Redmond Fire & Rescue

2019/20 Adopted Budget

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Redmond, OR 97756

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www.redmondfireandrescue.org

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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 1, 2018

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, 2018. 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**
Carroll Penhollow, President	*June 30, 2019*
Carrol McIntosh	*June 30, 2021*
Ken Kerfoot	*June 30, 2021*
Gary Ollerenshaw	*June 30, 2021*
Craig Unger	*June 30, 2019*

BUDGET COMMITTEE	**Term Expires**
Chris Earnest	*June 30, 2019*
Evan Dickens	*June 30, 2019*
Sharon Harris	*June 30, 2019*
Jack Hoxie	*June 30, 2020*
Kathleen Kuper	*June 30, 2020*

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

Ken Kehmna, Fire Chief	Serving since 2018
Jeff Puller, Deputy Fire Chief	Serving since 1998
Doug Kelly, EMS Division Chief	Serving since 2007
Traci Cooper, Fire Marshal	Serving since 2003
Jodi Burch, Chief Financial Officer	Serving since 2019
Diane Cox, Office Administrator	Serving since 2013

District Vision & Mission

Priorities

Respond to calls safely and efficiently.

Train to a high level of job proficiency.

Maintain a high level of mental and physical fitness.

Communicate effectively.

Credo

We are professionals.

People trust us to serve them.

We are always on stage.

We will make our actions applaudable.

Risk Statement

We respond to emergencies believing we can make a bad situation better.

We will not make a bad situation worse by risking our lives to protect lives and/or property that are manifestly lost.

With calculated consideration, we will jeopardize our safety to protect savable property.

If necessary, we will risk our lives to protect the life of a fellow human being.

Vision

"We will provide modern and advanced services."

Mission

"We will serve with excellence, make bad situations better, prevent fires and injuries while being fiscally responsible."

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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 a privilege to submit Redmond Fire & Rescue's ***adopted*** budget for FY 2019/20. Our priority with this budget is to be fiscally responsible while providing the highest quality Fire Suppression, Emergency Medical Services (EMS), Fire Prevention, and Fire Code Enforcement possible.

Entering fiscal year (FY) 2019/20, the District has a workforce of 59 employees and a total budget of about $10,500,000, excluding transfers, contingencies and reserves. The investments and expenditures within this budget are aligned with the strategic goals of Redmond Fire & Rescue and our Board of Directors. Additional information on the Board's goals can be found starting on page 23.

Redmond Fire & Rescue is the first responder to medical emergencies in the District. Approximately 75%-80% of responses are for medical emergencies with the Emergency Medical Services (EMS) program being critical to ensuring the job is done well. The District's EMS program is primarily staffed by single-role Emergency Medical Technicians and Paramedics whose sole focus is to respond to medical emergencies throughout the District.

The City of Redmond and remainder of the District continues to see new development and a steady increase in population. As of the 2010 US Census, the City was just shy of 30,000 residents and it is projected to reach 52,000 by 2043. The proposed FY 2019/20 budget reflects a positive assessed valuation for the District which includes the cities of Redmond and Terrebonne, Eagle Crest Resort, Pronghorn Resort and surrounding areas. Therefore, while the current and most recent growth stresses our current deployment model it also provides some additional revenue to help support the District.

We have allocated funds in this budget to explore both an operating levy and a potential capital bond. Each of these requests require voter approval and will provide much needed financial support to maintain current levels of service.

There are several successes and challenges in this ***adopted*** budget.

Successes

- EMS Program: The continued support of our Advanced Life Support and Basic Life Support programs through deployment of Paramedics and Emergency Medical Technicians. This program provides the critical medical care and ambulance transportation services to our growing community through a cost-effective delivery model.

- Capital Outlay: Capital items include one new ambulance, two CPR machines which free up first responders to provide life-saving medical interventions without interrupting chest compressions, and an automatic gurney loading system.

- Medical Insurance: The District will be switching medical insurance carriers. Though the switch will result in a two percent increase in premiums, it will help the District to avoid a potential ten percent increase projected by our current carrier.

Challenges

- Increasing Call Volume: Over the past six years, the calls for service have increased nearly 30% from about 4,400 calls in 2013 to about 5,700 calls in 2018. During this same time period, the City of Redmond's population increased only 10% from 26,590 to 29,190. However, Deschutes County faced some of the state's fastest growth in its over-65 population at an increase of about 28% between 2010 and 2016. The increased need for services stresses our ability to make sure every medical emergency gets the fast, effective response our community deserves.

- Capital Apparatus and Building Replacement: In order to provide excellence in medical, fire and rescue services, the District needs vehicles, apparatus and facilities capable of meeting the mission. The District maintains both strategic and long-term financial plans to guide capital purchases. However, even with strategies in place to ensure the best possible costing and longest practical service life, a single ambulance costs over $250,000, while fire engines can be twice that and ladder trucks even more. In addition, as the population of the District grows, so does the need for an additional fire station to better serve all areas.

- Personnel Costs (Medical Insurance and PERS): The District is facing large increases in our PERS rates due to the account being underfunded at the state level. In addition, the District continues to experience market driven medical insurance premium increases each year.

- Property Tax Revenues: The District's largest source of revenue is property taxes. Property tax growth is limited by Ballot Measure 5 (1990) and Measure 50 (1997). The combined impact of both measures continues to challenge the District's ability to maintain staffing levels, add necessary technologies and enhance emergency medical services.

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.

Collaboration and Transparency

It is the District's intent to provide a transparent budgeting process with input from Citizens, Board of Directors, Budget Committee and all members of Redmond Fire & Rescue. Redmond Fire & Rescue's leadership team is always looking for creative and more efficient ways to deliver fire and emergency services to our community.

The District strives to prepare its annual budget in a manner that provides readers an understanding of all of the facets of the District's operations. The budget is designed to be a policy document, operations guide, financial plan, and a communications guide. Information on the District's plans and policies can be found on page23. Residents can be confident their tax dollars and fees are being invested in a thoughtful and measured manner to maintain Redmond Fire & Rescue's reliable delivery of emergency medical, fire & rescue services.

Acknowledgements

The preparation of the budget is a team effort. It was accomplished through the leadership of the Administration with assistance from all District staff and community volunteers who contributed to this annual effort.

Thank you for your support and dedication to Redmond Fire & Rescue.

Ken Kehmna
Fire Chief / Budget Officer

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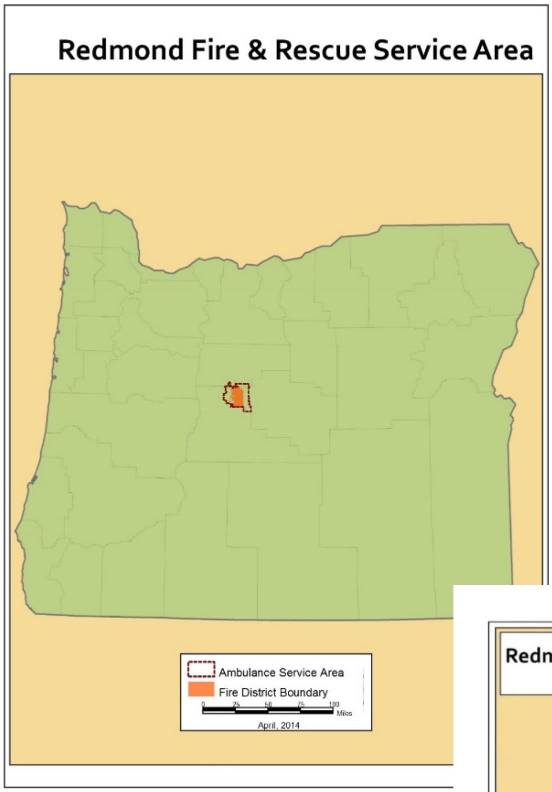
District Overview

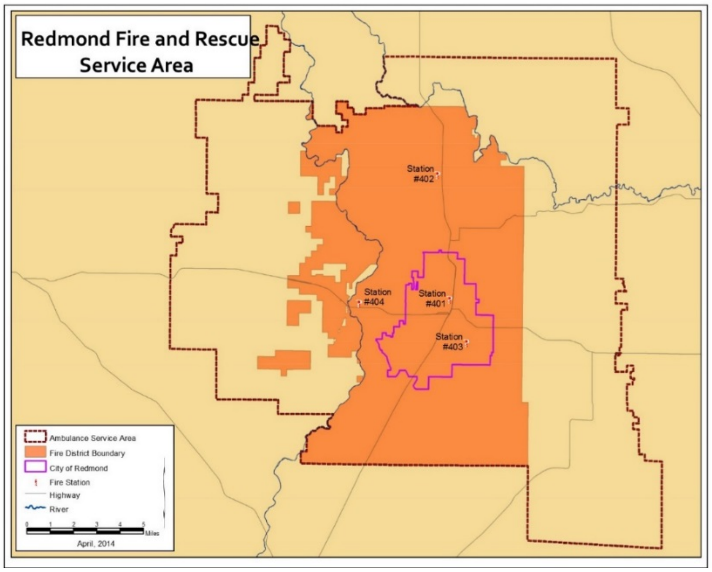
History

The District was formed in 1939. In November 2010, the City of Redmond voters approved the annexation of the City into the District boundaries.

Service Area

The area served, which includes the City of Redmond, covers 322.5 sq. miles for ambulance service area and 278.5 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

Since 2000, the number of households in the City of Redmond has grown at an average annual rate of 5.3% with approximately 52% of the residents moving to the City in the past 10 years. 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 (291 physicians per 100,000 population*).

Population projections 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			
	2016	**2017**	**2018**
Deschutes County*	176,635	182,930	188,980
City of Redmond*	27,595	28,265	29,190
Source: *Portland State University - Center of Population and Census			

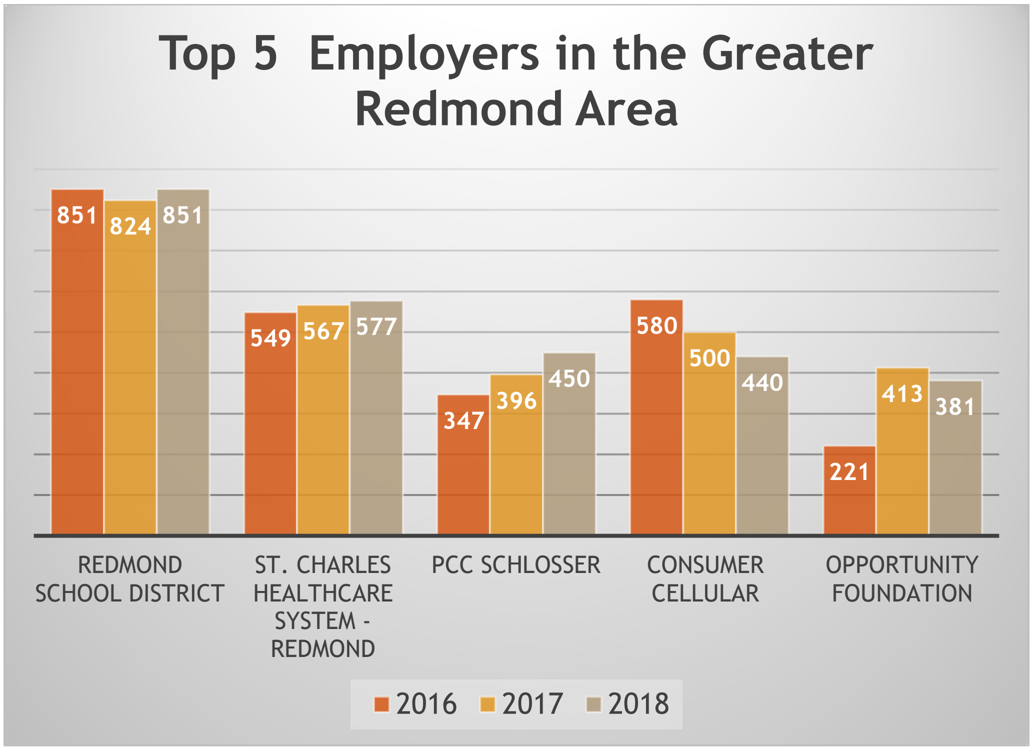
Area Amenities

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 center of activity and growth for the surrounding community. The climate is semi-arid with mean annual precipitation of only 8.64 inches. Residents enjoy a high percentage of sunny days throughout the year with four distinct seasons. 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 increase 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 manufacturing employment growing nearly 41% from 2010 – 2015, and 20-year demographic trends project an additional 8,000 new households will be added.



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 penetrates into Northern California to the south, and Highway 20/26 which originates on the Pacific Ocean and terminates at the Atlantic Ocean. Other systems in the region include the Burlington Northern Santa Fe Railway, five airlines operating out of Roberts Field airport, 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

WAL-MART STORES INC

SKYWEST AIRLINES

PACIFICORP (PP&L)

HORIZON AIR INDUSTRIES INC

FRED MEYER STORES INC

CASCADE NATURAL GAS CORP

LOWES HIW INC

LEXINGTON REDMOND LLC

TDS BAJA BROADBAND LLC

Deschutes County

Top 10 Taxpayers

Source: Deschutes Co. Assessor's Office

TDS BAJA BROADBAND, LLC

PACIFICORP (PP&L)

CENTURYLINK PROPERTY TAX

CASCADE NATURAL GAS CORP

GAS TRANSMISSION NORTHWEST

TOUCHMARK AT MT BACHELOR VILLAGE

SUTERRA LLC

CVSC LLC

DESCHUTES BREWERY INC

WAL-MART STORES INC

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Organization & Services

Redmond Fire & Rescue

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. 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

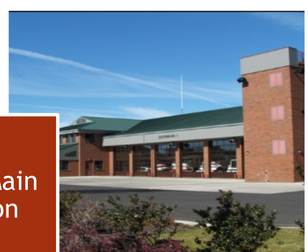
Personnel and Stations

The District has a total full-time employee count of 59, which is the total of full-time and part-time employees. 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 a mixture of full- and part-time emergency medical technicians (EMTs).

In addition, the District has up to six Student Volunteers each year. These prospective students go through an application process and then a thorough background evaluation. Student Volunteers receive no compensation for their time spent at the District, but they do receive a scholarship to cover tuition and books necessary for the attainment of their studies in Fire Science or Paramedicine at Central Oregon Community College. The scholarship requires a minimum GPA of 3.0, task performance objectives, and numerous volunteer hours to the District. Student Volunteers work alongside career firefighters to gain experience and practical skills.

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

Fire and rescue services are provided from four fire stations.



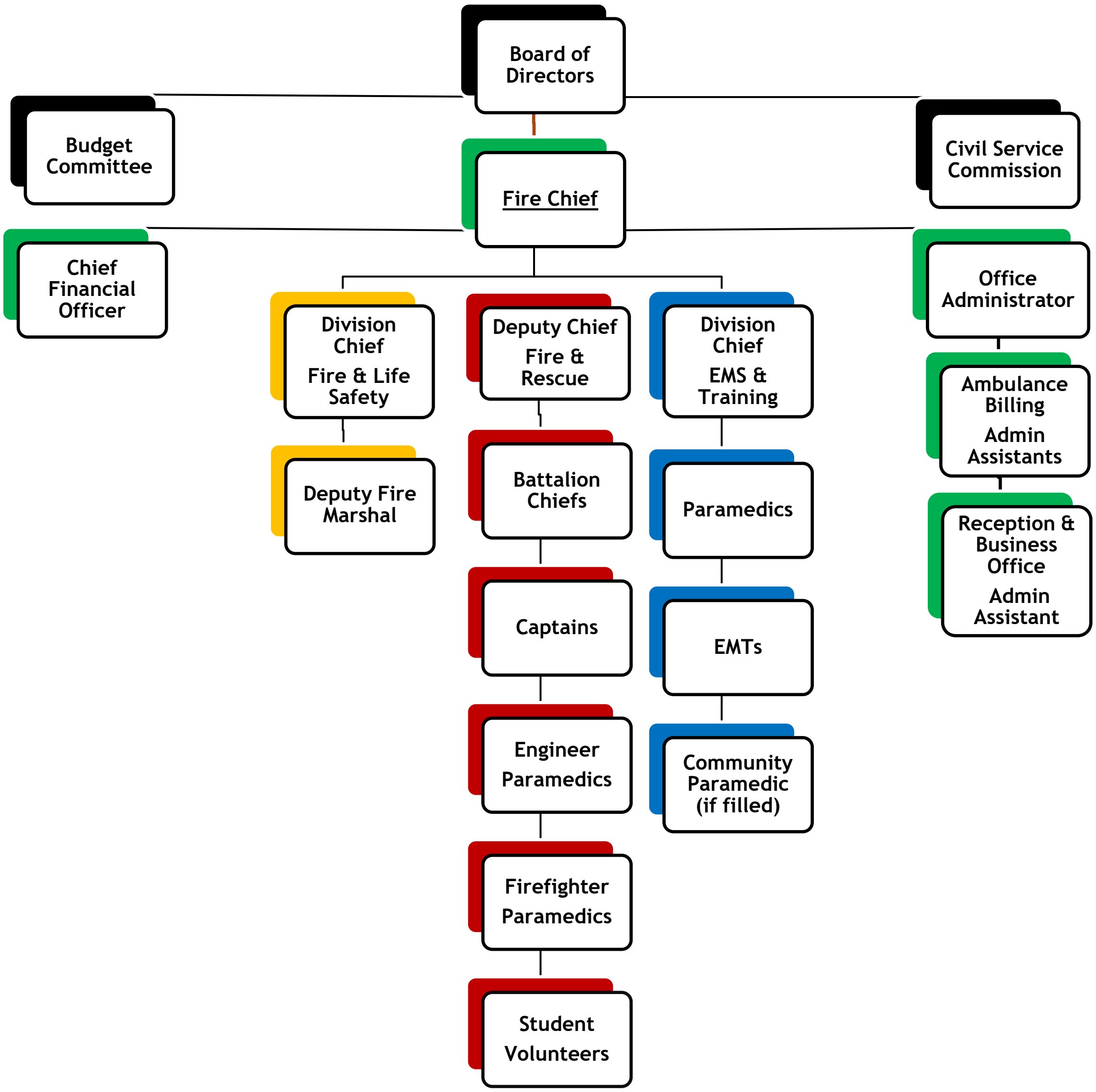
401 - Main Station

402 - Terrebonne Station

403 - Airport Station

404 - Cline Falls Station

Organizational Chart



Key:

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

Public Education & Safety

The District is committed to eliminate fire deaths and injuries through effective public education programs and information. Some District programs are listed below.

