

# 2016/17 Annual Budget



## Redmond Fire & Rescue



*Photography courtesy of SAIF Corp.*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Redmond Fire & Rescue**

**Oregon**

For the Fiscal Year Beginning

**July 1, 2015**

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, 2015. 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.

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# Introduction of Members

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## **BOARD OF DIRECTORS**

Carroll Penhollow  
Carrol McIntosh  
Pam Steinke  
Gary Ollerenshaw  
Craig Unger

## **Term Expires**

*June 30, 2019*  
*June 30, 2017*  
*June 30, 2017*  
*June 30, 2017*  
*June 30, 2019*

## **BUDGET COMMITTEE**

Sharon Harris  
Cyndy Cook  
Jack Hoxie  
Ken Kerfoot  
John Betts

## **Term Expires**

*June 30, 2016*  
*June 30, 2016*  
*June 30, 2017*  
*June 30, 2017*  
*June 30, 2018*

## **DISTRICT ADMINISTRATIVE STAFF**

Tim Moor, Fire Chief  
Dave Pickhardt, Deputy Fire Chief  
Doug Kelly, EMS Division Chief  
Traci Cooper, Fire Marshal  
Melinda Nichols, Chief Financial Officer  
Diane Cox, Office Administrator

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# District Vision & Mission

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## 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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# District Overview

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## 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 hires the Fire Chief to manage the day-to-day operations of the District.

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

The District has 53 employees. The District's organizational chart is noted on the following page. Fire and rescue services are provided from 4 fire stations.

401 - Main  
Station



402 -  
Terrebonne  
Station



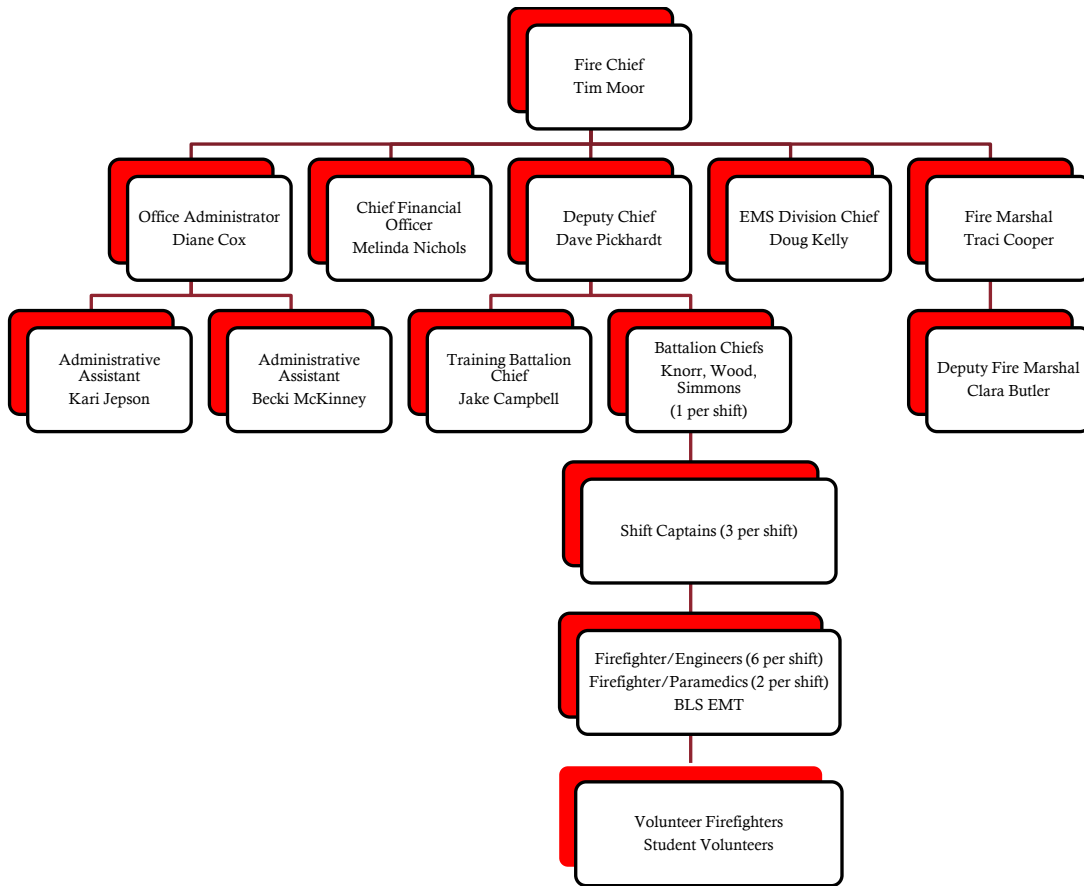
403 -  
Airport  
Station



404 - Cline  
Falls  
Station



## Organizational Chart



## Multi-Service 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
- Advanced Life Support Ambulance Transport
- Fire prevention
- Public education
- Aircraft Rescue Firefighting
- Basic rope, water and ice rescue

