.

Debt service is split between principal and interest on two types of financing: full faith and credit bonds and general equipment loans. The two full faith and credit bonds are on the Terrebonne Station and the Main Station, while the loans are for four engines.

Debt Service *(continued)*

Total debt service for FY 2025/26 is anticipated to be $774,500, which has increased from the prior year due to a debt issuance for a new fire engine. The prior fiscal year saw a reduction due to the payment in full of loans on three ambulances. See below for trends on each of these segments over the past five years.





Transfers

Transfers are inter-fund and are treated as an expenditure in the giving fund and a revenue in the receiving fund. The most common transfer is from the General Fund to the Capital Projects Fund. The FY 2025/26 budget includes a transfer of $1,646,086 from the General Fund to the Capital Projects Fund to fund future reserves and current expenditures.

Contingency

Contingencies are monies set aside for unforeseen expenditures and will revert to fund balance if not used. The Board reserve policy targets a working capital (operating) contingency equal to 120 days of operations to fund cash needs. The District's number one funding source is its tax revenue which is not received until early November. Because of this, there are nearly five months of expenditures that the District must fund with existing monies or by using a tax anticipation note, which in turn increases expenditures as the note pays interest at current rates. Fully funding the contingency enhances the District's financial stability and provides a buffer against unforeseen emergencies.

The working capital contingency has been increased since FY 2018/19 to meet the 120 days of operations as set in the Board policy. The District is proud of the efforts to comply with policy and best practices. Additionally, while property taxes are received in the fall, ambulance revenue collections are nearing $200,000 per month which provides consistent cash flow to the District throughout the year. The amount of working capital contingency budgeted in FY 2025/26 is $6,553,259, or 126 days, which meets Board policy.

Reserves

Reserves represent fund balances that are not planned to be spent during the current fiscal year and will be carried over to a future fiscal year. Reserve balances in the General Fund for FY 2025/26 were combined with the contingency.

Non-Departmental Budget Detail

Non-Departmental	Historical Actual FY 2022/23	Historical Actual FY 2023/24	Historical Projected FY 2024/25	Prior Budget FY 2024/25	Current Proposed FY 2025/26
Debt Service					
Notes/Equip Lease - Principal	301,642	380,533	273,000	273,000	484,500
Notes/Equip Lease - Interest	63,629	86,168	73,000	73,000	113,300
FFCO/Bonds - Principal	135,000	140,000	150,000	150,000	150,000
FFCO/Bonds - Interest	40,100	35,330	32,000	32,000	26,700
Debt Service Total	**540,371**	**642,031**	**528,000**	**528,000**	**774,500**
Transfers					
Transfer Out - To Capital Proj	628,694	212,214	1,051,593	1,051,593	1,646,086
Transfers Total	**628,694**	**212,214**	**1,051,593**	**1,051,593**	**1,646,086**
Contingency					
Operating Contingency	-	-	-	6,211,311	6,553,259
Contingency Total	**-**	**-**	**-**	**6,211,311**	**6,553,259**
Reserve					
Operating Reserve	-	-	-	50,000	-
Workers Comp Reserve	-	-	-	50,000	-
Reserve Total	**-**	**-**	**-**	**100,000**	**-**
Non-Departmental Total	**1,169,065**	**854,245**	**1,579,593**	**7,890,904**	**8,973,845**
Total Expenditures	**13,841,290**	**14,207,475**	**18,081,500**	**25,140,970**	**27,151,674**
Net Fund Total	**6,058,184**	**7,362,904**	**8,093,587**	**-**	**-**

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Capital Projects Fund

Overview & Highlights

The Capital Projects Fund is used to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition of equipment, apparatus, vehicles, buildings, and land acquisition. Primary revenue sources are transfers from the General Fund; however the fund may also receive donations, loans, sales proceeds, or grant proceeds. The fund also maintains a reserve balance to fund future capital needs.