Firefighters are our Friends – Preschool/Kindergarten

Goal: The goal is to reduce fear in small children of firefighters in firefighter gear and reiterate to children that firefighters can be trusted.

Activity: Staff go into classrooms, provide education, and dress in firefighter gear. Children are observed at the final stages of the program to see if they are uncomfortable as the firefighter is donning gear and if they will interact with the firefighter. The addition of the firefighter paper dolls and the silly sounds of the air pack have been a great success. Preschoolers have been kept engaged for up to 60 minutes at a time and children have shown to be very comfortable interacting with the firefighter in gear.

Matches and Lighters are Tools not Toys – 1st Grade

Goal: The goal is to reduce the number of children who misuse fire and reduce the number of children who are burned or die from the misuse of fire by youth.

Activity: This program instructs children to tell an adult if they find matches and lighters in an unsafe location and provides education on the differences between tools and toys. Since implementing this program, the District has seen a reduction of cases in the JFS program for this age group and older.

Juvenile Fire Setters (JFS)

Goal: Upon completion of the program the youth will not misuse fire again.

Activity: Youth who complete the program are referenced against all incoming cases for recidivism. None of the youth who completed the program this past year have re-offended. The District has had one case of recidivism in 13 years.

Building Inspections

Goal: To increase safety through review of existing properties, new construction, and assembly permits for compliance with applicable fire and life safety codes.

Activity: Manage the Compliance Engine program that has been implemented to help businesses maintain existing fire and life safety systems. Also inspect private hydrants and water mains.

Training

The District's Fire and Emergency Medical Services (EMS) training is made possible through the cooperation and innovation of our members. A comprehensive training schedule, through Target-Solutions software, has been implemented and allows for continuous monitoring/scheduling of fire and EMS training on a daily basis. All mandated training requirements are met including those required under OAR: 259-009-0065 which details maintenance training for all fire service disciplines. The District utilizes the most current and proven strategy and tactics to hone professional skills while being progressive with selectively implemented technology to meet our Vision and Mission Statements.

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District Policies and 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

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 and as required, revised annually.

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 in compliance 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. In addition to monthly reporting, a rolling 5-year projection of the District's future financials is also maintained to ensure accurate budgeting and provide the district board fiscal guidance for important decisions. 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 three-year period. The Strategic Plan is vision and mission driven and was developed with the input from the internal and external stakeholders.

This Strategic Plan envisions the continued involvement of the members of the department 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 current Strategic Plan was approved for years 2016-2018, yet continues to be in use. The District intends to update the Strategic Plan in the coming fiscal year.

I. VISION

We will provide modern and advanced services.

II. MISSION

We serve with excellence, make bad situations better, prevent fires and injuries while being fiscally responsible.

III. REDMOND FIRE & RESCUE STRATEGIC GOALS

Strategic Goal #1: Focus on administrative services and board of director targets.

<u>Action Items / Desirable Outcomes</u>

a. Develop a financial strategic plan for future capital projects including apparatus and facilities.
b. Develop a data system to allow better decision-making.
c. Evaluate accreditation programs to determine best practices.
d. Develop standardized performance measures for customer service.
e. Evaluate alternative response models.
f. Ensure board and administrative policies are written and kept current.
g. Maintain labor-management relations.
h. Continue and enhance our employee recognition program.
i. Create and maintain relationships with our partners in fire and law enforcement.
j. Create and maintain relationships with city and county administrators.

k. Create and maintain relationships with regional and state partners.
l. Find creative ways to communicate and market RF&R to our community.
m. Create a health/safety cancer awareness program.

Strategic Goal #2: Provide exceptional public safety and emergency services (Fire & EMS).

Action Items / Desirable Outcomes

a. Improve turnout and response times.
b. Create and maintain effective deployment plans.
c. Review alternative delivery methods for emergency medical services.
d. Update Standard of Cover document.
e. Continue to improve fire and emergency medical services training delivery.
f. Reduce unnecessary EMS requests through education and innovation.
g. Enhance our iPad technology for response information.
h. Ensure operational policies, operational guidelines, and protocols are written and kept current to meet or exceed "best practices".

Strategic Goal #3: Identify efficient and cost effective fiscal solutions.

Action Items / Desirable Outcomes

a. Explore new revenue opportunities.
b. Increase operational efficiencies to reduce cost of our services.
c. Address economic uncertainty.
d. Obtain grant funding for capital expenditures.
e. Evaluate public procurement processes for capital expenditures.
f. Assess benefit costs (PERS and Health Insurance).
g. Develop Urban Renewal District protection strategy.

Strategic Goal #4: Enhance qualities of leadership, management, and personnel.

Action Items / Desirable Outcomes

a. Pursue career development for all members.
b. Add administrative staff to support our core business.
c. Continue collaborative relationship with Local 3650.
d. Review and update staff promotion requirements.
e. Develop Battalion Chief, Engineer/Paramedic, and Firefighter/Paramedic eligibility lists.
f. Develop 5-year staffing plan, including staffing for proposed fire stations.
g. Improve our human resource services by adding a dedicated HR person.

Strategic Goal #5: Develop critical long range capital expenditure plans.

Action Items / Desirable Outcomes

a. Determine fire district station locations for future.
b. Obtain intergovernmental agreements for future station locations.
c. Develop capital plan for two new fire stations projected for 2020-2030.
d. Create fire and EMS apparatus capital plans.
e. Research funding and build a Class-A burn building for live fire training.

Strategic Goal #6: Develop Fire & Life Safety programs, social media, and web-site management.

Action Items / Desirable Outcomes

a. Partner with local schools provide fire prevention programs.
b. Maintain working relationships with the City of Redmond, Deschutes County, Oregon State Fire Marshal's Office, and other key partners in our community and the state.
c. Implement the Brycer Compliance Engine program to maintain fire and life safety systems in our jurisdiction.
d. Continue to coordinate and manage our annual Halloween event for the community.
e. Maintain residential and commercial key box programs.
f. Improve and implement pre-incident plan program with a focus on our high-risk target hazards.
g. Continue to provide water and access requirements for new construction.
h. Continue to evaluate our social media and marketing opportunities.

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 (see page 75), a Strategic Plan for future facilities and staffing (see page 25) and a three-year financial projection below.

Three Year Financial Projection

Once the budget has been approved by the District Board, a three-year projection is updated with the approved 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 (this assists in accomplishing our strategic goals – especially Strategic Goal #3). 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 5.0% increase in FY 2020/21, a 4.5% increase in FY 2021/22 and a 4.0% increase in FY 2022/23. The District has seen increases close to 6% for the past few fiscal years but does not expect this trend to continue.

Ambulance Billing – Ambulance Billing revenues have stabilized around $2,000,000 annually. The projection assumes a modest 1% increase in each of the following years.

Contract Services: Airport – Since the majority of costs charged to the City of Redmond are payroll, the increase for each year is projected at .75%, 4.25% and .75% for each subsequent year. The larger increase in FY 2021/22 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 – There are a variety of unknowns in regard to Personnel Service expenditures. The collective bargaining agreement with the District's Firefighters Association, Local 3650 expires on June 30, 2020 so future wage increases are unknown for the 2020/21, 2021/22 and 2022/23 fiscal years. For the purpose of this document, all wage increases be assumed at .75% each fiscal year. Medical insurance is assumed at a 5% increase each year. PERS includes a 20% increase in 2021/22 to start the next biennium, which is consistent with projections from PERS.

Materials & Services – Inflation has been factored into the projection at a rate of 0.5% 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 $200,000 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 for 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.

Three Year Projected Financials

ALL FUNDS	Adopted Budget FY 2019/20	Projected Budget FY 2020/21	Projected Budget FY 2021/22	Projected Budget FY 2022/23
Revenues				
Property Taxes	6,842,500	7,184,625	7,507,933	7,808,250
Ambulance Billings	2,050,000	2,070,500	2,091,205	2,112,117
Contract Services - Airport	606,813	611,364	637,347	642,127
Other	151,934	151,934	151,934	151,934
Investment Earnings	62,500	62,500	62,500	62,500
Bond / Note Sale	265,200	-	-	-
Total Resources	**9,978,947**	**10,080,923**	**10,450,919**	**10,776,929**
Expenditures				
Personnel Services	8,332,048	8,424,030	8,806,383	8,903,741
Materials & Services	1,388,284	1,395,225	1,402,202	1,409,213
Capital Outlay	438,200	200,000	200,000	200,000
Debt Service	404,205	397,339	350,715	352,267
Contingency	2,017,019	2,017,019	2,017,019	2,017,019
Unappropriated Fund Balance / Reserve	550,000	550,000	550,000	550,000
Total Expenditures	**13,129,756**	**12,983,614**	**13,326,318**	**13,432,240**
Excess or Deficiency	(3,150,809)	(2,902,691)	(2,875,399)	(2,655,311)
Plus: Contingency/Reserves	2,567,019	2,567,019	2,567,019	2,567,019
Total Excess / (Deficiency)	**(583,790)**	**(335,672)**	**(308,380)**	**(88,292)**
Changes in Fund Balance				
Beginning Fund Balance	3,150,809	2,567,019	2,231,347	1,922,967
Revenues Over/(Under) Expenditures	(583,790)	(335,672)	(308,380)	(88,292)
Ending Fund Balance	**2,567,019**	**2,231,347**	**1,922,967**	**1,834,674**

Analysis

The District's financial situation is precarious as shown in the decreasing beginning fund balance projected in the chart above. This requires ongoing frugality in order to ensure sufficient funds are available to fund operations. Although, assumptions were kept at a conservative level and can always vary. Just by changing a few assumptions, a low fund balance at the end of FY 2022/23, can be adjusted. For instance, by reducing Capital Outlay to $100,000 each year and reducing the wage increase to .5%, the fund balance at the end of FY 2022/23 goes from $1,834,674 to $2,204,723 (a 20% increase). In addition, the District is anticipating receiving additional GEMT revenues that are not accounted for in the projection as they could not be reasonably estimated.

Budget Overview

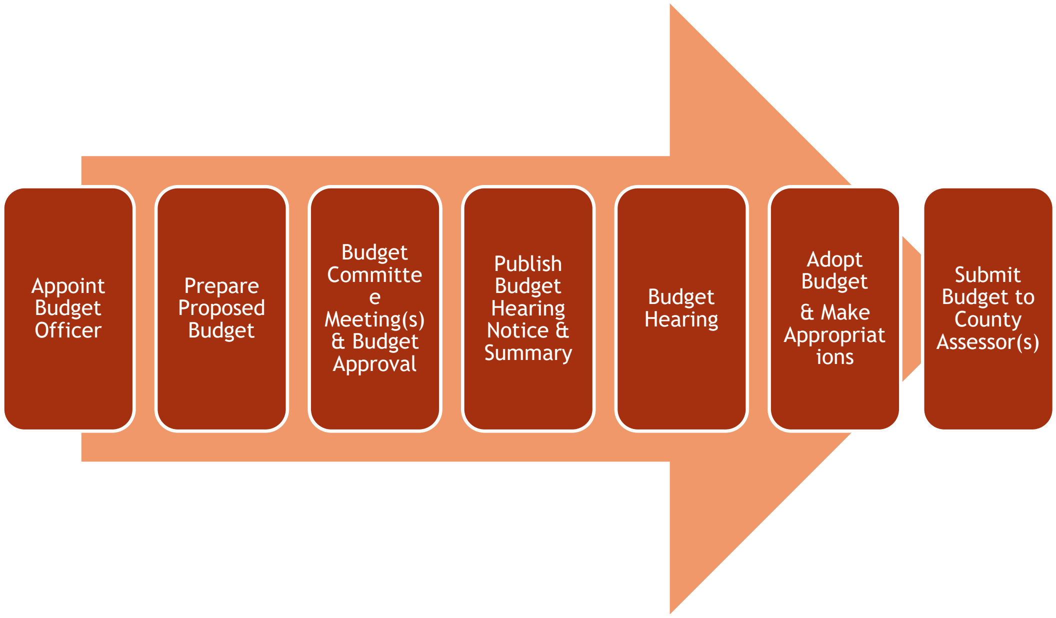
Budget Process

The budget process for the District begins with the appointment of the budget officer which, for the 2019/20 fiscal year, is the fire chief.

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, EMS chief, fire marshal, battalion chiefs, chief financial officer and office administrator). Input from the District's Firefighters Association, Local 3650, is also incorporated. 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 at a budget hearing. After adoption, the budget document is then submitted to the appropriate county assessor.



Budget Objectives

- Develop a fiscally responsible budget that enables Redmond Fire & Rescue to provide fire, ambulance, and fire & life safety services to the businesses, citizens of Redmond and Terrebonne, visitors, and our protection areas
- To collaboratively create the budget
- Maintain current services/staffing levels
- Ensure a transparent process

Below is the District's budget calendar for the 2019/20 fiscal year.

Date	Action
April 2019	Team Budget Meetings
May 10, 2019	Publish Public Notice of Budget Committee Meetings (1st Publication)
May 16, 2019	Publish Public Notice of Budget Committee Meetings (2nd Publication)
May 16, 2019	Deliver proposed budget document to budget committee
May 22, 2019	Budget Committee Meeting #1
May 29, 2019	Budget Committee Meeting #2 (if needed)
June 5, 2019	Publish Summary Budget & Notice of Public Hearing
June 12, 2019	District Board Meeting, Public Hearing
July 8, 2019	File Form LB-50 with County Assessor(s)
September 30, 2019	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. 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 actually 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 60-day availability or look-back period for purposes of revenue recognition.

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 District has appropriated and adopted two funds, all of which are considered “governmental” and include the General Fund and the Capital Projects 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 six cost centers (Administration, Fire & Rescue Operations, EMS & Training Operations, Fire & Life Safety, Buildings, 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 be received. Expenditures made directly out of the Capital Projects Fund are limited to major departmental equipment items, capital improvements, building construction and apparatus replacement.

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 assessed valuation is projected to increase modestly. We have forecasted a 5.45% assessed valuation growth for the 2019/20 fiscal year. The economy continues to grow and remain competitive. The unemployment rate for Deschutes County in February 2019 was 4.5%, compared to 4.2% for the same month a year ago. New residential and commercial construction has been robust; job growth has been steady.

- Medical calls remain the dominate type of incident to which the District responds to. 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.

- Taxpayers will continue to expect the District to operate within its means. The community expects transparency, effective and efficient delivery of key services, and a focus of our efforts on preserving qualify of life.

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 were significant structural changes to the budget from FY 2018/19 to FY 2019/20 with the creation of two additional cost centers, bringing the total cost centers from three to six, and the creation of an additional fund, bringing the total number of funds to two. The purpose of the restructure was to bring more transparency to the operational costs of the Fire & Rescue and EMS programs and to isolate and reserve for large expenditures such as debt service, capital and contingency.

Significant changes are:

- The old Operations cost center was split into three costs centers; Fire & Rescue Operations, EMS & Training Operations, and Buildings, Vehicles & Equipment. In addition, the revenues that were previously reported in the Operations cost center are now reported at the main General Fund level and debt service and contingences are now reported in the General Fund Non-Departmental section.