## Population & Demographics

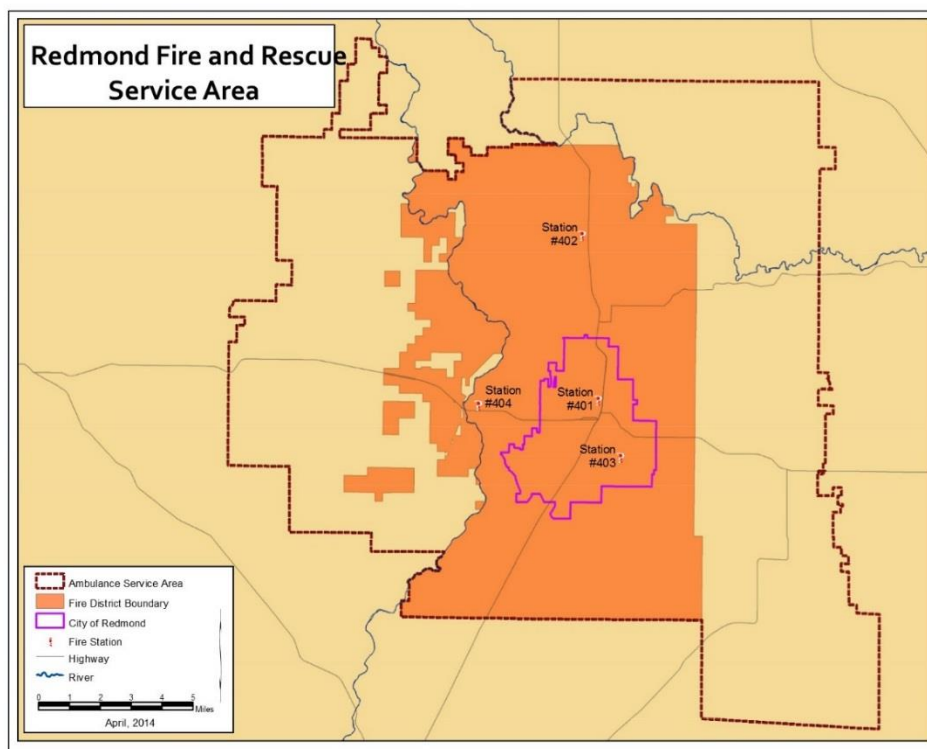
The area served, which includes the City of Redmond, covers 322.5 sq. miles for Ambulance Service Area and 278.5 sq. miles for fire service coverage. 95% of the District is located within Deschutes County with the remaining portion subsiding in both Jefferson and Crook County.

Population projections for both the City of Redmond and Deschutes County are listed below.

Population			
	2015	2014	2013
<b>Deschutes County*</b>	170,740	166,400	162,525
<b>City of Redmond*</b>	27,050	26,770	26,590
<b>Fire District (outside City Limits)**</b>	17,950	18,230	18,410
<b>Source: *Portland State University – Center of Population and Census ** Redmond Fire &amp; Rescue</b>			

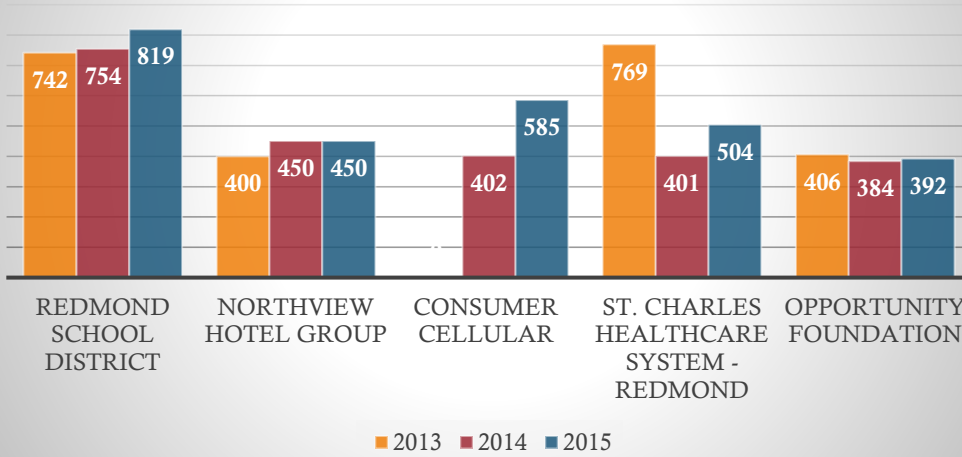
## Service Area





*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 a 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 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. All these activities are why the District continues to grow.*