Revenues

The primary revenue source is the transfer from the General Fund totaling $1,646,086. The District was also awarded a $1,500,000 grant for seismic improvements at the Cline Falls Station. Additionally, the District receives periodic proceeds from the sale of equipment and grant revenues as awarded. In the prior year, the District reviewed its equipment and vehicles and disposed of unneeded items.

The District continues to apply for FEMA Assistance to Firefighters Grants (AFG) for needed equipment, such as the purchase of cardiac monitors. Absent the FEMA grant, the District will proceed with the purchase of the cardiac monitors as it is lifesaving medical equipment.

Capital Outlay

The total budget for FY 2025/26 is $2,875,000 and includes station building improvements totaling $2,000,000, $75,000 to complete the outfitting for the two new engines being received in the fiscal year, $300,000 for a new fire alerting system and $450,000 for new cardiac monitors. The District also included $50,000 for additional information technology upgrades and other items.

A capital outlay is defined as a tangible or intangible fixed asset with a value of over $5,000 that is used in operations of the District and that has an initial useful life typically extending beyond three years. Individual assets that cost less than $5,000 but that operate as part of a network system are considered capital in aggregate using the group method. Capital outlay includes administrative, fire, EMS equipment and vehicle purchases.

With the exception of the building improvements, the majority of the capital outlay items included in the FY 2025/26 budget such as the outfitting costs for the engine outfitting and the fire alerting system replacement are considered ***recurring*** purchases as they are used in daily operations and will be replaced on a regular basis according to the equipment replacement schedule. These purchases allow the District to continue to provide existing services to its constituents. The other capital outlay item for building improvements is considered a one-time upgrade to accommodate the housing needs of personnel and will be a long-term capital investment. Because all purchases in the FY 2025/26 budget are purchased without financing no significant fiscal impact will be seen in upcoming budgets.

Capital Outlay (continued)

Capital purchases include:

- The District received a $1,500,000 grant for seismic improvements at the Cline Falls Station. The District also budgeted for an additional $500,000 in remodel costs to improve the functionality of the station. All construction work will be completed at the same time.
- The District is looking forward to receiving two new engines currently being constructed. These engines have already been purchased and financed in prior fiscal years, with payment being made through debt service. Capital outlay of $75,000 in FY 2025/26 will be used to complete the outfitting of the engines so they can be placed in service in the current year.
- New cardiac monitors estimated at $450,000 are included in the budget. The District applied for a FEMA grant for these but will purchase even if the grant is not awarded.
- An additional $300,000 is budgeted for a new station alerting system which will be required to be compatible with a new system being installed by Deschutes County 911.

Capital Purchases			
Capital Item	**Category**	**Purchase Price**	**Payment**
Building Improvements	Building	$1,500,000	Grant
Building Improvements	Building	500,000	Cash
Engine Outfitting	Apparatus & Vehicles	$75,000	Cash
Station Alerting System	General Equipment	$300,000	Cash
Cardiac Monitors	Medical Equipment	$450,000	Cash
General IT Upgrades	General Equipment	$50,000	Cash
	TOTAL	**$2,875,000**	

Capital Outlay (continued)

To ensure the firefighters have the necessary equipment the District must continually prepare fiscally to upgrade when necessary. The District maintains both strategic and long-term financial plans to assist with the capital replacement plan, however the District does not have an approved capital replacement plan. The District has been working towards a plan. In FY 2022/23, the District engaged a consultant to perform a facilities and equipment assessment. The recently adopted Strategic Plan includes Goal #7: Develop a plan to procure, replace, and maintain apparatus and major capital equipment which has been identified as a priority for FY 2025/26. Once updated, the plans will be critical in identifying deferred maintenance and new capital needs in the coming years. And some capital items, such as a new fire station or ladder truck, will likely require a voter-approved capital bond to fund their acquisition.

Reserve

Reserves represent fund balances that are not planned to be spent during the current fiscal year and will be carried over to FY 2025/26 beginning fund balances. Reserve balances have increased to $2,000,000 and the District plans to purchase capital items without utilizing reserves, which are described further below.