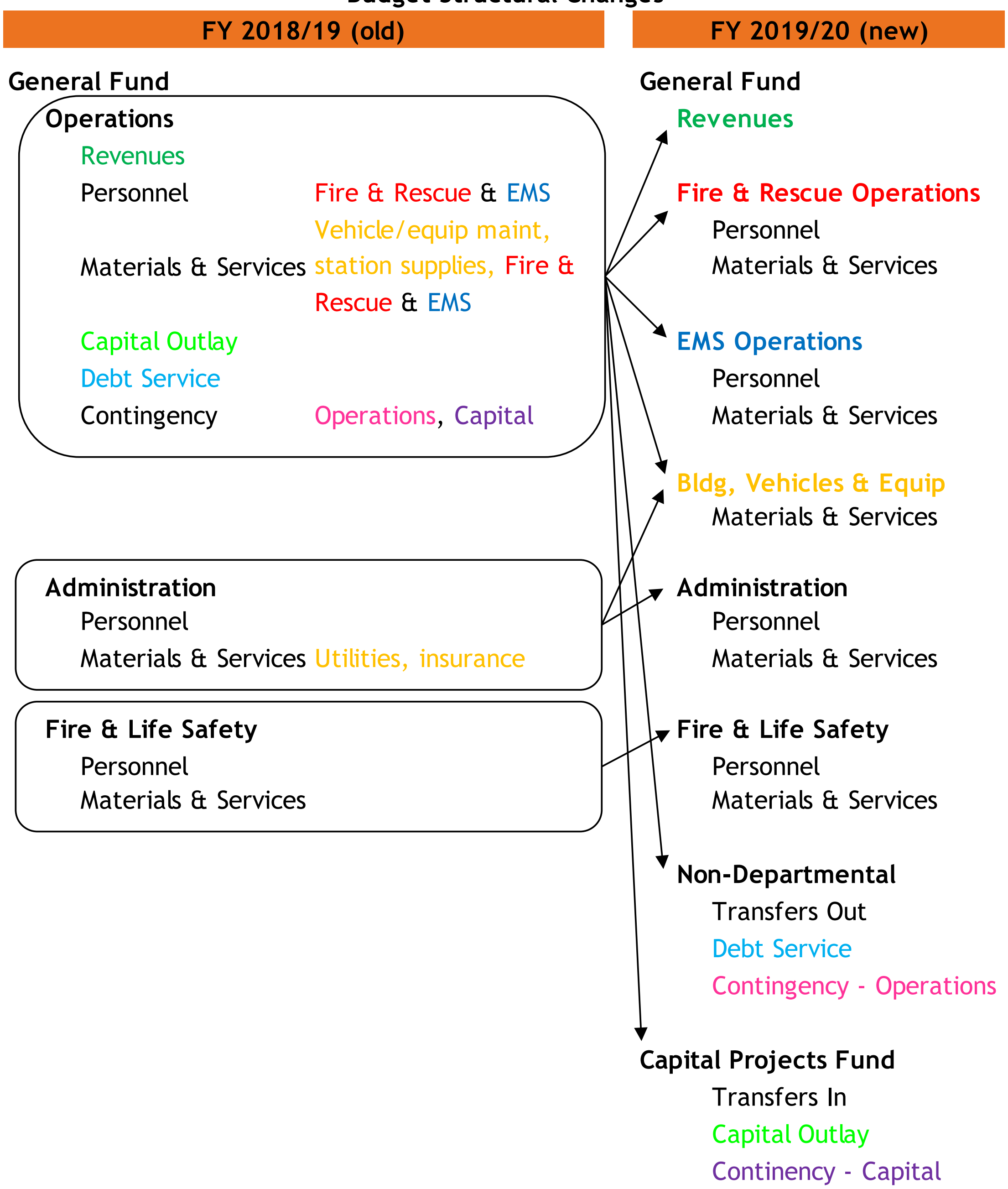
- The Administration cost center remained relatively the same with the exception of utilities and property insurance that are now expended in the newly created Buildings, Vehicles & Equipment cost center.

- The Fire & Life Safety cost center had no changes.

- The Capital Projects Fund was created to account for capital outlays and reserves for capital purchases.

The image below depicts the significant changes to the budget. Additional information and comparative schedules can be found in the Financial Overview section on page 47.

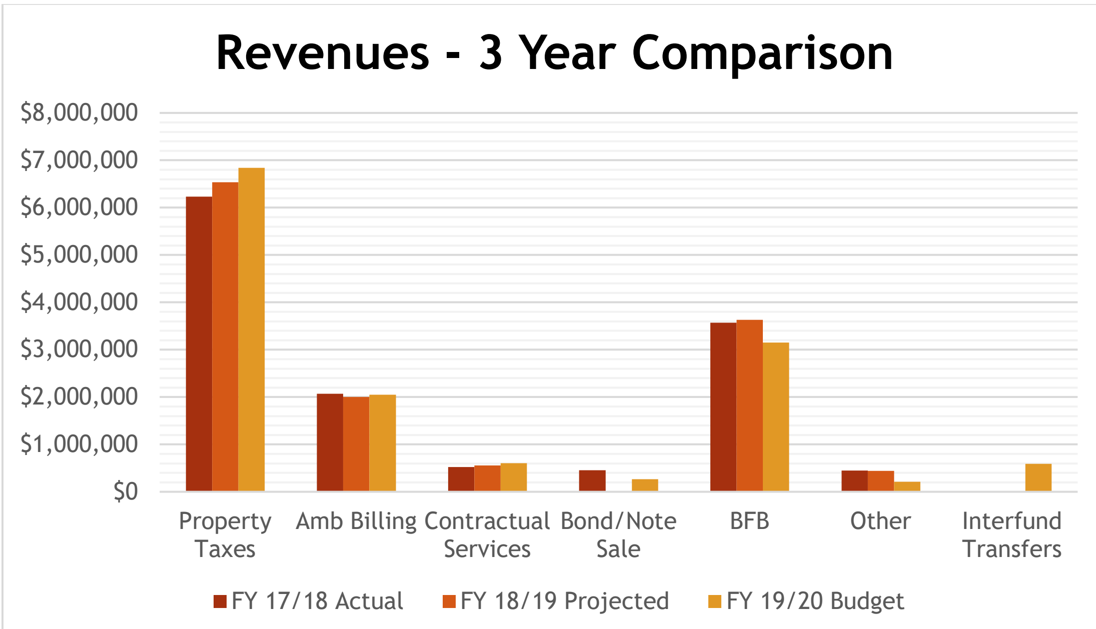
Budget Structural Changes

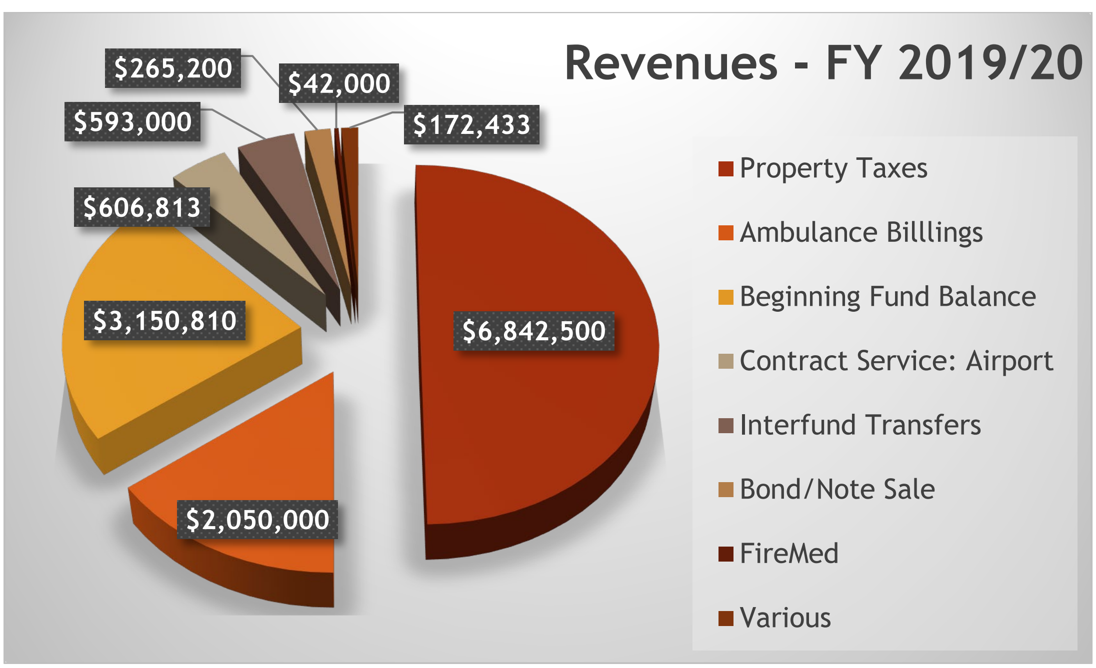


Revenues

District resources include property taxes, ambulance billings, contractual services, FireMed subscriptions and other sources. Additionally, the District actively pursues grant funding for projects and equipment.

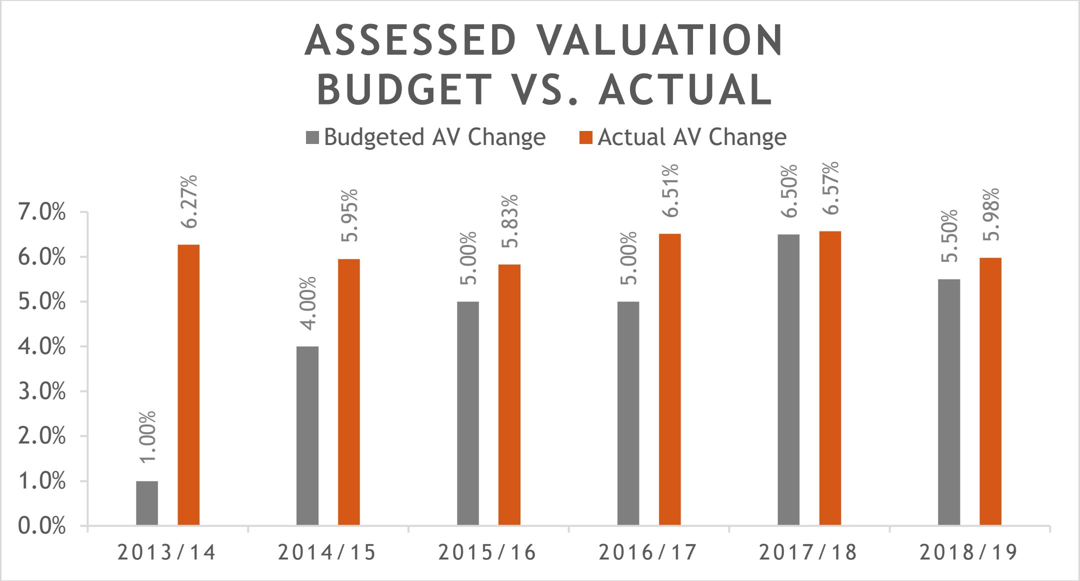
A comparison and breakdown of the FY 2019/20 resources, which total $13,722,756, are included below. More information on the major revenues of property taxes, ambulance billing, contracted services and beginning fund balance follow.

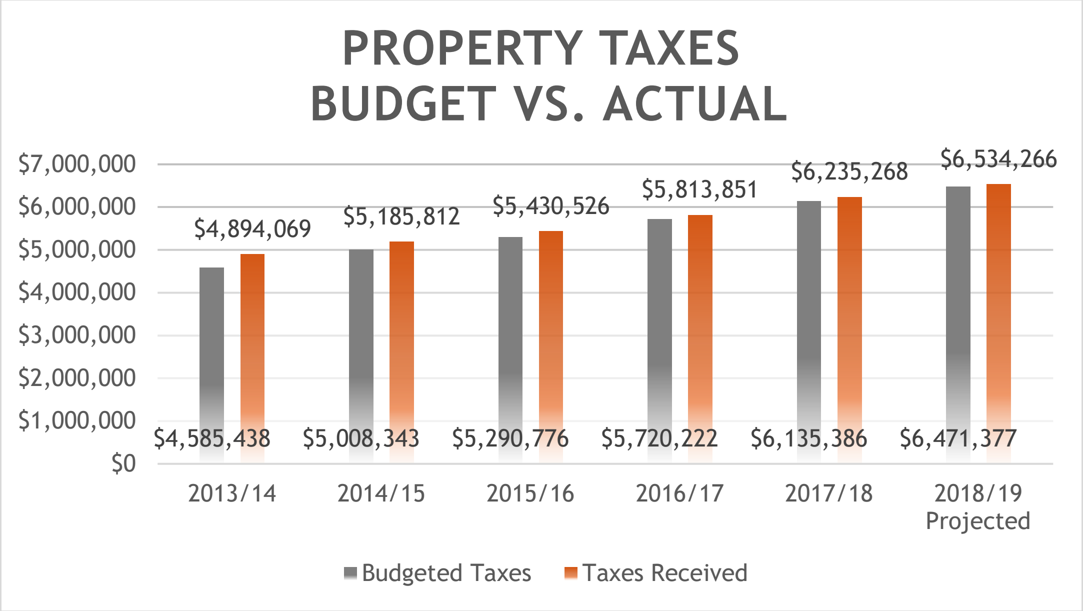




Property Taxes

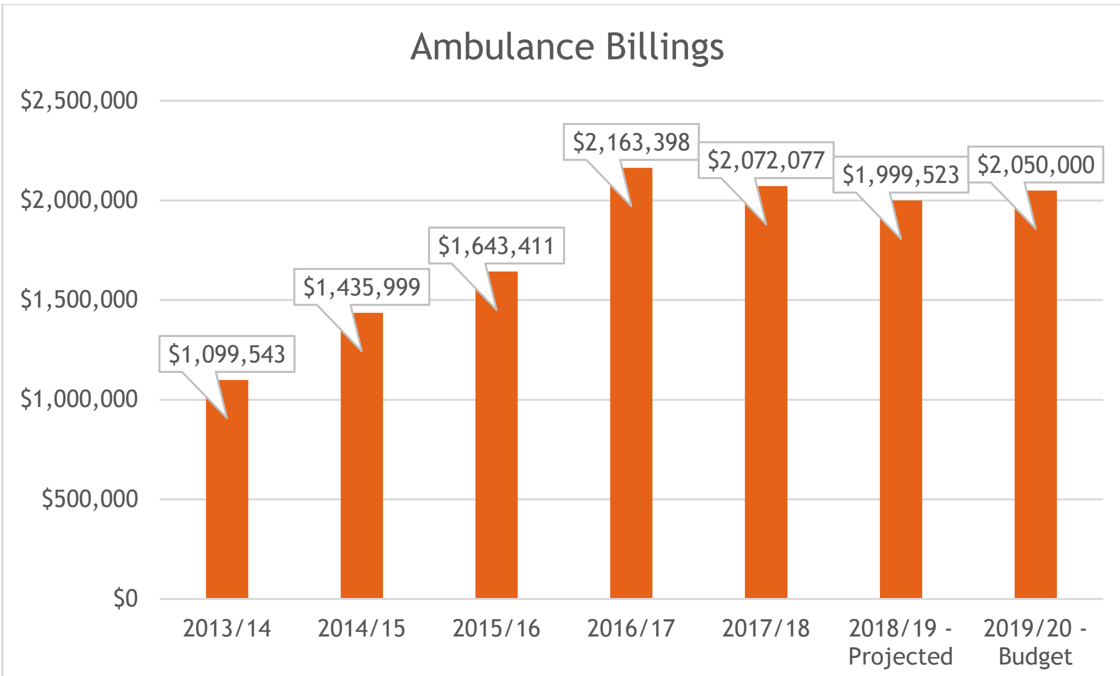
Property taxes are the District's main source of income. The FY 2019/20 budget is projecting a 5.45% increase in total Assessed Valuation (AV) from the previous fiscal year, with a 95.0% collection rate. The projected property taxes to be received in FY 2019/20 are $6,842,500, which includes prior year taxes and interest of $57,500. Prior year taxes are those that were assessed in a prior year but collected in the current yet. 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. In FY 2019/20, the budget levies the full $1.7542 rate per $1,000 of Assessed Value.





Ambulance Billings

Revenues from charges for ambulance services are a significant source of operational income. The addition of ambulance billing staff has improved the efficiency in both billing and collections, as well as increased call volume and a fee increase. With these added efficiencies, the District has seen revenue collections at much higher rates than in the past. However, after years of significant growth in revenues, the revenues appear to have stabilized. Therefore, the FY 2019/20 budget is projecting that revenues will remain consistent with the prior year at $2,050,000.