## Top 5 Employers in the Greater Redmond Area



Source: Redmond Economic Development Inc.



## City of Redmond Top 10 Taxpayers

*Source: Deschutes Co. Assessor's Office*

TDS BAJA BROADBAND LLC

WAL-MART STORES INC

PCC STRUCTURALS INC

PACIFICORP (PP&L)

FRED MEYER STORES INC

LOWES HIW INC

CASCADE NATURAL GAS

HORIZON AIR INDUSTRIES

NEW TOWNE CENTRE LLC

HOME DEPOT USA INC





## Deschutes County Top 10 Taxpayers

*Source: Deschutes Co. Assessor's Office*

TDS BAJA BROADBAND, LLC

PACIFICORP (PP&L)

GAS TRANSMISSION NW

CASCADE NATURAL GAS

BEND RESEARCH INC

TOUCHMARK AT MT BACHELOR  
VILLAGE

SUTERRA LLC

CVSC LLC

DESCHUTES BREWERY

CENTURYLINK PROPERTY TAX



## 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.



## 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.

# Budget Message

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

It is a privilege to submit Redmond Fire & Rescue's proposed budget for 2016/17. The priority of this budget is to be fiscally responsible with revenues we receive from the citizens of the Fire District. Thank you for your support and dedication to Redmond Fire & Rescue.

Redmond Fire & Rescue's biggest fiscal challenges are the Oregon Tax System, Public Employees Retirement System (PERS), and increasing costs in Health Care. We refer to these challenges as the "Triple Threat".

Redmond Fire & Rescue is creating new job descriptions and classifications to decrease our exposure to the "Triple Threat." Operational and financial data have provided our leadership team with the information to make adjustments in our operations and help reduce our exposure to the "Triple Threat". Operationally we are creating a new Basic Life Support system and Emergency Medical Services position (EMT-Basic) to respond to medical calls that do not require a Paramedic. Operationally this will align the appropriate level of medical care to the appropriate medical call type. Fiscally it will help Redmond Fire & Rescue reduce our PERS and Health Insurance costs by hiring EMT-Basics instead of Paramedics.

Our budget team includes senior staff members and the Executive Board of our Local 3650 Firefighter's Association. We also include our entire membership by asking them to compile a list of their "Top-Ten" needs/wants for Redmond Fire & Rescue as seen in this Budget Message.

I would like to recognize our Chief Financial Officer for her day-to-day leadership and receiving the Distinguished Budgeting Award through Government Financial Officers Association the past three years.

## **Budget Overview**

The proposed 2016/17 budget reflects a positive assessed valuation for the District.

Our budget is divided into three (3) divisions/cost centers - Administration, Operations, and Fire & Life Safety.

This budget reflects a small decrease in our materials and services line items across all divisions; our staffing will increase from 48.5 FTE's to 53 due to the addition of a Basic Life Support (BLS) Unit. The capital expenditures proposed in this budget are the purchase of a new fire engine which had been proposed in the prior year's budget, a new ambulance, medical equipment and a new water tender which will be purchased through a federal grant.

The total budget for the 2016/17 fiscal year is \$11,205,424. Below is the breakdown of significant revenues and expenditures.

<b>Budgeted Revenues</b>			
	<b>FY 2014/15</b>	<b>FY 2015/16</b>	<b>FY 2016/17</b>
<b>Property Taxes (Current &amp; Prior)</b>	5,008,343	5,350,776	5,686,222
<b>Ambulance Billing</b>	1,024,593	1,100,000	1,367,372
<b>Grants (Federal &amp; Non-Federal)</b>	505,030	315,862	251,741
<b>Contractual Services - Airport</b>	486,762	494,377	503,987
<b>Beginning Fund Balance</b>	2,459,469	2,508,200	2,409,803
<b>Other</b>	668,550	581,800	986,299
<b>Total</b>	10,152,747	10,351,015	11,205,424

<b>Budgeted Expenditures</b>			
	<b>FY 2014/15</b>	<b>FY 2015/16</b>	<b>FY 2016/17</b>
<b>Personnel Services</b>	6,375,242	6,579,186	7,031,476
<b>Materials &amp; Services</b>	1,196,756	1,252,581	1,206,382
<b>Capital Outlay</b>	611,000	513,000	983,000
<b>Debt Service</b>	355,083	317,582	295,900
<b>Contingency</b>	1,614,666	1,688,666	1,688,666
<b>Total</b>	10,152,747	10,351,015	11,205,424

There are several successes and challenges in this approved budget.