Building Reserve
The building reserve for FY 2024/25 remains unchanged from the prior year at $1,000,000. The District dedicated $250,000 in FY 2019/20 and FY 2020/21 and $500,000 in FY 2024/25 through a budget amendment. The line item was created to reserve for major remodels to existing stations and future building projects.

Equipment Reserve
The equipment reserve for FY 2025/26 has been increased by $400,000 from the prior year and is now at $1,000,000. The District dedicated $200,000 in FY 2019/20 and $100,000 in FY 2020/21 and $300,000 in FY 2024/25 through a budget amendment. This line item was created to support future purchases of necessary equipment.

Capital Projects Fund Budget Detail

Capital Projects Fund	Historical			Prior	Current
	Actual FY 2022/23	Actual FY 2023/24	Projected FY 2024/25	Budget FY 2024/25	Proposed FY 2025/26
Resources					
Non-Federal Grants	-	-	49,876	-	1,500,000
Bond / Note Sale	1,739,100	-	1,150,000	1,150,000	-
Sale of Property	-	12,000	-	-	-
Transfers In - From General	628,694	212,214	1,051,593	1,051,593	1,646,086
Beginning Fund Balance	870,289	1,247,477	1,176,827	1,176,827	1,728,914
Resources Total	**3,238,083**	**1,471,691**	**3,428,296**	**3,378,420**	**4,875,000**
Expenditures					
Capital Outlay					
Buildings & Improvements	-	-	6,789	360,000	2,000,000
Apparatus & Vehicles	1,884,773	250,190	1,551,452	1,250,000	75,000
Equipment - Fire & General	105,834	13,700	84,292	100,000	350,000
Equipment - Medical	-	30,974	32,725	40,000	450,000
Software	-	-	24,124	28,420	-
Capital Outlay Total	**1,990,606**	**294,864**	**1,699,382**	**1,778,420**	**2,875,000**
Reserve					
Building Reserve	-	-	-	1,000,000	1,000,000
Equipment Reserve	-	-	-	600,000	1,000,000
Reserve Total	**-**	**-**	**-**	**1,600,000**	**2,000,000**
Total Expenditures	**1,990,606**	**294,864**	**1,699,382**	**3,378,420**	**4,875,000**
Net Fund Total	**1,247,477**	**1,176,827**	**1,728,914**	**-**	**-**

MERRC Fund

Overview & Highlights

The Mobile Emergency Radio Responder Coverage (MERRC) Fund was created in FY 2022/23. The MERRC program allows building owners to pay a fee instead of installing and maintaining an in-building emergency radio coverage system. This provides a cost-effective, no maintenance option in lieu of installing a fixed in-building radio coverage system. The fund is used by the District exclusively to purchase, install, and maintain mobile emergency radio equipment designed to increase coverage in buildings with poor radio strength.

Revenues

Revenues in this fund are restricted for the purchase and maintenance of the equipment for the program. The revenue source is the charges for services paid by property owners wishing to participate in the program. The fee is assessed based upon the square footage of the building. The District estimates to receive $30,000 in revenues.

Capital Outlay

There is $110,000 in capital outlay in the MERRC Fund for FY 2025/26 for the purchase of radio equipment.

Contingency

The District will also keep contingency funds of $87,084.

Reserve

Reserves represent fund balances that are not planned to be spent during the current fiscal year and will be carried over to FY 2025/26 beginning fund balances. As this is a new program, reserve balances have been established at $20,000. The District will monitor the program to ensure sufficient reserves are available to maintain the program.