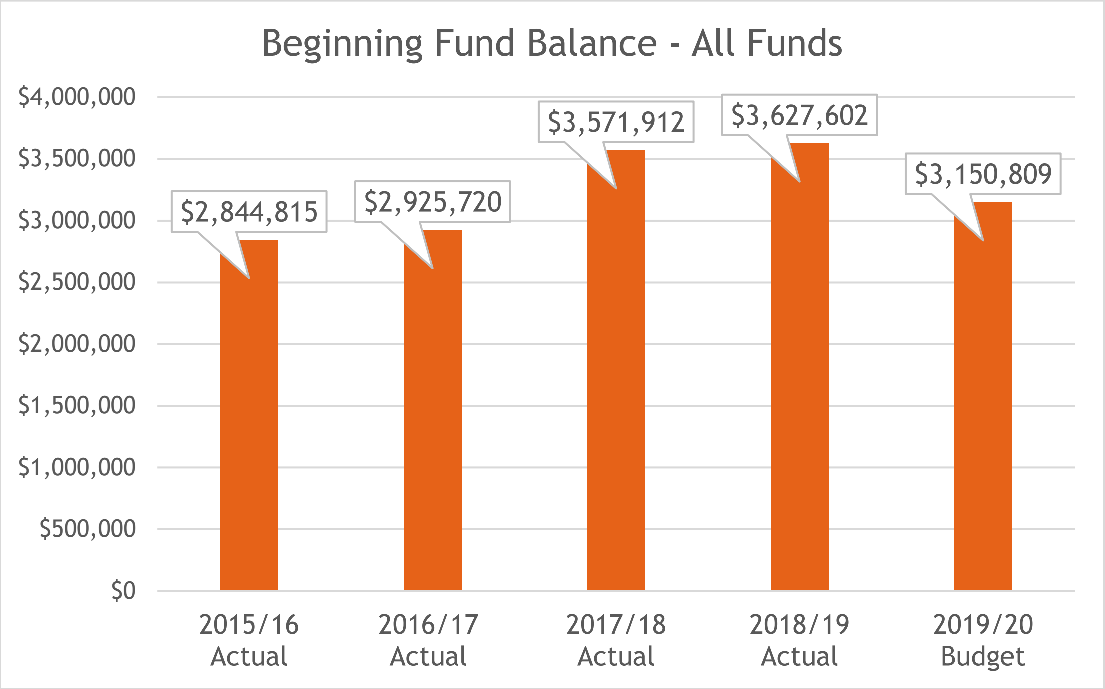
Contractual Services - City of Redmond Airport

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 Airport will reimburse the District for three firefighters and associated training fees. The budgeted revenue for FY 2019/20 is $606,813.

Beginning Fund Balance

The beginning fund balance is the second largest resource within the budget. The beginning fund balance consists of all unspent dollars from the prior fiscal year which includes prior contingencies and reserves.

For FY 2019/20, the budgeted beginning fund balance is $3,150,809, a 13.1% decrease from the actual FY 2018/19 amount of $3,627,602. This decrease is attributed to FY 2018/19 anticipated expenditures exceeding anticipated revenues (excluding the beginning fund balance) by a projected $476,793. In addition, the FY 2019/20 budget expects to use $583,790 of fund balance, which will further deplete resources. The District continues to monitor the fund balance closely to ensure sufficient cash is on hand to fund operations until property tax revenues are received each November.



Ground Emergency Medical Transport (GEMT)

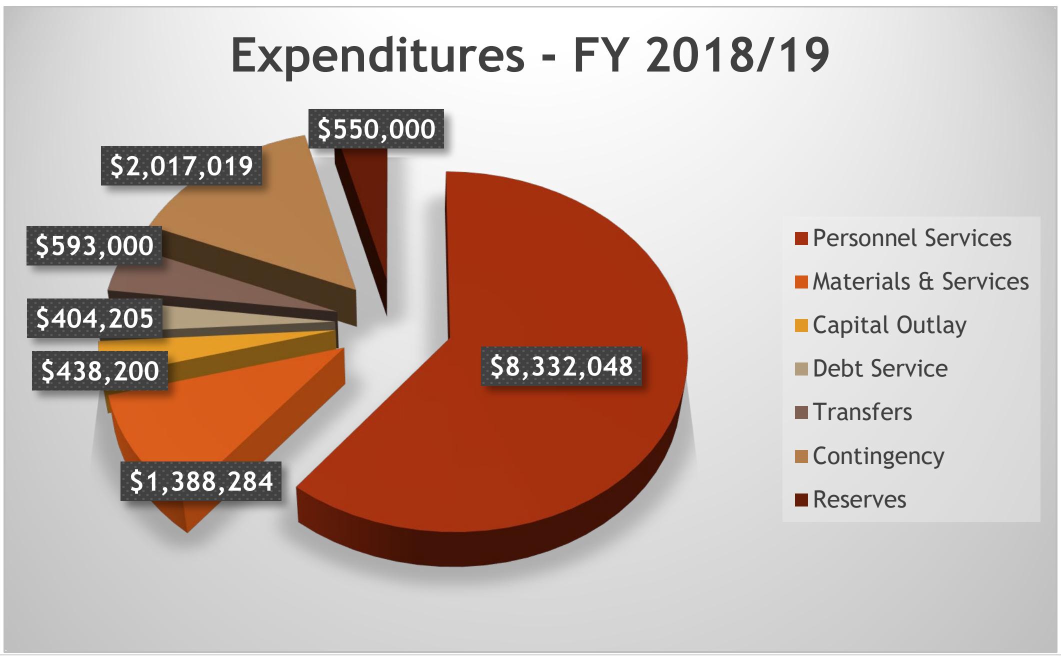
The FY 2019/20 budget does not include revenues related to the GEMT supplemental payment program. The supplemental payments cover the funding gap between the District's actual costs per GEMT transport and the allowable amount received from the Oregon Health Plan (Medicaid) and any other sources of reimbursement. House Bill 4030 (2016) allowed for the GEMT program, which is administered by the Oregon Health Authority (OHA). However, OHA is still developing the GEMT program, therefore the District elected not to budget any GEMT revenues as they could not reasonably be estimated.

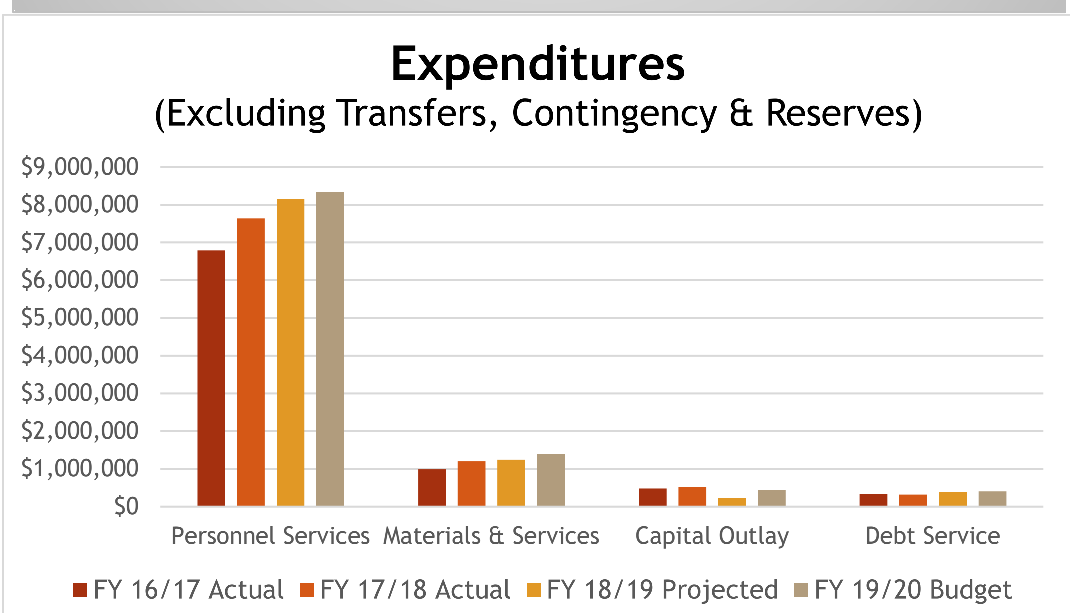
Expenditures

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

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

A comparison and breakdown of the FY 2019/20 expenditures, which total $13,722,756, are included below. Further information on the categories follows.





Personnel Services

Personnel services is the largest expenditure for the FY 2019/20 budget and includes 59 FTEs. While this is a reduction in FTEs from both the prior year budget and actual staffing counts, costs continue to rise to a projected $8,332,048.

Staffing changes of note are:

- The District had contracted with St. Charles Health System for the community paramedic program, which funded one community paramedic position, as well as additional administrative costs. The funding for the program ends on June 30, 2019 and is not likely to be renewed. Absent the financial support from the grant, the position will be vacated.

- The FY 2018/19 budget included two new positions, EMS Training Coordinator and Fire and Life Safety Inspector, that were not filled due to budget constraints. These positions will not be filled in FY 2019/20.

- The Training Battalion Chief position was vacated late in FY 2018/19 due to employee turnover and the District does not intend to fill the position. Instead, job duties will be spread amongst existing staff.

- During the FY 2018/19 fiscal year, the Chief Financial Officer position was changed from .5 to 1.0 FTE.

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

Position	FY 2017/18 Actual	FY 2018/19 Budget	FY 2018/19 Actual	FY 2019/20 Budget
Fire Chief	1	1	1	1
Deputy Fire Chief	1	1	1	1
EMS Division Chief	1	1	1	1
Fire Marshal	1	1	1	1
Finance Manager/CFO	.5	.5	1	1
Office Administrator	1	1	1	1
Battalion Chiefs	4	4	4	3
Deputy Fire Marshal	1	2	1	1
EMS Training Coordinator	0	1	0	0
Captains	9	9	9	9
Engineer/Paramedic	18	18	18	18
Firefighter/Paramedic	6	6	6	6
Paramedic	6	7	6	6
Community Paramedic	2	1	1	0
EMTs	7.5	7.5	7	7
Admin Assistant	3	3	3	3
Total	62.0	64.0	61.0	59.0

Personnel Services *(continued)*

At $8,332,048, personnel services are 61% of total expenditures. Notable expenditures within the Personnel Service category include contributions to Public Employee Retirement System (PERS), medical insurance costs and wage increases.

- **PERS:** Contributions are calculated two ways:
  - The first calculation is a flat 6% of salary contributed to the employees Individual Account Program. Depending on the position, the 6% is paid by the District or by the employee.
  - The second calculation is provided by PERS and is based on the employee's retirement status (Tier 1/Tier 2 or OPSRP) which are noted below. These rates are adjusted every two years. The total PERS contribution budgeted for FY 2019/20 is $1,438,700.

	Employer 6%	Tier 1 / Tier 2	OPSRP Police/Fire	OPSRP General
FY 2017/18	6%	22.46%	15.47%	10.70%
FY 2018/19	6%	22.46%	15.47%	10.70%
FY 2019/20	6%	27.47%	19.84%	15.21%

- **Medical Insurance:** Total is budgeted at $1,047,763, which includes $136,000 to contribute to employee's VEBA accounts and reserve for HRA-MERP payments when claims are processed. Insurance rates are increasing by 2%.

- **Wages & Salaries**: The total budgeted for FY 2019/20 is $5,248,604. This accounts for the following:
  - Per the collective bargaining agreement between the District and the Redmond Firefighters Association, Local 3650, a 1% cost of living adjustment has been budgeted to occur on January 1, 2020 for battalion chiefs, captains, engineers, and firefighters. In addition, this classification also is allowed to cash out 96 hours of vacation annually; an increase from 72 hours in the past.
  - The budget includes a 1% cost of living adjustment for all non-represented employees which will be effective January 1, 2020.
  - There are also regular step increases that occur.

Materials & Services

Materials and services is the third largest expenditure category at 10% of total budgeted expenditures. Notable materials and service items are discussed in further detail within each cost center of the General Fund starting on page 53.

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 2018/19 is $6,652,441,343. The real market value is not yet available for FY 2019/20.

The District's legal debt limit for FY 2019/20 is approximately $83,155,517. As of the end of FY 2018/19, Redmond Fire & Rescue's total outstanding debt is $2,307,034 as detailed in the chart below. Debt service is discussed in further detail within the General Fund Non-Departmental narrative on page 68.

Outstanding Debt as of June 30, 2019

Purpose	Maturity Date	Interest Rate	Original Amount	Balance at 6/30/19
Terrebonne Station	1/1/31	3.75% - 4.7%	935,000	595,000
Main Station	7/1/28	2.0% - 4.0%	1,540,000	850,000
2015 Pierce Engine	12/8/30	3.98%	498,807	421,295
2016 Ambulance	1/1/21	3.61%	156,905	62,762
2018 Ambulance	1/1/24	3.99%	201,536	167,947
2018 Ambulance	1/1/24	3.99%	252,036	210,030
			TOTAL	$2,307,034

Upcoming Debt Service Payments

(Assumes issuance of $265,200 of debt in FY 2019/20 for new ambulance)

Fiscal Year	Principal	Interest	Total
FY 2019/20	305,000	99,205	404,205
FY 2020/21	310,266	87,073	397,339
FY 2021/22	275,064	75,651	350,715
FY 2022/23	286,288	65,979	352,267
FY 2023/24	292,565	55,274	347,839
FY 2024/25	228,297	44,168	272,465
FY 2025/26	185,478	36,063	221,541
FY 2026/27	186,915	29,701	216,616
FY 2027/28	198,410	21,856	220,266
FY 2028/29	94,965	13,515	108,480
FY 2029/30	101,584	9,311	110,895
FY 2030/31	108,268	4,807	113,075
TOTAL	**$ 2,573,100**	**$ 542,603**	**$ 3,115,703**

Capital Outlay

The budget includes $438,200 for capital outlay and is discussed in further detail with the Capital Projects Fund on page 73.

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 equal to 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 2019/20 budget has a total contingency of $2,017,019 which is 75 days of total operational expenditures. Contingencies are discussed in further detail within the General Fund Non-Departmental narrative starting on page 68.

Reserves

Reserves represent fund balances that are not planned to be spent during FY 2019/20 and will be carried over to the FY 2020/21 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 2019/20 budget has total reserves of $450,000 which are entirely reserved for future expenditure. Reserves are discussed in further detail within the General Fund Non-Departmental narrative starting on page 68.

Financial Overview – All Funds

The District's budget is comprised of two funds, the General Fund and the Capital Projects Fund. The General Fund is further split into six cost centers (Administration, Fire & Rescue Operations, EMS & Training Operations, Fire & Life Safety, Buildings, 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 combined sum of all revenues, expenditures and changes in fund balance for funds and contrasts prior year actual activity with the current year budgeted activity.

ALL FUNDS

	Actual FY 2016/17	Actual FY 2017/18	Projected FY 2018/19	Adopted Budget FY 2019/20
Revenues				
Property Taxes	5,813,851	6,235,268	6,534,266	6,842,500
Charges for Services	2,883,913	2,944,576	2,817,429	2,746,747
Grants and Contributions	258,463	5,600	28,083	2,000
Investment Earnings	36,080	62,086	86,072	62,500
Bond / Note Sale	156,905	453,572	-	265,200
Interfund Transfers In	-	-	-	593,000
Miscellaneous	81,434	26,766	66,263	60,000
Total Resources	**9,230,646**	**9,727,869**	**9,532,112**	**10,571,947**
Expenditures				
Personnel Services	6,794,024	7,635,770	8,154,557	8,332,048
Materials & Services	986,676	1,203,499	1,245,941	1,388,284
Capital Outlay	477,660	515,313	222,109	438,200
Debt Service	326,094	317,598	386,298	404,205
Interfund Transfers Out	-	-	-	593,000
Contingency	-	-	-	2,017,019
Unappropriated Fund Balance / Reserve	-	-	-	550,000
Total Expenditures	**8,584,454**	**9,672,179**	**10,008,905**	**13,722,756**
Excess or Deficiency	646,192	55,690	(476,793)	(3,150,809)
Plus: Contingency/Reserves	-	-	-	2,567,019
Total Excess / (Deficiency)	**646,192**	**55,690**	**(476,793)**	**(583,790)**
Changes in Fund Balance *(the cash available at the end of the fiscal year)*				
Beginning Fund Balance	2,925,720	3,571,912	3,627,602	3,150,809
Revenues Over/(Under) Expenditures	646,192	55,690	(476,793)	(583,790)
Ending Fund Balance	**3,571,912**	**3,627,602**	**3,150,809**	**2,567,019**

Breakdown by Fund

The chart below breaks the revenues and expenditures down by funds and cost centers. Due to structural changes in the budget as noted on page 36, some funds and cost centers have no previous activity.