### Successes

1. The Deschutes County Assessor's office is projecting an increase in Assessed Valuation (AV) of 4-6%. We are projecting a conservative 5% increase for FY 2016/17. The District will see a positive change in property taxes as many of these account's Real Market Values are above that AV line.
2. Our ambulance billing team continues to find and create efficiencies in our billing processes. We are projecting a 24% increase in ambulance billing revenue.
3. Capital replacements include a new fire engine, ambulance, medical equipment and a water tender.
4. Increases in our fire and EMS training budgets.
5. Funding 6.5 EMT-Basic positions with funds from two available personnel positions in our current fiscal year.

### Challenges

1. "Triple Threat"
2. Capital building and apparatus replacement.
3. Federal and State grant funding appears to be declining.
4. Lost revenue due to Urban Renewal Districts (URD's).
5. PERS and health care costs continue to increase at unsustainable rates. Redmond Fire & Rescue's leadership team, through collaboration with our Labor Association, continues to look for new opportunities to keep our personnel costs manageable.

## Top Ten List FY2015/16 - Accomplishments

- 1) *Maintain staffing - Complete*
- 2) *Fund VEBA accounts with \$1,000 - Complete*
- 3) *Hire 3 new people – Implementing BLS program.*
- 4) *Purchase ambulance – Will not be replaced due to self-imposed debt ceiling.*
- 5) *Purchase an engine – Engine has been ordered.*
- 6) *Purchase a tender– Waiting on grant reply.*
- 7) *Fire Station 4 (FS4) remodel, kitchen remodel, new recliners – Not feasible for FY 2015/16 budget.*
- 8) *Turnout and personal lockers in Fire Station 1 (FS1) – Will be finished the beginning of FY 2016/17.*
- 9) *Fire Station 1 (FS1) charting room/area - Will be finished the beginning of FY 2016/17.*
- 10) *Back-up cameras on ambulances – Partially completed.*

## Top Ten List FY2016/17

- 1) *Maintain current staffing levels*
- 2) *Fund VEBA accounts with \$1,000*
- 3) *Purchase new tender*
- 4) *Purchase an ambulance*
- 5) *Station 401 (main station) remodel*
- 6) *New Mattresses*
- 7) *EMS Equipment – (Auto-vent, glidescopes, tablet charting)*
- 8) *Additional funding for training*
- 9) *Continue upgrades of iPad technology*
- 10) *Station 404 (Cline Falls) remodel*

### 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.

As the Fire District continues to evolve and grow we will adhere to our organizational statements and strategic plan.

Redmond Fire & Rescue's leadership team will persist in looking for creative and more efficient ways to deliver fire and emergency services to our community.

Our successes include **communication, collaboration, and transparency.**

### Budget Summary:

This budget proposes our permanent tax rate of \$1.7542 per \$1,000 of Assessed Valuation. The District is projecting Assessed Valuation growth of 5% and anticipates a 94.5% collection rate.