MERRC Fund Budget Detail

MERRC Fund	Historical Actual FY 2022/23	Historical Actual FY 2023/24	Historical Projected FY 2024/25	Prior Budget FY 2024/25	Current Proposed FY 2025/26
Resources					
MERRC Fee	75,512	52,838	70,308	-	30,000
Beginning Fund Balance	-	75,512	116,776	63,938	187,084
Resources Total	**75,512**	**128,350**	**187,084**	**63,938**	**217,084**
Expenditures					
Capital Outlay					
Equipment - Fire & General	-	11,574	-	-	110,000
Capital Outlay Total	**-**	**11,574**	**-**	**-**	**110,000**
Contingency					
Operating Contingency	-	-	-	43,938	87,084
Contingency Total	**-**	**-**	**-**	**43,938**	**87,084**
Reserve					
Equipment Reserve	-	-	-	20,000	20,000
Reserve Total	**-**	**-**	**-**	**20,000**	**20,000**
Total Expenditures	**-**	**11,574**	**-**	**63,938**	**217,084**
Net Fund Total	**75,512**	**116,776**	**187,084**	**-**	**-**

Glossary

Account – A term used to identify an individual asset, liability, expenditure control, revenue control or fund balance.

Administration – Division responsible for the performance of executive duties and District management.

Advanced Life Support (ALS) - A set of life-saving protocols and skills that extend Basic Life Support to further support the circulation and provide an open airway and adequate ventilation (breathing).

Appropriation – Authorization for spending a specific amount of money for a specific purpose during the fiscal year. It is based on the adopted budget, including any supplemental budgets, if any. It is presented in a resolution or ordinance adopted by the governing body. Unspent appropriations lapse at the end of each fiscal year.

Assessed Valuation (AV) – The total taxable value placed on real estate and other property as a basis for levying taxes.

Audit - Conducted by an independent Certified Public Accounting (CPA) Firm, the primary objective of an audit is to determine if the City's Financial Statements present the City's financial position fairly and results of operations are in conformity with generally accepted accounting principles.

Balanced Budget – A budget in which revenues equal expenditures for all funds presented.

Basic Life Support (BLS) - A level of medical care which is used for victims of life-threatening illnesses or injuries until they can be given full medical care at a hospital. It can be provided by trained medical personnel, including emergency medical technicians, paramedics, and by qualified bystanders

Battalion Chief – One who oversees a shift of captains, firefighters and engineers known as a company officer. Each shift has one assigned battalion chief.

Board of Directors – Elected body of officials. Each individual serves a two-year term.

Beginning Fund Balance – The life to date difference between assets and liabilities reported in a governmental fund. See Fund Balance for additional information.

Budget – A plan of financial operation embodying an estimate of proposed expenditures for a given period and proposed means of financing them for the same given period.

Budget Document - The compilation of the spending plans for the various funds, along with supporting schedules, tables and charts which, in total, comprises the annual revenue and expenditure plan.

Budget Message – A message prepared by the executive officer explaining the annual proposed budget, articulating the strategies and budget packages to achieve the District's goals, and identifying budget impacts and changes.

Budget Officer – The governing body appoints the budget officer to be responsible for the assembly of budget materials and information and for the preparation of the proposed budget. The Fire Chief is the budget officer per board policy.

Capital Asset – A tangible or intangible fixed asset with a value of over $5,000 that is used in operations of the District and that has an initial useful life typically extending beyond three years.

Capital Outlay – Expenditures for the acquisition of capital assets.

Captain – One who oversees a group of engineers and firefighters, also known as a company officer. Each shift has three assigned captains and there are two captains who work a day shift and oversee training for fire & rescue and EMS.

Collective Bargaining Agreement (CBA) – A written contract negotiated through collective bargaining for employees by a union with the management of the District that regulates the terms and conditions of employees at work. This includes regulating the wages, benefits and duties and employees and the duties and responsibilities of employers.

Contingency - The General Contingency is not a fund. It is a line item appropriation within an operating fund. Each operating fund is allowed one appropriation for a general operation contingency. The estimate for general operating contingencies is based on the assumption that in any municipal operating fund, certain unforeseen expenditures will become necessary.

Cost Center – A function or service within the General Fund with a specific focus. Also known as divisions. The District maintains seven cost centers (Administration, Fire & Rescue Operations, Fire & Rescue Training, EMS Operations, Fire & Life Safety, Facilities, Vehicles & Equipment, and Non-Departmental).