GENERAL FUND

	Actual FY 2016/17	Actual FY 2017/18	Budget FY 2018/19	Adopted Budget FY 2019/20
Revenues				
Property Taxes	5,813,851	6,235,268	6,471,377	6,842,500
Charges for Services	2,883,913	2,944,576	3,170,127	2,746,747
Grants and Contributions	258,463	5,600	386,600	2,000
Investment Earnings	36,080	62,086	46,875	62,500
Bond / Note Sale	156,905	453,572	260,000	-
Miscellaneous	81,434	26,766	2,500	30,000
Total Resources	**9,230,646**	**9,727,869**	**10,337,479**	**9,683,747**
Expenditures				
Administration				
Personnel Services	513,660	629,056	665,513	801,955
Materials & Services	401,226	460,569	544,250	295,942
Total Administration	**914,886**	**1,089,625**	**1,209,763**	**1,097,897**
Fire & Rescue Operations				
Personnel Services	6,018,563	6,725,262	7,653,830	6,169,200
Materials & Services	577,825	733,622	921,103	207,769
Capital Outlay	477,660	515,313	889,000	-
Debt Service	326,094	317,598	487,000	-
Total Fire & Rescue Operations	**7,400,142**	**8,291,795**	**9,950,933**	**6,376,969**
EMS & Training Operations				
Personnel Services	-	-	-	1,060,962
Materials & Services	-	-	-	275,478
Total EMS & Training Operations	**-**	**-**	**-**	**1,336,440**
Fire & Life Safety				
Personnel Services	261,801	281,451	379,383	299,931
Materials & Services	7,625	9,307	32,800	15,850
Total Fire & Life Safety	**269,426**	**290,759**	**412,183**	**315,781**
Vehicles, Buildings & Equipment				
Materials & Services	-	-	-	593,245
Total Vehicles, Buildings & Equip	**-**	**-**	**-**	**593,245**

GENERAL FUND *(continued)*	Actual FY 2016/17	Actual FY 2017/18	Budget FY 2018/19	Adopted Budget FY 2019/20
Expenditures				
Non-Departmental				
Debt Service	-	-	-	404,205
Transfers - Out	-	-	-	593,000
Contingency	-	-	1,167,225	2,017,019
Unappropriated Fund Balance / Reserve	-	-	1,073,500	100,000
Total Non-Departmental	**-**	**-**	**2,240,725**	**3,114,224**
Total Expenditures	**8,584,454**	**9,672,179**	**13,813,604**	**12,834,556**
Excess or Deficiency	646,192	55,690	(3,476,125)	(3,150,809)
Plus: Contingency/Reserves	-	-	2,240,725	2,117,019
Total Excess / (Deficiency)	**646,192**	**55,690**	**(1,235,400)**	**(1,033,790)**
Changes in Fund Balance *(the cash available at the end of the fiscal year)*				
Beginning Fund Balance	2,925,720	3,571,912	3,476,125	3,150,809
Revenues Over/(Under) Expenditures	646,192	55,690	(1,235,400)	(1,033,790)
Ending Fund Balance	**3,571,912**	**3,627,602**	**2,240,725**	**2,117,019**

CAPITAL PROJECTS FUND	Actual FY 2016/17	Actual FY 2017/18	Adopted Budget FY 2018/19	Adopted Budget FY 2019/20
Revenues				
Transfers - In	-	-	-	593,000
Bond / Note Sale	-	-	-	265,200
Miscellaneous	-	-	-	30,000
Total Resources	**-**	**-**	**-**	**888,200**
Expenditures				
Capital Outlay	-	-	-	438,200
Unappropriated Fund Balance / Reserve	-	-	-	450,000
Total Expenditures	**-**	**-**	**-**	**888,200**
Excess or Deficiency	-	-	-	-
Plus: Contingency/Reserves	-	-	-	450,000
Total Excess / (Deficiency)	**-**	**-**	**-**	**450,000**
Changes in Fund Balance *(the cash available at the end of the fiscal year)*				
Beginning Fund Balance	-	-	-	-
Revenues Over/(Under) Expenditures	-	-	-	450,000
Ending Fund Balance	**-**	**-**	**-**	**450,000**

Performance Measures

A performance measure is defined as a numeric description of an agency's work and the results of that work. Performance measures are based on data and tell a story about whether an agency 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 state government agencies.

"Results" are what the agency's work is intended to achieve or accomplish for its customers.

Financial

District Budget

Goal: Earn Distinguished Budgeting award through GFOA.

Status: Met - The District has earned the award six years in a row starting with the 2013/14 fiscal year. The District is currently submitting the FY 2019/20 budget for review and feels it meets the requirements.

District Audit

Goal: Complete the audit process receiving zero findings.

Status: Met - The District has had no findings in the past five fiscal years.

Ambulance Billing

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

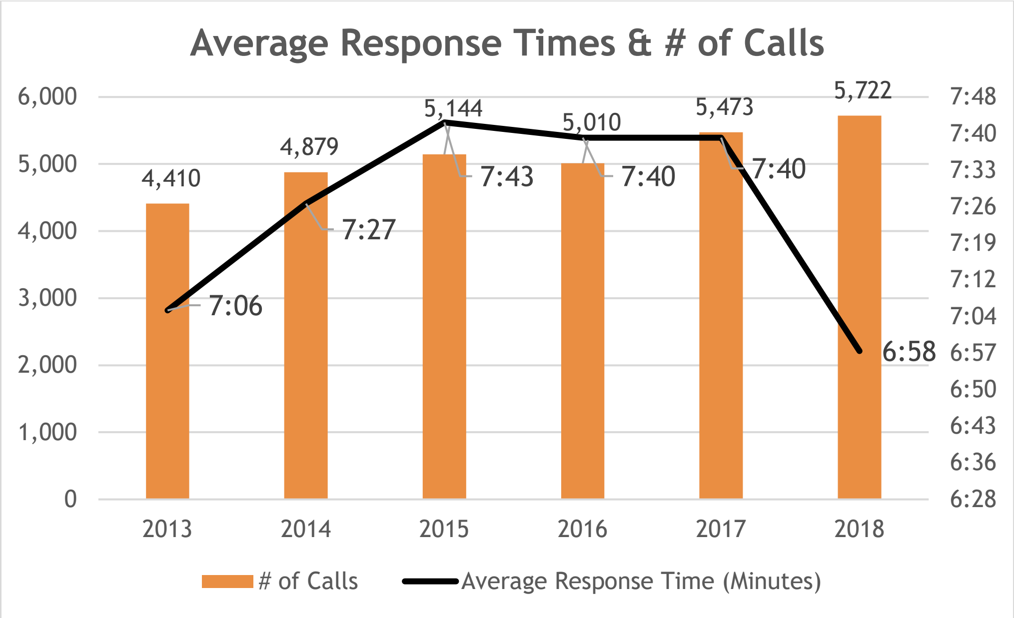
Status: Met - The District feels that this was substantially met for the prior fiscal year.

Operational

Response Times

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

Status: Met – The District attributes the decrease in response time in 2018 to the newly formed BLS and ALS units that respond to medical calls. These two units respond to approximately 75% of calls for service.



Wellness/Fitness

Goal: Ensure organizational support for wellness and fitness by striving to payout $100 per member annually for Wellness Incentives through completion of fitness journals for physical activity done on personal time.

Status: Not Met - The District has seen a decline is participation in the fitness journals program and plans to evaluate the program in the coming fiscal year.

Wellness Incentive Per Member

Fiscal Year	Amount
FY 2013/14	$ 191.28
FY 2014/15	$ 129.33
FY 2015/16	$ 126.52
FY 2016/17	$ 89.66
FY 2017/18	$ 95.66

Training Hours

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

Status: Met – See table below for history.

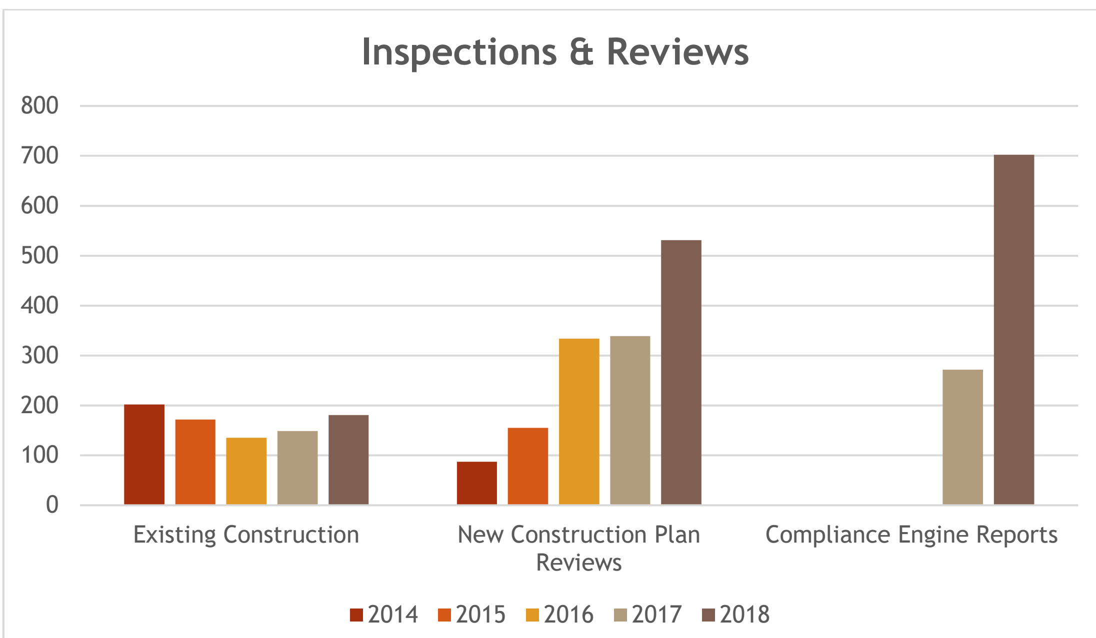
Average Training Hours Per Individual

Fiscal Years	Hours
FY 2009 - 2011	99.02
FY 2011 - 2013	89.18
FY 2013 - 2015	107.61
FY 2015 - 2017	96.25

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.

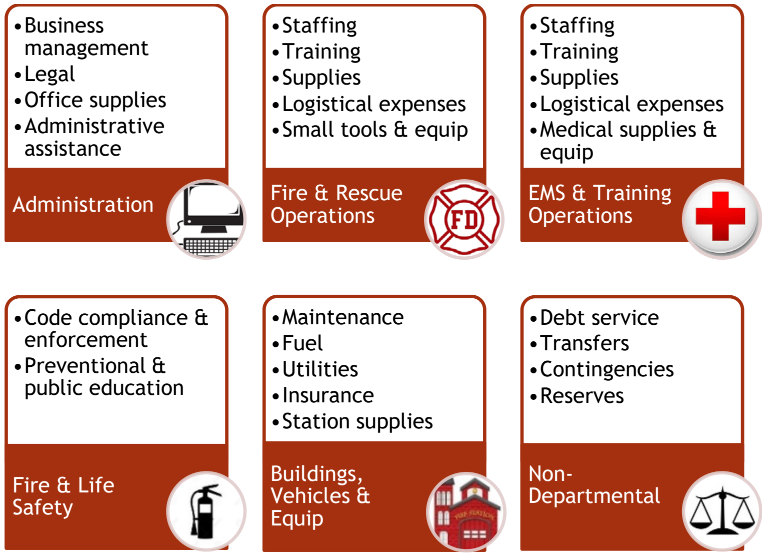
Status: Inspections and reports continue to increase along with regional construction trends.



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 six cost centers that each depict their own unique set of accounts under the personnel services and materials & services classifications. The six 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, training, and all logistical expenses.
- EMS & Training 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.
- Buildings, 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.



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 38 for additional detail.

Property Taxes

The FY 2019/20 budget is projecting a 5.45% increase in total Assessed Valuation (AV) from the previous fiscal year, with a 95.0% collection rate. Property taxes revenues are expected to be at $6,842,500, which is an increase of approximately $370,000 from the prior year budget but is consistent with past collection trends and current economic conditions.

Ambulance Billings

Ambulance billing revenues have held steady at around $2,000,000 annually for the past three fiscal years. Therefore, the FY 2019/20 budget is projecting that revenues will be $2,050,000.

Contractual Services - City of Redmond Airport

The District estimates that contractual service revenues for staffing the airport fire station will be $606,813. This is an increase from the prior year of $555,155 and is mostly attributed to rising personnel costs.

Revenues Budget Detail

	Historical		Adopted	Budget		
	Actual	Actual	Budget	Proposed	Approved	Adopted
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2019/20
Revenues						
Property Taxes - Current	5,737,156	6,145,166	6,371,377	6,785,000	6,785,000	6,785,000
Property Taxes - Prior	76,695	90,103	100,000	55,000	55,000	55,000
Property Taxes - Interest	-	-	-	2,500	2,500	2,500
Ambulance Billings	2,163,398	2,072,077	2,376,000	2,050,000	2,050,000	2,050,000
Rescue Billing	1,322	(554)	1,500	-	-	-
GEMT	-	-	-	-	-	-
Fire Med Memberships	46,352	41,058	42,000	42,000	42,000	42,000
Special Events	12,951	11,737	15,000	11,250	11,250	11,250
Ambulance Refunds	-	-	-	(8,000)	(8,000)	(8,000)
Interest Revenue	36,080	62,086	46,875	62,500	62,500	62,500
Conflagration	17,874	176,699	15,000	33,084	33,084	33,084
Training Revenue	50	1,200	5,000	-	-	-
Contractual Services - Airport	485,044	520,427	555,155	606,813	606,813	606,813
Training Center Rental Fees	-	11,700	15,600	-	-	-
Fire & Life Safety - Training	83	-	100	100	100	100
Fire & Life Safety - Inspections	125	900	500	500	500	500
Fire & Life Safety - Car Seats	743	830	1,000	500	500	500
Fire & Life Safety - Permits	-	-	-	-	-	-
Fire & EMS Reports	520	670	200	500	500	500
Community Paramedic	140,663	98,050	133,072	-	-	-
Collections	14,788	9,783	10,000	10,000	10,000	10,000
Refunds / Reimbursements	-	-	500	5,000	5,000	5,000
Workers Comp. Dividend	17,017	25,456	-	25,000	25,000	25,000
Federal Gov't Grants-FLS	818	-	1,100	-	-	-
Federal Gov't Grants-Operation	240,926	-	382,500	-	-	-
Non-Federal Grants	15,000	4,500	3,000	2,000	2,000	2,000
Bond / Note Sale	156,905	453,572	260,000	-	-	-
Private Source / Donations	1,719	1,100	-	-	-	-
Sale of Property	64,000	800	2,000	-	-	-
Room Rental Fees	225	350	-	-	-	-
Miscellaneous	192	160	-	-	-	-
Beginning Fund Balance	2,925,720	3,571,912	3,476,125	3,150,809	3,150,809	3,150,809
Revenue Total	**12,156,366**	**13,299,781**	**13,813,604**	**12,834,556**	**12,834,556**	**12,834,556**

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 has an overall decrease of 10.1% from prior year's budget, however this is due to the restructure of the budget and not cost savings.

Personnel Services

There are 6.0 employees funded in this cost center including their salaries and benefits. Personnel costs are anticipated to increase from the prior year's budget of $665,513 to $801,955. Most of the increase is due to the change in the chief financial officer from a part-time to a full-time position and the increase in PERS, which is expected to increase from $73,023 to $102,570. In addition, $22,000 is budgeted for any unanticipated vacation buybacks.

Materials & Services

Materials and services for this cost center are anticipated to decrease by 45.6% or nearly $250,000. With the exception of the items mentioned below, all other costs are expected to remain consistent with the prior year. Items to note are:

- Decrease of nearly $135,000 for the reclassification of utility (water, sewer, garbage, cable, phone & internet) costs from the Administration cost center to the new Buildings, Vehicles & Equipment cost center.

- Election Expenses are increasing from $17,000 to $50,000 to prepare for a possible bond/special levy.

- Directors stipends are paid through payroll and included in regular pay under Personnel Services.

- IT Software / Maintenance costs are budgeted to decrease by nearly $100,000 due to the reallocation of expenses to other cost centers. The total IT Software/ Maintenance costs across all cost centers is expected to remain consistent with the prior year, as the majority is contracted maintenance agreements for software for finances, payroll, timekeeping, networks, etc.. The budget does include an additional $6,000 for contracting with Deschutes County 911 to support IT functions for the District and an additional $15,000 for any contracted IT support needed.

- Insurance – Insurance premiums for general liability are expected to be $24,100. This is 7% higher than the prior year based on estimates from the District's insurance agent. Insurance premiums for property liability have been reclassified to the Buildings, Vehicles & Equipment cost center.