Sincerely,



Tim Moor  
Fire Chief

# Budget Overview

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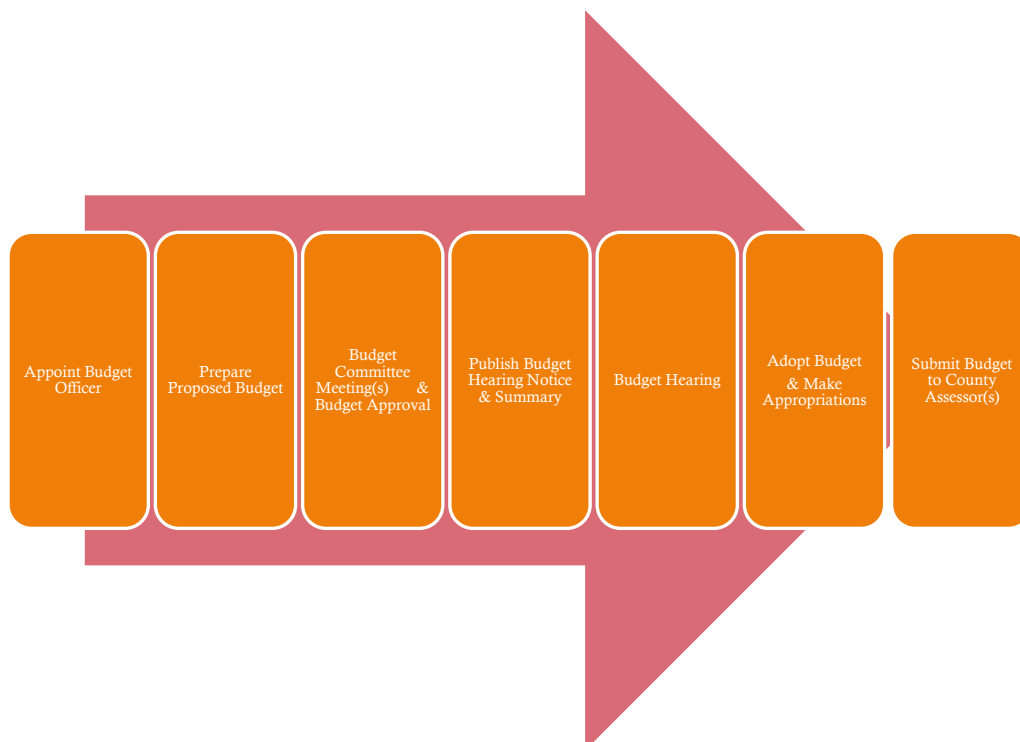
## Budget Process

The budget process for the District begins with the appointment of the budget officer which, for the 2016/17 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, Chief Financial Officer and Office Administrator) as well as Executive Board members from the District's Firefighters Association, Local 3650. The objective is to create a transparent budget process that will meet the financial needs of Redmond Fire & Rescue while meeting the District's vision, mission, and strategic plan. After meeting the budget objectives, surplus revenue allocation 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 Budget Committee 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 2016/17 fiscal year.

Date	Action
March 14 & 21, 2016	Budget Meetings
May 5, 2016	Publish Public Notice of Budget Committee Meetings (1 <sup>st</sup> Publication)
May 11, 2016	Deliver proposed budget to committee
May 12, 2016	Publish Public Notice of Budget Committee Meetings (2 <sup>nd</sup> Publication)
May 18, 2016	Budget Committee Meeting #1
May 25, 2016	Budget Committee Meeting #2
June 2, 2016	Publish Summary Budget & Notice of Public Hearing
June 8, 2016	District Board Meeting, Public Hearing
July 11, 2016	File Form LB-50 with County Assessor(s)
September 30, 2016	Budget to filed with County Recorder(s)

Oregon law allows for the District to make changes to the adopted budget through two options depending on the amount to be appropriated. If the change is 10% or less than the annual budget, the supplemental budget may be adopted at a regular meeting and is adopted by a resolution. If the change is more than 10%, a public hearing is required and the appropriation is adopted by a resolution.

## 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).

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.

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.

The District currently budgets to one fund, which is the General Fund. The General Fund accounts for all financial resources, except those to be accounted for in another fund.

The budget is managed on a day to day basis by the Fire Chief and Deputy Chief. The budget format currently consists of a General Fund which houses all operating revenues and expenditures. Within the General Fund, there are three cost centers. These cost centers consist of Operations, Administration and Fire & Life Safety.

## **Budget & Accounting Basis**

The District uses the accrual basis for both its basis of budgeting and accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when a liability is incurred, regardless of the timing to related cash flows.

## **General Fund**

Operations Cost Center - funds daily operations including staffing, training, maintenance, utilities and all logistical expenses incurred to operate a fire department.

Administration Cost Center - funds the business management side of the organization; training of administrative staff; funding business machines; purchasing office supplies; purchasing contractual legal or administrative assistance as needed; ensuring revenue is generated and collected via grants and account receivables.

Fire & Life Safety Cost Center - funds code compliance and enforcement activities which include working closely with contractors and City departments to ensure safe and code-compliant projects; prevention and public education activities.