Debt – An obligation or liability resulting from the borrowing of money or from the purchase of goods and services.

Debt Limit – The maximum amount of gross or net debt that is legally permitted.

Debt Service - Interest and principal on outstanding bonds and loans due and payable during the fiscal year.

Emergency Medical Services (EMS) – A service that provides emergency medical treatment for the unexpected, sudden occurrence of a serious and urgent nature that demands immediate attention.

Emergency Medical Technician (EMT) – A person trained to give basic medical care to people who are ill before they are taken to the hospital.

Engine - A piece of apparatus that pumps water, carries ladders, hoses and medical supplies.

Engineer – One who maintains and drives the apparatus during emergency calls.

Expenses – Charges incurred, whether paid or unpaid, for operation, maintenance, interest and other charges which are to benefit the current fiscal period.

Federal Emergency Management Agency (FEMA) – A Federal agency that is an agency of the United States Department of Homeland Security. FEMA supports first responders in preparing for and recovering from disasters. FEMA makes grants available to local agencies to improve their preparedness.

FEMA Staffing for Adequate Fire and Emergency Response Grant (FEMA SAFER Grant) - A grant awarded to departments to improve or restore local fire departments' staffing and deployment capabilities so they may more effectively respond to emergencies.

FEMA Assistance to Firefighters Grant (FEMA AFG Grant) - A grant awarded to departments for critically needed resources to equip and train emergency personnel to recognized standards, enhance operations efficiencies, foster interoperability, and support community resilience.

Fire and Life Safety (FLS) – Department responsible for routine and on-going inspections, public education and fire and life safety issues.

Firefighter - Performs firefighting and rescue operations for combating, extinguishing, and prevention of fires, as well as for saving life and property. All District firefighters are Paramedics.

Fiscal Year (FY) – The time period used for the accounting and budget year. The District's fiscal year begins July 1st and ends June 30th.

Fund – A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities, that are segregated for the purpose of carrying on specific activities.

Fund Balance – The fund balance is the difference between actual revenues and expenditures at the end of the fiscal year and is added to or subtracted from the fund balance at the beginning of the year. A positive fund balance is created when revenues exceed expenditures during the year. Part of the fund balance (appropriated fund balance) is typically applied as a revenue in the following budget year.

Generally Accepted Accounting Principles (GAAP) – The conventions, rules and procedures that serve as the norm for the fair presentation of financial statements.

Government Finance Officers Association (GFOA) – An association representing public finance officers throughout the United States and Canada. Each year, the District participates in the Distinguished Budgeting Award program.

Great Recession – The sharp decline in economic activity during the late 2000s. This period is considered the most significant downturn since the Great Depression.

Ground Emergency Medical Transport (GEMT) Supplemental Payment Program – Created by Oregon House Bill 4030 (2016), the GEMT program allows for additional reimbursement to the District. The supplemental payments cover the funding gap between the District's actual costs per GEMT transport and the allowable amount received from the Oregon Health Plan (Medicaid) and any other sources of reimbursement. The program has two components, a reimbursement based upon costs incurred for fee-for-service (FFS) claims and a fixed amount paid per eligible coordinated care organization (CCO) emergency transport as determined by the state of Oregon.

Local Government Investment Pool (LGIP) – An open-ended diversified investment portfolio managed by the Oregon State Treasury that is available to all public entities of Oregon that control public funds.

Materials & Services - Expendable items such as supplies, repair and replacement parts, small tools, maintenance and repair materials, service contracts, etc. that are not considered a capital item.

Measure 5 - A constitutional limit on property taxes passed by voters in the State of Oregon in November 1990. The law sets a maximum $10 tax rate (per $1,000 of Real Market Value) on individual properties for the aggregate of all non-school taxing jurisdictions. Schools' maximum rate is limited to $5.