Administration Budget Detail

Administration	Historical Actual FY 2016/17	Historical Actual FY 2017/18	Adopted Budget FY 2018/19	Budget Proposed FY 2019/20	Budget Approved FY 2019/20	Budget Adopted FY 2019/20
Personnel Services						
Regular Pay	326,717	388,448	393,752	491,813	491,813	491,813
Regular Pay - Board	-	-	-	3,000	3,000	3,000
Overtime	-	44	-	-	-	-
Vac Buy Back	2,809	7,422	6,500	22,000	22,000	22,000
Employer Social Security	18,992	22,995	27,850	32,042	32,042	32,042
Employer Medicare	4,538	5,466	5,688	7,494	7,494	7,494
Employer PERS	53,710	73,706	73,023	102,570	102,570	102,570
Medical Insurance	81,209	101,044	142,994	101,526	101,526	101,526
Employer - Deferred Comp.	6,419	6,362	6,677	15,000	15,000	15,000
Life Insurance	90	108	144	108	108	108
Long Term Disability	682	842	1,224	1,287	1,287	1,287
Accidental D&D	340	262	564	1,061	1,061	1,061
Workers Comp	-	-	-	1,564	1,564	1,564
FSA	375	728	468	390	390	390
VEBA	17,500	21,000	6,000	21,000	21,000	21,000
Air Transport Membership	279	629	630	1,100	1,100	1,100
Personnel Services Total	**513,660**	**629,056**	**665,513**	**801,955**	**801,955**	**801,955**
Materials & Services						
Uniforms	2,494	683	1,015	1,000	1,000	1,000
Office Supplies	7,515	8,637	8,365	9,000	9,000	9,000
Postage	1,804	2,608	2,000	2,000	2,000	2,000
Printing	882	2,373	3,000	1,500	1,500	1,500
Election Expenses	7,211	-	17,000	50,000	50,000	50,000
Directors	2,650	2,950	3,250	-	-	-
Consulting	-	3,364	28,000	10,000	10,000	10,000
Contract Services	28,914	36,405	34,000	35,900	35,900	35,900
IT Software/Maintenance	108,638	130,585	154,000	44,342	44,342	44,342
Water / Sewer	8,818	8,921	9,000	-	-	-
Utility Electric	31,528	41,263	32,188	-	-	-
Utility Propane / Natural Gas	22,925	29,433	29,741	-	-	-
Garbage Collection	4,464	4,916	4,620	-	-	-
Phone / Cable / Internet	15,208	15,575	15,357	-	-	-
IT Software	110	1,973	-	-	-	-
IT Hardware & Supplies	3,775	12,093	16,000	5,000	5,000	5,000
Addressing	702	1,117	1,000	1,000	1,000	1,000
Volunteer Scholarships	19,900	16,500	27,000	27,000	27,000	27,000
Audit	19,100	14,650	13,500	13,500	13,500	13,500
Legal	8,694	20,458	20,000	20,000	20,000	20,000
Insurance	57,923	57,906	66,894	24,100	24,100	24,100
Advertising/Promotion	1,285	2,254	2,000	2,500	2,500	2,500
Bank & Credit Card Fees	7,090	11,151	10,000	13,000	13,000	13,000
Admin Training & Travel	23,663	17,657	28,000	20,000	20,000	20,000
Subscrip, Memberships, Lib. Re	8,749	7,580	9,000	9,000	9,000	9,000
Small Tools & Work Equipment	1,426	1,936	3,000	3,000	3,000	3,000
Equipment Rental / Maint	5,391	4,689	5,820	3,600	3,600	3,600
Miscellaneous	367	2,892	500	500	500	500
Materials & Services Total	**401,226**	**460,569**	**544,250**	**295,942**	**295,942**	**295,942**
Administration Total	**914,886**	**1,089,625**	**1,209,763**	**1,097,897**	**1,097,897**	**1,097,897**

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. This cost center includes personnel services and materials & services. Personnel services were discussed in the budget overview. In the prior year, it also included capital outlay, debt service and contingencies that have been reclassified to other cost centers or fund. This cost center has an overall decrease of 47.7% from prior year's budget, however this is due to the restructure of the budget and not cost savings. When accounting for the reclassifications and the items noted below, the total budget is relatively consistent with the prior year.

Personnel Services

There are 37.0 employees funded in this cost center including their salary and benefits. There is one deputy chief, three battalion chiefs, nine captains, eighteen engineers and six firefighters. All employees in this cost center are also paramedics. This is one fewer staff person than the prior year due to the vacancy in the training chief position. In addition, approximately $1,000,000 in wages and benefits related to EMS staff we reclassified to the new EMS & Training Operations cost center. Items to note are:

- Wages include a 1% wage increase effective January 1, 2020.

- Holiday/Vacation Buyback – Decreased from a budget of $110,749 in FY 2018/19 to $68,450 due to the prior year including payouts for numerous positions. The budget also reflects the negotiated increase in vacation payouts from 72 to 96 hours per year.

- PERS is expected to increase by approximately 20% to $1,144,079.

Materials & Services

Total expenditures for materials and services for this cost center are anticipated to decrease from the prior year budget of $921,103 to $207,769. This is due to the reclassification of expenditures to other cost centers and not cost savings as costs are expected to remain relatively consistent. Items to note are:

- IT Software Maintenance – New line of $23,019 in FY 2019/20 for direct IT costs such as data support and timekeeping and training software. Costs are expected to remain relatively stable from the prior year. (Previously in the Administration cost center)

Materials & Services *(continued)*

- Personal Protective Equipment – Increase from $23,000 to $45,000 for the purchase of additional uniforms, especially wildland compliance pants.

- Reclassifications of prior year budgeted costs to new cost center

    - Station Supplies/Furnishings/Building Maintenance – nearly $100,000 reclassified to Buildings, Vehicles & Equipment.
    - Medical Supplies/Equipment - $165,000 to the EMS & Training Operations cost center.
    - Vehicles – Nearly $300,000 in prior year budgeted vehicle maintenance and fuel costs was reclassified to the Buildings, Vehicles & Equipment cost center.
    - Radios - $65,000 in radios was reclassified to the Buildings, Vehicles & Equipment cost center.
    - EMS Training Materials, Travel & Uniforms – approximately $60,000 in prior year budgeted costs were reclassified to the EMS & Training Operations cost center.

Capital Outlay

There is no activity budgeted in the current year in this cost center. All current year budgeted activity has been done in the Capital Projects Fund; see page 73.

Debt Service

There is no activity budgeted in the current year in this cost center. All current year budgeted activity has been done in the General Fund Non-Departmental section; see page 68.

Contingency

There is no activity budgeted in the current year in this cost center. All current year budgeted activity has been done in the General Fund Non-Departmental section; see page 68.

Fire & Rescue Operations Budget Detail

Fire & Rescue Operations	Historical Actual FY 2016/17	Historical Actual FY 2017/18	Adopted Budget FY 2018/19	Budget Proposed FY 2019/20	Budget Approved FY 2019/20	Budget Adopted FY 2019/20
Personnel Services						
Regular Pay	3,464,795	3,647,699	4,211,898	3,209,434	3,209,434	3,209,434
Overtime - EMS	-	-	-	-	-	-
Overtime - Suppression	334,373	532,016	375,000	432,000	432,000	432,000
Conflagration Wages	1,856	81,694	15,000	20,000	20,000	20,000
Wellness Bonus	3,048	3,252	16,200	16,200	16,200	16,200
Vac Buy Back	39,693	57,233	110,749	68,450	68,450	68,450
Special Event Wages	206	-	-	7,500	7,500	7,500
FLSA	20,776	26,356	25,000	25,200	25,200	25,200
Community Paramedic Wages	113,680	4,512	62,400	-	-	-
Employer Social Security	234,976	265,606	322,295	234,285	234,285	234,285
Employer Medicare	54,803	61,727	66,510	54,792	54,792	54,792
Employer PERS	786,004	1,059,391	1,060,868	1,144,079	1,144,079	1,144,079
Medical Insurance	708,351	726,992	1,138,711	703,806	703,806	703,806
Employer - Deferred Comp	2,700	3,293	3,300	3,300	3,300	3,300
Life Insurance	993	1,062	1,272	888	888	888
Long Term Disability	9,944	10,567	10,812	9,213	9,213	9,213
Accidental D&D	3,392	3,538	4,980	2,054	2,054	2,054
Workers Comp	125,809	120,993	160,000	106,459	106,459	106,459
FSA	1,828	(289)	4,056	2,340	2,340	2,340
PEHP	12,060	11,910	12,780	12,960	12,960	12,960
VEBA	92,500	99,750	42,000	104,500	104,500	104,500
MERP	4,978	2,951	10,000	7,500	7,500	7,500
Air Transport Membership	1,800	5,008	-	3,700	3,700	3,700
Exposure Reporting System	-	-	-	-	540	540
Personnel Services Total	**6,018,563**	**6,725,262**	**7,653,830**	**6,168,660**	**6,169,200**	**6,169,200**
Materials & Services						
Station Supplies	10,481	11,719	18,540	-	-	-
Station Furnishing	369	11,209	13,500	-	-	-
Uniforms	29,570	42,916	48,000	30,000	30,000	30,000
Safety Supplies	2,004	5,096	5,150	250	250	250
Medical Supplies / Equipment	150,425	159,092	165,000	-	-	-
Personal Protective Equipment	6,902	38,470	23,000	45,000	45,000	45,000
Taxi Vouchers	30	100	650	-	-	-
Contract Services	-	-	-	-	-	-
IT Software/Maintenance	-	-	-	23,019	23,019	23,019
Building Maint.	29,955	26,124	65,000	-	-	-
IT Hardware & Supplies	-	-	-	1,000	1,000	1,000
Fire Training & Travel	28,500	24,318	45,000	25,000	25,000	25,000
EMS Training & Travel	11,586	6,631	31,050	-	-	-
Fire Training Materials	-	-	5,000	2,500	2,500	2,500
EMS Training Materials	-	296	15,000	-	-	-
Hose	-	10,124	5,000	5,000	5,000	5,000
Small Tools & Work Equipment	30,485	33,479	25,000	25,000	25,000	25,000
ARFF	22,858	28,840	50,000	30,000	30,000	30,000
Radios	9,484	64,486	65,000	-	-	-
Firefighting Foam / Extinguish	3,055	1,595	3,500	4,000	4,000	4,000
Meetings	1,275	361	2,500	2,000	2,000	2,000
External Equip Maint.	15,459	14,862	32,600	-	-	-
Fuel	49,032	61,588	57,680	-	-	-
Vehicle Maint - Contracted	136,480	147,717	177,783	-	-	-
External Vehicle Maint.	11,227	12,125	10,300	-	-	-
Wellness / Fitness	6,834	15,166	20,350	10,000	10,000	10,000
EMS Licenses	8,108	25	19,500	-	-	-
Employee / Volunteer Recogn	7,721	6,048	8,500	5,000	5,000	5,000
Ambulance Refunds	5,985	11,235	8,500	-	-	-
Materials & Services Total	**577,825**	**733,622**	**921,103**	**207,769**	**207,769**	**207,769**

Fire & Rescue Operations Budget Detail *(continued)*

Fire & Rescue Operations	Historical		Adopted	Budget		
	Actual	Actual	Budget	Proposed	Approved	Adopted
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2019/20
Capital Outlay						
EMS Equipment	156,905	497,892	285,000	-	-	-
Fire Equipment	297,778	-	425,000	-	-	-
Admin Equipment	-	-	-	-	-	-
Vehicles	5,500	5,571	134,000	-	-	-
Building	-	-	-	-	-	-
Capital Improvements	17,477	11,850	45,000	-	-	-
Software	-	-	-	-	-	-
Capital Outlay Total	**477,660**	**515,313**	**889,000**	**-**	**-**	**-**
Debt Service						
Equipment Lease - Prin	116,200	110,000	262,000	-	-	-
Equipment Lease - Int.	28,031	62,930	48,000	-	-	-
Principal	115,000	117,205	115,000	-	-	-
Interest	66,863	27,463	62,000	-	-	-
Debt Service Total	**326,094**	**317,598**	**487,000**	**-**	**-**	**-**
Contingency						
Operating Reserve	-	-	350,000	-	-	-
Workers Comp Reserve	-	-	50,000	-	-	-
Building Reserve	-	-	398,000	-	-	-
Equipment Reserve	-	-	275,500	-	-	-
Contingency	-	-	1,167,225	-	-	-
Contingency Total	**-**	**-**	**2,240,725**	**-**	**-**	**-**
Fire & Rescue Total	**7,400,142**	**8,291,795**	**12,191,658**	**6,376,429**	**6,376,969**	**6,376,969**

General Fund - EMS & Training Operations

Overview & Highlights

The EMS & Training Operations cost center is managed by the EMS & training division chief. It contains the necessary line items to support all aspects of EMS and training service delivery. Training is for all EMS and fire & rescue personnel. This cost center includes personnel services and materials & services and is new in the FY 2019/20 budget. Personnel services were discussed in the budget overview. This is a new cost center in FY 2019/20, however costs were separated from the existing Operations cost center. Costs are relatively consistent with the prior year.

Personnel Services

There are 14.0 employees funded in this cost center including their salary and benefits. There is one division chief, six paramedics, and seven EMTs. This is one fewer staff person than the prior year due to the conclusion of the community paramedic grant program. Items to note are:

- PERS is expected to increase by approximately 20% to $136,337.
- The District's contribution toward medical insurance premiums for EMS employees increased from 50% to 65%. This increases the District's portion of the medical insurance premiums by about $12,500 annually.

Materials & Services

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

- Medical Supplies / Equipment – Budget is the same as the prior year at $165,000. (Previously budgeted in the Operations cost center)
- IT Software/Maintenance – Budgeted expenditures of $23,328 includes $11,500 for the Health EMS software, and other software costs. These are ongoing costs and are consistent with the prior year. (Previously budgeted in the Administration cost center)
- External Equip Maint – Budget of $16,000 includes $10,500 for annual maintenance on the LifePak systems and $3,000 for AED maintenance. These are ongoing costs and are consistent with the prior year. (Previously budgeted in the Administration cost center)
- EMS Licenses – Decreases from $19,500 to $650. License renewals are on a two-year cycle; therefore every other budget year will see a lower amount.

EMS & Training Operations Budget Detail

EMS & Training Operations	Historical Actual FY 2016/17	Historical Actual FY 2017/18	Adopted Budget FY 2018/19	Budget Proposed FY 2019/20	Budget Approved FY 2019/20	Budget Adopted FY 2019/20
Personnel Services						
Regular Pay	-	-	-	492,299	492,299	492,299
Overtime - EMS	-	-	-	252,754	252,754	252,754
Wellness Bonus	-	-	-	5,400	5,400	5,400
Vac Buy Back	-	-	-	17,000	17,000	17,000
Employer Social Security	-	-	-	47,649	47,649	47,649
Employer Medicare	-	-	-	11,144	11,144	11,144
Employer PERS	-	-	-	136,337	136,337	136,337
Medical Insurance	-	-	-	61,834	61,834	61,834
Life Insurance	-	-	-	240	240	240
Long Term Disability	-	-	-	2,409	2,409	2,409
Accidental D&D	-	-	-	964	964	964
Workers Comp	-	-	-	27,820	27,820	27,820
FSA	-	-	-	312	312	312
VEBA	-	-	-	3,500	3,500	3,500
Air Transport Membership	-	-	-	1,300	1,300	1,300
Exposure Reporting System	-	-	-	540	-	-
Personnel Services Total	**-**	**-**	**-**	**1,061,502**	**1,060,962**	**1,060,962**
Materials & Services						
Uniforms	-	-	-	15,000	15,000	15,000
Safety Supplies	-	-	-	1,000	1,000	1,000
Medical Supplies / Equipment	-	-	-	165,000	165,000	165,000
Personal Protective Equipment	-	-	-	3,000	3,000	3,000
Taxi Vouchers	-	-	-	650	650	650
Contract Services	-	-	-	12,500	12,500	12,500
IT Software/Maintenance	-	-	-	23,328	23,328	23,328
IT Hardware & Supplies	-	-	-	3,000	3,000	3,000
EMS Training & Travel	-	-	-	12,500	12,500	12,500
EMS Training Materials	-	-	-	15,000	15,000	15,000
Small Tools & Work Equipment	-	-	-	3,500	3,500	3,500
Meetings	-	-	-	500	500	500
External Equip Maint.	-	-	-	16,000	16,000	16,000
Wellness / Fitness	-	-	-	2,000	2,000	2,000
EMS Licenses	-	-	-	650	650	650
Employee / Volunteer Recogn	-	-	-	1,850	1,850	1,850
Materials & Services Total	**-**	**-**	**-**	**275,478**	**275,478**	**275,478**
EMS & Training Total	**-**	**-**	**-**	**1,336,980**	**1,336,440**	**1,336,440**

General Fund – Fire & Life Safety

Overview & Highlights

The Fire & Life Safety 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, necessary equipment and supplies, uniforms and training. Grants and donations assist in the funding of various expenditures such as the car seat and helmet programs.

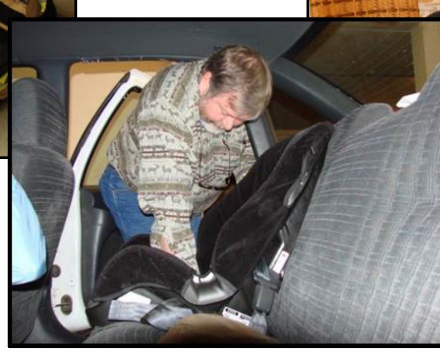
Personnel Services

There are 2.0 employees funded in this cost center. At a budget of $299,931, personnel costs are consistent with actual expenditures experienced over the past years. The prior year's budgeted included an additional deputy fire marshal position that will not be filled. PERS is expected to increase from FY 2018/19 by approximately 20% to $55,714.