Measure 50 - A 1997 voter approved initiative, which rolled back assessed values to 90 percent of their levels in FY 1995/96 and limits future annual increases to 3 percent except for major improvements. Tax rates are now fixed and not subject to change. Voters may approve local initiatives above the fixed rates provided a majority approves at either (i) a general election in an even numbered year; or (ii) at any other election in which at least 50 percent registered voters cast a ballot.

Mobile Emergency Responder Radio Coverage (MERRC) Fee – An optional fee paid by building owners in lieu of installing a fixed in-building radio coverage system.

Non-Operating Budget - Part of the budget composed of the following items: interfund transfers, reserves, contingencies, capital projects and debt service payments.

Operating Budget/Costs/Expenses - Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled. Typically consists of Personnel Services and Materials & Services categories or Object Classifications.

Operating Contingency – Monies set aside to fund operations from the beginning of each fiscal year on July 1st until property tax revenues are received in November.

Operating Levy – A voter-approved tax for operating costs that is in addition to the permanent rate and is limited to five years. Upon expiration, the levy automatically ends unless voters approve another levy.

Operations – Division responsible for emergency medical treatment or fire and rescue services. The Fire & Rescue and EMS cost centers are considered Operations.

Paid Leave Oregon – A new program of the State of Oregon that ensures individuals can have paid leave annually. The program is funded by contributions on payroll.

Paramedic – A person trained to give advanced emergency medical care to people who are seriously ill with the aim of stabilizing them before they are taken to the hospital.

Permanent Tax Rate – The maximum rate of property taxes that a local government can impose. Taxes generated from the permanent rate can be used for any purpose. No action of the local government or its voters can change a permanent rate limit.

Personal Protective Equipment (PPE) – Protective clothing, helmets, goggles or other garments or equipment designed to protect the wearer's body form injury or infection.

Personnel Services - The cost of salaries and benefits associated with compensating employees for their labor, including wages, medical insurance, retirement contributions, etc.

Post Employment Health Plan - A tax-free health reimbursement plan which is used by employees and their eligible dependents to pay for eligible medical expenses after they have separated employment from Redmond Fire & Rescue.

Projection - A projection of the revenue or expenditure, as appropriate, to be recognized during the current fiscal period.

Property Taxes – Mandatory tax charged on the assessed value of real property within the District. Property tax revenues are used to finance emergency services provided to the District residents for their protection and assistance.

Public Employees Retirement System (PERS) – The retirement system for all District employees meeting eligibility requirements as set by the State of Oregon.

Public Employees Retirement System (PERS) Side Account – Side accounts are employer accounts for lump-sum deposits which reduce the contributing employer's PERS rates. Employer deposits are voluntary and irrevocable.

Real Market Value (RMV) – The amount in cash that could be reasonably be expected to be paid by an informed buyer to an informed seller.

Resource – The actual assets of the District, such as cash, receivables, land, buildings, etc.

Revenue – The income of the District from sources for the payment of District expenses.

Self-Contained Breathing Apparatus (SCBA) – A device worn by rescue workers to provide breathable air when air quality is dangerous to life or health.

Senior Staff – The District's senior staff consists of the Fire Chief, Deputy Fire Chief, Chief Financial Officer and the Human Resources/Office Administrator.

Strategic Plan - A strategic plan is a document used to communicate with the organization the organizations goals, the actions needed to achieve those goals and all the other critical elements developed during the planning exercise. Effective strategic planning articulates not only where an organization is going and the actions needed to make progress, but also how it will know if it is successful.

Suppression Staff – An employee involved in fire suppression activities. Typically, between the rank of Firefighter and Battalion Chief.

Turnouts – The structural firefighting protective garments worn by firefighters, including coat and pants.

Unappropriated Reserve - An account which records a portion of the fund balance. It must be segregated for future use and is not available for expenditure without approval of the Fire Board.

VEBA (Voluntary Employees' Beneficiary Association) – A tax-free health reimbursement plan which is used by employees and their eligible dependents to pay for eligible medical expenses.