Materials & Services

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

- Fire & Life Safety – decreased from $23,000 to $4,250 as prior year budget included the purchase of lock boxes that were not purchased and will not be purchased this coming year.



Fire & Life Safety Budget Detail

Fire & Life Safety	Historical		Adopted	Budget		
	Actual	Actual	Budget	Proposed	Approved	Adopted
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2019/20
Personnel Services						
Regular Pay	171,682	178,290	240,506	183,024	183,024	183,024
Overtime	-	-	-	1,000	1,000	1,000
Wellness Bonus	-	-	-	450	450	450
Vac Buy Back	-	-	-	-	-	-
Employer Social Security	10,547	11,003	14,911	11,437	11,437	11,437
Employer Medicare	2,455	2,561	3,487	2,675	2,675	2,675
Employer PERS	36,018	47,253	55,447	55,714	55,714	55,714
Medical Insurance	32,833	34,111	61,271	37,097	37,097	37,097
Life Insurance	48	48	72	48	48	48
Long Term Disability	498	498	612	498	498	498
Accidental D&D	192	128	282	111	111	111
Workers Comp	-	-	-	317	317	317
FSA	78	-	234	-	-	-
PEHP	360	360	360	360	360	360
VEBA	7,000	7,000	2,000	7,000	7,000	7,000
Air Transport Membership	90	200	200	200	200	200
Personnel Services Total	**261,801**	**281,451**	**379,383**	**299,931**	**299,931**	**299,931**
Materials & Services						
Uniforms	836	226	900	1,200	1,200	1,200
FLS Training & Travel	563	2,016	4,500	4,000	4,000	4,000
Subscrip, Memberships, Lib. Re	959	1,041	1,000	2,000	2,000	2,000
Small Tools & Work Equipment	-	-	-	200	200	200
Meetings	-	134	200	200	200	200
Fire & Life Safety	724	3,968	23,000	4,250	4,250	4,250
Halloween Community Event	3,681	510	700	2,000	2,000	2,000
Car Seat Program	862	1,412	2,500	2,000	2,000	2,000
Materials & Services Total	**7,625**	**9,307**	**32,800**	**15,850**	**15,850**	**15,850**
Fire & Life Safety Total	**269,426**	**290,759**	**412,183**	**315,781**	**315,781**	**315,781**

General Fund – Buildings, Vehicles & Equipment

Overview & Highlights

The Buildings, Vehicles & Equipment cost center accounts for the costs associated with the maintenance and operation of the District's buildings, 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 buildings and other equipment. This cost center also includes associated utilities, insurance, communication, fuel and supplies.

Materials & Services

Materials and services for this cost center are anticipated to remain relatively consistent with the prior year, although the expenses were previously budgeted in other cost centers in the prior year. Changes to note are:

- Contract Services – Total of $11,265. This is consistent with the prior year and covers items such as elevator maintenance, security services and pest control (Previously in the Administration cost center)

- Utilities – Total approximately $135,000 and covers water, sewer, garbage, cable, phone & internet. This is consistent with the prior year. (Previously in the Operations cost center)

- Insurance – Insurance premiums for property liability are expected to be $54,855. This is 10% higher than the prior year based on estimates from the District's insurance agent. (Previously in the Administration cost center)

- Radios – Decreasing by $25,000. The FY 2018/19 budget included the District's portion of a tri-county regional radio upgrade project that will not repeat in FY 2019/20, but will continue to incur ongoing operational costs. (Previously in the Operations cost center)

- Fuel – Increasing to $65,000. The prior year budget was $57,680, but allowing for higher costs due to increasing fuel prices. (Previously in the Operations cost center)

Materials & Services *(continued)*

- Vehicle Maintenance – Contracted. Increasing from $177,783 to $191,000. This line item accounts for the contract between the District and the City of Redmond for the use of their City vehicle maintenance shop. Costs are allocated over a three-year period throughout all users of the shop (this includes various City of Redmond departments along with the District and Cascades East Transit). As this three-year period cycles out years of very high or very low expenditures, costs due from all users will fluctuate. The District's usage has remained consistent, although the City faces the same PERS increases as the District which raises costs for all parties. (Previously in the Operations cost center)

Buildings, Vehicles & Equipment Budget Detail

	Historical		Adopted	Budget		
	Actual	Actual	Budget	Proposed	Approved	Adopted
Buildings, Vehicles & Equip	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2019/20	FY 2019/20
Materials & Services						
Station Supplies	-	-	-	10,000	10,000	10,000
Station Furnishing	-	-	-	5,000	5,000	5,000
Contract Services	-	-	-	11,265	11,265	11,265
Water / Sewer	-	-	-	9,250	9,250	9,250
Utility Electric	-	-	-	35,000	35,000	35,000
Utility Propane / Natural Gas	-	-	-	35,000	35,000	35,000
Garbage Collection	-	-	-	4,500	4,500	4,500
Phone / Cable / Internet	-	-	-	49,345	49,345	49,345
Building Maint.	-	-	-	40,000	40,000	40,000
Insurance	-	-	-	54,885	54,885	54,885
Small Tools & Work Equipment	-	-	-	10,000	10,000	10,000
Radios	-	-	-	40,000	40,000	40,000
External Equip Maint.	-	-	-	22,500	22,500	22,500
Fuel	-	-	-	65,000	65,000	65,000
Vehicle Maint - Contracted	-	-	-	191,000	191,000	191,000
External Vehicle Maint.	-	-	-	10,500	10,500	10,500
Materials & Services Total	**-**	**-**	**-**	**593,245**	**593,245**	**593,245**
Bldgs, Vhcls & Equip Total	**-**	**-**	**-**	**593,245**	**593,245**	**593,245**

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 five cost centers. This section includes debt service, transfers, contingency and reserves.

Items to note are:

- Debt service includes a new loan of $262,500 for the purchase of a new ambulance.

- Transfers are a new line item created to establish and fund the Capital Projects Fund.

- Contingencies and Reserves have changed from the prior year due to adoption of the Board reserve policy described on page 70.

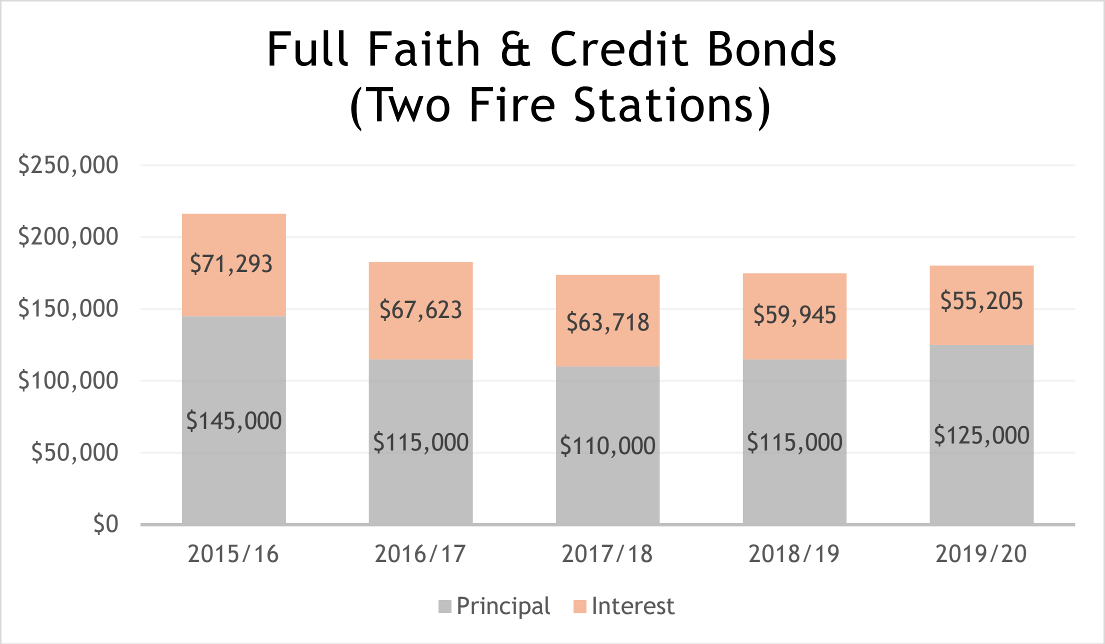
Debt Service

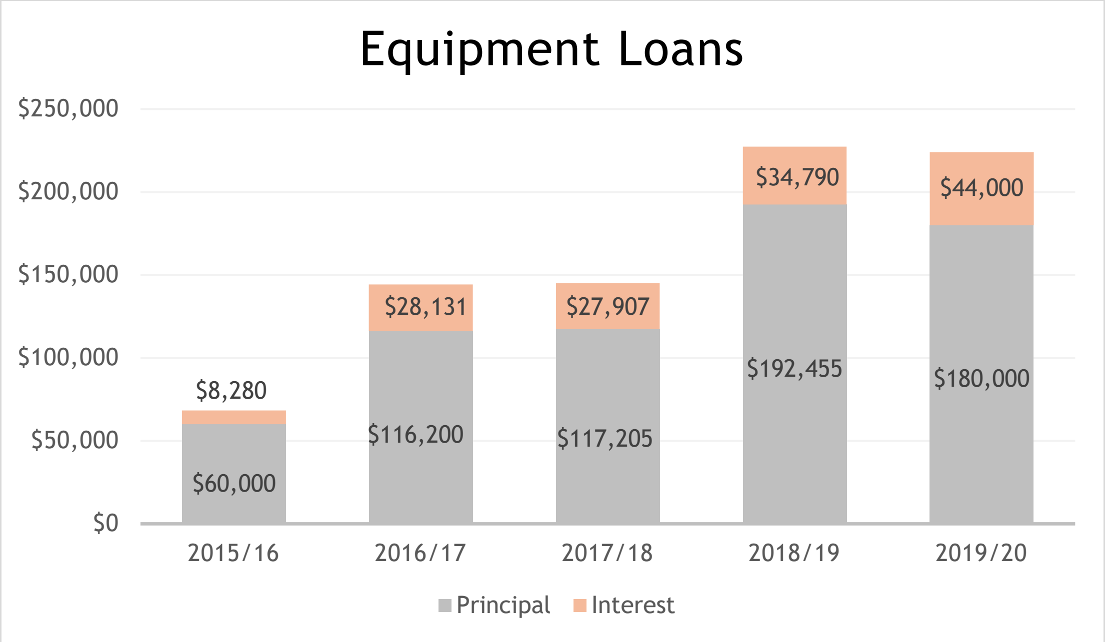
Debt Service includes repayment of principal and interest on bonds, loans and other financing agreements. Total debt service will remain relatively consistent with the prior year.

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 equipment loans are for one engine and four ambulances.

Debt Service *(continued)*

The FY 2019/20 budget includes the financing of a new ambulance for an approximate purchase price of $265,200. Total debt service for FY 2019/20 is anticipated to be $404,205, which is relatively consistent with the prior year due to the payment in full of two loans; an ambulance and defibrillators. 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 2019/20 budget includes a transfer of $593,000 from the General Fund to the Capital Projects Fund to establish reserves and fund expenditures that exceed other revenue sources, such as the issuance of debt for the purchase of the ambulance.

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. Since the reserve levels for the District have been sufficient, a tax anticipation note has not been needed to support this gap in revenues. But the District is fast approaching a time where gap financing may be necessary.

In accordance with the Board policy, the working capital contingency has been increased from $1,167,225, or 42 days, in FY 2018/19 to $2,017,019 in FY 2019/20 and is equal to roughly 75 days of operations. This is still significantly less than the target of 120 days in the reserve policy, so the District shall continue to evaluate options to increase the contingency in the coming years.

Reserve

Reserves represent fund balances that are not planned to be spent during FY 2019/20 and will be carried over to the FY 2020/21 beginning fund balances. Reserve balances in the General Fund for FY 2019/20 total $100,000 and have changed from the prior year as described below.

Operating Reserve

The operating reserve was created to account for future personnel increases, specifically PERS and medical insurance. This will help smooth the impact of unexpected personnel costs. The FY 2019/20 operating reserve is set at $50,000. This is a reduction from the prior year's reserve of $350,000, which was done to help offset the increase in the operating contingency.

Workers Compensation Reserve

The workers compensation reserve was created to account for future workers compensation increases, specifically due to the exposure of the presumptive cancer claims. This will help smooth the impact of unexpected personnel costs. The FY 2019/20 reserve remains at $50,000.

Non-Departmental Budget Detail

Non-Departmental	Historical Actual FY 2016/17	Historical Actual FY 2017/18	Adopted Budget FY 2018/19	Budget Proposed FY 2019/20	Budget Approved FY 2019/20	Budget Adopted FY 2019/20
Debt Service						
Equipment Lease - Prin	-	-	-	180,000	180,000	180,000
Equipment Lease - Int.	-	-	-	44,000	44,000	44,000
Principal	-	-	-	125,000	125,000	125,000
Interest	-	-	-	55,205	55,205	55,205
Debt Service Total	**-**	**-**	**-**	**404,205**	**404,205**	**404,205**
Transfers						
Transfers Out - To Capital Projects	-	-	-	593,000	593,000	593,000
Transfers Total	**-**	**-**	**-**	**593,000**	**593,000**	**593,000**
Contingency						
Operating Contingency	-	-	-	2,017,019	2,017,019	2,017,019
Contingency Total	**-**	**-**	**-**	**2,017,019**	**2,017,019**	**2,017,019**
Reserve						
Operating Reserve	-	-	-	50,000	50,000	50,000
Workers Comp Reserve	-	-	-	50,000	50,000	50,000
Reserve Total	**-**	**-**	**-**	**100,000**	**100,000**	**100,000**
Non-Departmental Total	**-**	**-**	**-**	**3,114,224**	**3,114,224**	**3,114,224**
Total Expenditures	**8,584,454**	**9,672,179**	**13,813,604**	**12,834,556**	**12,834,556**	**12,834,556**
Net Fund Total	**3,571,912**	**3,627,602**	**-**	**-**	**-**	**-**

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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 $593,000. Additionally, the District expects to take out a $265,200 loan for the purchase of a new ambulance and to receive $30,000 from the sale of two ambulances that have outlived their useful lives to the District.

Capital Outlay

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. The total budget for FY 2019/20 is $438,200.

The capital outlay items included in the FY 2019/20 budget 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 FY 2019/20 budget *does not* propose any significant ***nonrecurring*** capital investments which will affect the entity's current and future operating budget and the services that the entity provides. Because all purchases in the FY 2019/20 budget, with the exception of the ambulance, are purchased without financing, no fiscal impact will be seen in upcoming budgets.

Items to note are:

- This fund was created in FY 2019/20 to isolate capital costs, which can be large and fluctuate significantly from year-to-year, and to serve as a savings account for future capital expenditures through the reserve.

- The EMS equipment includes the purchase of a new ambulance and gurney loading system ($265,200). The ambulance will be used in the BLS/single role paramedic program. Since EMS encompasses approximately 75%-80% of total District calls, ambulances are constantly in use and therefore must be replaced more frequently. The debt payment for the new ambulance has been included in the debt service budget and will be financed over five years.

- The EMS equipment line also includes one LifePak15 ($37,000), one gurney loading system ($27,000) and two Lucas CPR machines ($17,000 ea).

- Fire equipment includes $50,000 to purchase SCBAs if awarded a grant. The total cost of the SCBAs is expected to be $500,000 with a 10% match requirement. The District elected to only budget the match and not the entire purchase as the grant is not yet available. If awarded the grant, a supplemental budget will be prepared to recognize the grant revenue and increase in expenditures.

- Capital improvements includes $25,000 for various station security upgrades such as cameras, badging or gates.

Capital Purchases		
Type of Equipment	**Category**	**Purchase Price**
Ambulance	EMS Equipment	$265,200
LifePak15	EMS Equipment	$37,000
Gurney Loading System	EMS Equipment	$27,000
Lucas CPR Machines (2)	EMS Equipment	$34,000
SCBAs	Fire Equipment	$50,000
Station Security	Capital Improvements	$25,000
	TOTAL	**$438,200**

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. In addition, an equipment replacement schedule has been established to ensure the necessary financial resources will be available when equipment reaches the end of its useful life.

An equipment replacement schedule showing respective replacement amounts and useful lives is shown on the next page.