Wellness Incentives – Amounts paid to employees for participation in approved wellness activities, such as swimming, running, and weightlifting, on personal time.

Appendix

Debt Schedules

	FFCO/Bonds					
	Issue Date:		11/13/2012	Issue Date:		7/25/2006
	Issue Amount:		1,540,000	Issue Amount:		935,000
	Main Station			Terrebonne Station		
	Principal	Interest	Total	Principal	Interest	Total
FY26	**100,000**	**10,825**	**110,825**	**50,000**	**15,695**	**65,695**
FY27	100,000	8,200	108,200	50,000	13,395	63,395
FY28	105,000	4,200	109,200	55,000	11,045	66,045
FY29	-	-	-	55,000	8,460	63,460
FY30	-	-	-	60,000	5,875	65,875
FY31	-	-	-	65,000	3,055	68,055
FY32	-	-	-	-	-	-
FY33	-	-	-	-	-	-
	305,000	**23,225**	**328,225**	**335,000**	**57,525**	**392,525**

Debt Schedules *(continued)*

	Loans					
	Issue Date:		12/8/2015	Issue Date:		6/18/2021
	Issue Amount:		498,807	Issue Amount:		416,566
	2015 Pierce Engine			2021 Pierce Type 3		
	Principal	Interest	Total	Principal	Interest	Total
FY26	**35,478**	**9,543**	**45,020**	**86,594**	**1,275**	**87,869**
FY27	36,915	8,106	45,020	-	-	-
FY28	38,410	6,611	45,020	-	-	-
FY29	39,965	5,055	45,020	-	-	-
FY30	41,584	3,436	45,020	-	-	-
FY31	43,268	1,752	45,020	-	-	-
FY32	-	-	-	-	-	-
FY33	-	-	-	-	-	-
	235,619	**34,503**	**270,121**	**86,594**	**1,275**	**87,869**

	Loans					
	Issue Date:		8/16/2022	Issue Date:		4/1/2025
	Issue Amount:		1,739,100	Issue Amount:		1,111,197
	2023 Pierce Engines (2)			2025 Pierce Engine		
	Principal	Interest	Total	Principal	Interest	Total
FY26	**159,777**	**52,528**	**212,305**	**202,498**	**48,813**	**251,311**
FY27	166,166	46,138	212,305	211,920	39,391	251,311
FY28	172,812	39,493	212,305	221,780	29,530	251,311
FY29	179,723	32,582	212,305	232,100	19,211	251,311
FY30	186,910	25,395	212,305	242,899	8,412	251,311
FY31	194,385	17,920	212,305	-	-	-
FY32	202,159	10,146	212,305	-	-	-
FY33	104,092	2,061	106,152	-	-	-
	1,366,024	**226,263**	**1,592,287**	**1,111,197**	**145,357**	**1,256,554**

Debt Schedules *(continued)*

	FFCO/Bonds			Loans			COMBINED TOTAL		
	TOTAL			TOTAL			COMBINED TOTAL		
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
FY26	**150,000**	**26,520**	**176,520**	**484,347**	**112,159**	**596,505**	**634,347**	**138,679**	**773,026**
FY27	150,000	21,595	171,595	415,001	93,635	508,636	565,001	115,230	680,231
FY28	160,000	15,245	175,245	433,002	75,634	508,636	593,002	90,879	683,881
FY29	55,000	8,460	63,460	451,788	56,848	508,636	506,788	65,308	572,096
FY30	60,000	5,875	65,875	471,393	37,243	508,636	531,393	43,118	574,511
FY31	65,000	3,055	68,055	237,653	19,672	257,325	302,653	22,727	325,380
FY32	-	-	-	202,159	10,146	212,305	202,159	10,146	212,305
FY33	-	-	-	104,092	2,061	106,152	104,092	2,061	106,153
	790,000	**112,195**	**902,195**	**2,799,435**	**407,398**	**3,206,832**	**3,439,435**	**488,148**	**3,927,583**

Budget Forms

[Reserved for future forms and information completed after adoption]