Equipment Replacement Schedule					
Type of Equipment	**Purchased**	**Purchase Price**	**Useful Life**	**Replacement Date**	**Replacement Cost**
Rescue Tools	2002-2003	$60,000	20 years	2022/2023	$100,000
Thermal Image Cameras	2013	$40,000	10 years	2023	$60,000
SCBA	2007	$750,000	10 years	2019	$500,000 ~
Gurneys/Stair Chair	2012	$10,000	10 years	2022 Ongoing (w/ ambulances)	$15,000
Cardiac Monitors	2014	$140,000	8 years	2022	$140,000*
Ventilators	2011	$7,500	5-10 years	2021	$15,000 ea
IV Pumps	2010	$28,000	5 years	2015	$15,000 ea ^

~ Will apply for grant to fund approximately $450,000 with a $50,000 match from the District. The match is budgeted in capital outlay.

* Will be offset by trade in equipment.

^ Currently using loaner IV pumps from St. Charles Health System which delays the need to purchase units at this time.

Reserve

Reserves represent fund balances that are not planned to be spent during FY 2019/20 and will be carried over to the FY 2020/21 beginning fund balances. Reserve balances for FY 2019/20 total $450,000 and have changed from the prior year as described below.

Building Reserve
The building reserve for FY 2019/20 is $250,000. The line item was created to reserve for major remodels to existing stations and future building projects. As there are no immediate projects, this reserve was decreased from the prior year reserve of $398,000. The reduction in the reserve also helps to offset the increase in the operating contingency to meet board contingency policy as described on page 70.

Equipment Reserve
Beginning in FY 2012/13 the District funded a reserve account to support future purchases of necessary equipment. The District has dedicated $200,000 this fiscal year and plans to increase the amount each year. This reserve was decreased from the prior year reserve of $275,500, as nearly $100,000 is needed for the purchase of the EMS equipment, excluding the ambulance, described on the previous page.

Capital Projects Fund Budget Detail

Capital Projects Fund	Historical Actual FY 2016/17	Historical Actual FY 2017/18	Adopted Budget FY 2018/19	Budget Proposed FY 2019/20	Budget Approved FY 2019/20	Budget Adopted FY 2019/20
Resources						
Bond / Note Sale	-	-	-	265,200	265,200	265,200
Sale of Property	-	-	-	30,000	30,000	30,000
Transfers In - From General	-	-	-	593,000	593,000	593,000
Beginning Fund Balance	-	-	-	-	-	-
Resources Total	**-**	**-**	**-**	**888,200**	**888,200**	**888,200**
Capital Outlay						
EMS Equipment	-	-	-	363,200	363,200	363,200
Fire Equipment	-	-	-	50,000	50,000	50,000
Admin Equipment	-	-	-	-	-	-
Vehicles	-	-	-	-	-	-
Buildings & Improvements	-	-	-	-	-	-
Capital Improvements	-	-	-	25,000	25,000	25,000
Software	-	-	-	-	-	-
Capital Outlay Total	**-**	**-**	**-**	**438,200**	**438,200**	**438,200**
Reserve						
Building Reserve	-	-	-	250,000	250,000	250,000
Equipment Reserve	-	-	-	200,000	200,000	200,000
Reserve Total	**-**	**-**	**-**	**450,000**	**450,000**	**450,000**
Total Expenditures	**-**	**-**	**-**	**888,200**	**888,200**	**888,200**
Net Fund Total	**-**	**-**	**-**	**-**	**-**	**-**

Glossary

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

Administration – Department 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).

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

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 is in charge of 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.

Beginning Fund Balance – The difference between assets and liabilities reported in a governmental fund.

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 Message – A message prepared by the Agency Director explaining the annual proposed budget, articulating the strategies and budget packages to achieve the City's goals, and identifying budget impacts and changes.

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 Outlays – Expenditures for the acquisition of capital assets.

Captain – One who is in charge of a group of firefighters and engineers known as a company officer. Each shift has three assigned captains.

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.

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.

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.

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

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.

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.

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.

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.

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

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.

Property Taxes – Mandatory tax charged for the purpose of financing 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.

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.

Resources – 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, Fire Marshall, Division Chief for EMS & Training, Chief Financial Officer and the Office Administrator.

VEBA (Voluntary Employees Beneficiary Association) – A tax-free plan which is a post-retirement medical expense account used by retirees and their eligible dependents to pay for any eligible medical expense.

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

Budget Forms

FORM LB-1 **NOTICE OF BUDGET HEARING**

A public meeting of Redmond Fire & Rescue Fire District will be held on June 12, 2019 at 9:30am at 341 NW Dogwood Ave., Redmond, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2019 as approved by the Redmond Fire & Rescue Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at 341 NW Dogwood Ave., Redmond, Oregon between the hours of 8:00am and 5:00pm or online at www.redmondfireandrescue.org. This budget is for an annual period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Jodi Burch Telephone: 541-504-5041 Email: jodi.burch@redmondfireandrescue.org

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2017-18	Adopted Budget This Year 2018-19	Approved Budget Next Year 2019-20
Beginning Fund Balance/Net Working Capital	3,571,912	3,476,125	3,150,809
Fees, Licenses, Permits, Fines, Assessments & Other Service Charges	2,944,576	3,170,127	2,746,747
Federal, State & all Other Grants, Gifts, Allocations & Donations	5,600	386,600	2,000
Revenue from Bonds and Other Debt	453,572	260,000	265,200
Interfund Transfers / Internal Service Reimbursements	0	0	593,000
All Other Resources Except Current Year Property Taxes	88,853	49,375	122,500
Current Year Property Taxes Estimated to be Received	6,235,268	6,471,377	6,842,500
Total Resources	**$13,299,781**	**$13,813,604**	**$13,722,756**

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	7,635,769	8,698,726	8,332,048
Materials and Services	1,203,499	1,498,153	1,388,284
Capital Outlay	515,313	889,000	438,200
Debt Service	317,598	487,000	404,205
Interfund Transfers	0	0	593,000
Contingencies	0	1,167,225	2,017,019
Special Payments	0	0	0
Unappropriated Ending Balance and Reserved for Future Expenditure	0	1,073,500	550,000
Total Requirements	**$9,672,179**	**$13,813,604**	**$13,722,756**

FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
General Fund - Administration	1,089,625	1,209,763	1,097,897
FTE	5.5	5.5	6.0
General Fund - Operations - Fire & Rescue	8,291,795	12,191,658	6,376,429
FTE	54.5	55.5	37
General Fund - Operations - EMS & Training	0	0	1,336,980
FTE	0	0	14
General Fund - Fire &Life Safety	290,759	412,183	315,781
FTE	2	3	2
General Fund - Buildings, Vehicles & Equip	0	0	593,245
FTE	0	0	0
Capital Projects Fund	0	0	888,200
FTE	0	0	0
Not Allocated to Organization Unit or Program	0	0	3,114,224
FTE	0	0	0
Total Requirements	**$9,672,179**	**$13,813,604**	**$13,722,756**
Total FTE	**62.0**	**64.0**	**59.0**

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

Property taxes are expected to increase by a 5.45% increase in AV. Revenues from ambulance billings are expected to remain consistent with the prior year activity. Expenditures are consistent with prior year's activity. However, the prior year budget included two new positions, which were not filled, and a grant-funded position that is expected to terminate with the expiration of the grant. In addition, new cost centers were created in this budget.

PROPERTY TAX LEVIES			
	Rate or Amount Imposed 2017-18	Rate or Amount Imposed This Year 2018-19	Rate or Amount Approved Next Year 2019-20
Permanent Rate Levy (rate limit $1.7542 per $1,000)	$1.7542	$1.7542	$1.7542
Local Option Levy	0	0	0
Levy For General Obligation Bonds	0	0	0

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	$0	$0
Other Bonds	$1,445,000	$0
Other Borrowings	$862,034	$260,000
Total	$2,307,034	$260,000

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

FORM LB-50 2019–2020

To assessor of Crook County

☐ Check here if this is an amended form.

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions booklet.

The Redmond Fire & Rescue (District name) has the responsibility and authority to place the following property tax, fee, charge, or assessment on the tax roll of Crook (County name) County. The property tax, fee, charge, or assessment is categorized as stated by this form.

Mailing address of district	City	State	ZIP code	Date submitted
341 NW Dogwood Ave	Redmond	OR	97756	7/8/2019

Contact person	Title	Daytime telephone number	Contact person e-mail address
Jodi Burch	Chief Financial Officer	541-504-5041	jodi.burch@redmondfireandrescue.org

CERTIFICATION— You **must** check one box if you are subject to Local Budget Law.

☒ The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.

☐ The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TAXES TO BE IMPOSED

		Subject to General Government Limits: Rate —or— Dollar Amount	Excluded from Measure 5 Limits: Dollar Amount of Bond Levy
1. Rate per $1,000 **or** total dollar amount levied (within permanent rate limit)	1	$1.7542	
2. Local option operating tax	2		
3. Local option capital project tax	3		
4. City of Portland Levy for pension and disability obligations	4		
5a. Levy for bonded indebtedness from bonds approved by voters **prior** to October 6, 2001	5a		
5b. Levy for bonded indebtedness from bonds approved by voters **after** October 6, 2001	5b		
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b)	5c		

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per $1,000	6	$1.7542
7. Election date when your new district received voter approval for your permanent rate limit	7	
8. **Estimated** permanent rate limit for newly **merged/consolidated** district	8	

PART III: SCHEDULE OF LOCAL OPTION TAXES— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount —or— rate authorized per year by voters

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES*

Description	ORS Authority**	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1			
2			

*If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.
**** The ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.**

150-504-073-7 (Rev. 11-18) Form LB-50 (continued on next page)

(see the back for worksheet for lines 5a, 5b, and 5c)

File with your assessor no later than JULY 15, unless granted an extension in writing.

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

FORM LB-50
2019–2020

To assessor of Deschutes County

☐ Check here if this is an amended form.

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions booklet.

The Redmond Fire & Rescue (District name) has the responsibility and authority to place the following property tax, fee, charge, or assessment on the tax roll of Deschutes (County name) County. The property tax, fee, charge, or assessment is categorized as stated by this form.

Mailing address of district	City	State	ZIP code	Date submitted
341 NW Dogwood Ave	Redmond	OR	97756	7/8/2019

Contact person	Title	Daytime telephone number	Contact person e-mail address
Jodi Burch	Chief Financial Officer	541-504-5041	jodi.burch@redmondfireandrescue.org

CERTIFICATION—You **must** check one box if you are subject to Local Budget Law.

☒ The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.

☐ The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TAXES TO BE IMPOSED

	Subject to General Government Limits Rate —or— Dollar Amount	Excluded from Measure 5 Limits Dollar Amount of Bond Levy
1. Rate per $1,000 **or** total dollar amount levied (within permanent rate limit) ... 1	$1.7542	
2. Local option operating tax ... 2		
3. Local option capital project tax ... 3		
4. City of Portland Levy for pension and disability obligations ... 4		
5a. Levy for bonded indebtedness from bonds approved by voters **prior** to October 6, 2001 ... 5a		
5b. Levy for bonded indebtedness from bonds approved by voters **after** October 6, 2001 ... 5b		
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b) ... 5c		

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per $1,000 ... 6	$1.7542
7. Election date when your new district received voter approval for your permanent rate limit ... 7	
8. **Estimated** permanent rate limit for newly **merged/consolidated** district ... 8	

PART III: SCHEDULE OF LOCAL OPTION TAXES— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount —or— rate authorized per year by voters

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES*

Description	ORS Authority**	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1			
2			

*If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.
**** The ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.**

150-504-073-7 (Rev. 11-18)

Form LB-50 (continued on next page)

(see the back for worksheet for lines 5a, 5b, and 5c)

File with your assessor no later than JULY 15, unless granted an extension in writing.

Notice of Property Tax and Certification of Intent to Impose a Tax, Fee, Assessment, or Charge on Property

FORM LB-50 2019–2020

To assessor of Jefferson County

☐ Check here if this is an amended form.

• Be sure to read instructions in the current Notice of Property Tax Levy Forms and Instructions booklet.

The Redmond Fire & Rescue (District name) has the responsibility and authority to place the following property tax, fee, charge, or assessment on the tax roll of Jefferson (County name) County. The property tax, fee, charge, or assessment is categorized as stated by this form.

Mailing address of district	City	State	ZIP code	Date submitted
341 NW Dogwood Ave	Redmond	OR	97756	7/8/2019

Contact person	Title	Daytime telephone number	Contact person e-mail address
Jodi Burch	Chief Financial Officer	541-504-5041	jodi.burch@redmondfireandrescue.org

CERTIFICATION— You **must** check one box if you are subject to Local Budget Law.

☒ The tax rate or levy amounts certified in Part I are within the tax rate or levy amounts approved by the budget committee.

☐ The tax rate or levy amounts certified in Part I were changed by the governing body and republished as required in ORS 294.456.

PART I: TAXES TO BE IMPOSED

		Subject to General Government Limits: Rate —or— Dollar Amount	Excluded from Measure 5 Limits: Dollar Amount of Bond Levy
1. Rate per $1,000 **or** total dollar amount levied (within permanent rate limit)	1	$1.7542	
2. Local option operating tax	2		
3. Local option capital project tax	3		
4. City of Portland Levy for pension and disability obligations	4		
5a. Levy for bonded indebtedness from bonds approved by voters **prior** to October 6, 2001	5a		
5b. Levy for bonded indebtedness from bonds approved by voters **after** October 6, 2001	5b		
5c. Total levy for bonded indebtedness not subject to Measure 5 or Measure 50 (total of 5a + 5b)	5c		

PART II: RATE LIMIT CERTIFICATION

6. Permanent rate limit in dollars and cents per $1,000	6	$1.7542
7. Election date when your new district received voter approval for your permanent rate limit	7	
8. **Estimated** permanent rate limit for newly **merged/consolidated** district	8	

PART III: SCHEDULE OF LOCAL OPTION TAXES— Enter all local option taxes on this schedule. If there are more than two taxes, attach a sheet showing the information for each.

Purpose (operating, capital project, or mixed)	Date voters approved local option ballot measure	First tax year levied	Final tax year to be levied	Tax amount —or— rate authorized per year by voters

PART IV: SPECIAL ASSESSMENTS, FEES, AND CHARGES*

Description	ORS Authority**	Subject to General Government Limitation	Excluded from Measure 5 Limitation
1			
2			

*If fees, charges, or assessments will be imposed on specific property within your district, you must attach a complete listing of properties, by assessor's account number, to which fees, charges, or assessments will be imposed. Show the fees, charges, or assessments uniformly imposed on the properties. If these amounts are not uniform, show the amount imposed on each property.

**** The ORS authority for putting these assessments on the roll must be completed if you have an entry in Part IV.**

150-504-073-7 (Rev. 11-18)

Form LB-50 (continued on next page)

(see the back for worksheet for lines 5a, 5b, and 5c)

File with your assessor no later than JULY 15, unless granted an extension in writing.

REDMOND FIRE & RESCUE
RESOLUTION NO. 2019-02

A RESOLUTION ADOPTING THE FY 2019/20 BUDGET, MAKING APPROPRIATIONS, AND LEVYING/CATEGORIZING THE TAX.

RESOLUTION ADOPTING THE BUDGET

BE IT RESOLVED, that the Redmond Fire & Rescue Board hereby adopts the budget for the fiscal year 2019/20, as approved by the Budget Committee, in the amount of $13,722,756. This figure includes $550,000 of unappropriated reserves. This budget is now on file at the Redmond Fire & Rescue Main Fire Station at 341 NW Dogwood Avenue in Redmond, Oregon.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED, that the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2019 and for the following purposes (OU = Organizational Unit):

GENERAL FUND	
Administration (OU)	1,097,897
Operations - Fire & Rescue (OU)	6,376,429
Operations - EMS & Training (OU)	1,336,980
Fire & Life Safety (OU)	315,781
Buildings, Vehicles & Equipment (OU)	593,245
Debt Service	404,205
Transfers	593,000
Contingency	2,017,019
TOTAL	**12,734,556**

CAPITAL PROJECTS FUND	
Capital Outlay	438,200
TOTAL	**438,200**

TOTAL APPROPRIATIONS & ADOPTED BUDGET	
Total APPROPRIATIONS, All Funds	**13,172,756**
Total Unappropriated Reserve Amounts, All Funds	550,000
TOTAL ADOPTED BUDGET	**13,722,756**

RESOLUTION LEVYING THE TAX

BE IT RESOLVED, that the following ad valorem property taxes, as included in the fiscal year 2019/20 budget, are hereby imposed upon the assessed value of all taxable property within the district.

- At the rate of $1.7542 per $1,000 of assessed value from permanent rate tax

RESOLUTION CATEGORIZING THE TAX

BE IT RESOLVED, that the taxes imposed are hereby categorized for purposes of Article, XI, Section 11b of the Oregon Constitution as:

Subject to the General Government Limitation
Permanent Tax Rate ....$1.7542 / $1,000 Assessed Value

The above resolution statements are **ADOPTED** by the District Board and **SIGNED** by the Board President this 12th day of June, 2019.

Carroll Penhollow
Carroll Penhollow, Board President

ATTEST:

Diane Cox
Diane Cox, District Recorder

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