Cost center allocation will be prioritized in the following manner:

- Operations
- Administration
- Fire & Life Safety




- Staffing
- Training
- Maintenance
- Fuel
- Utilities
- Logistical Expenses
- Equipment

Operations




- Business Management
- Legal
- Office Supplies
- Administrative Assistance

Administration



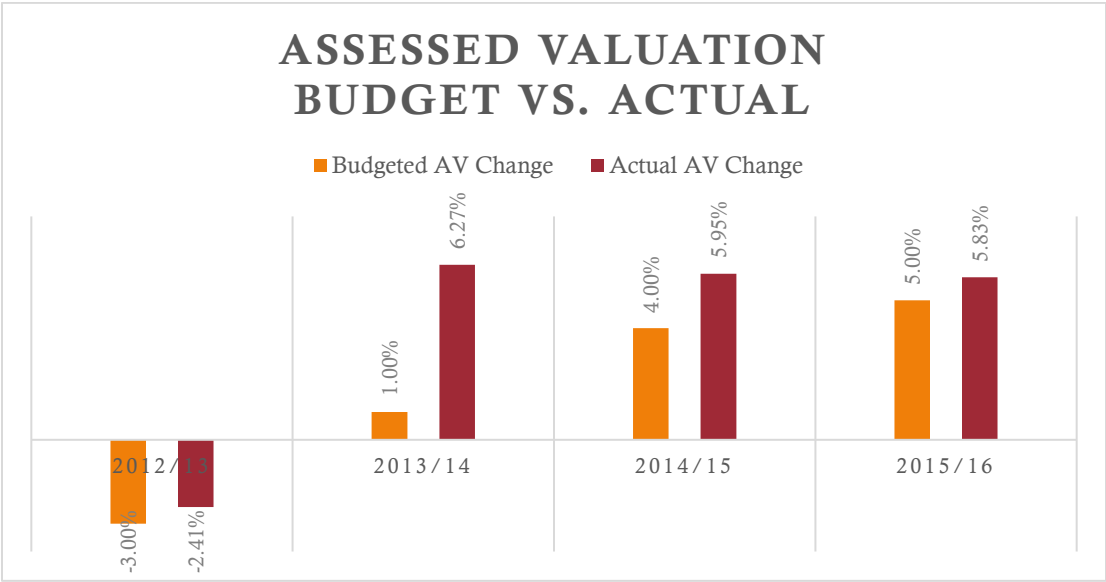
- Code compliance & enforcement
- Preventional & public education

Fire & Life Safety

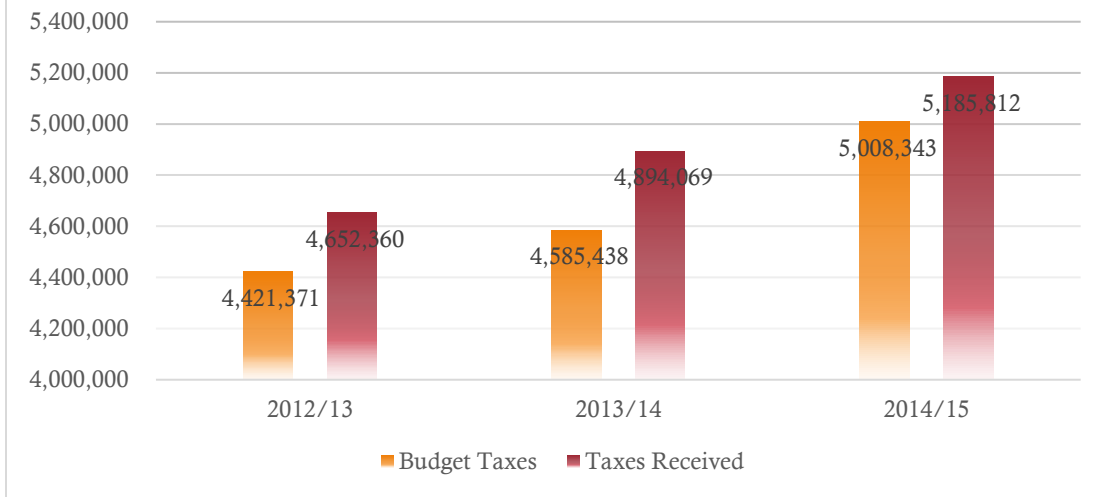


### Revenues

District resources include property taxes, ambulance billings, contractual services, FireMed subscriptions, and other sources. Property taxes are the District’s main source of income. The FY 2016/17 budget is projecting a 5% increase in total Assessed Valuation (AV) from the previous fiscal year, with a 94.5% collection rate. These projections are determined based on discussions with the Deschutes County Assessor in February. The projected property taxes to be received in 2016/17 are \$5,686,222. This includes prior year taxes as well. The District continues to maintain a conservative 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.



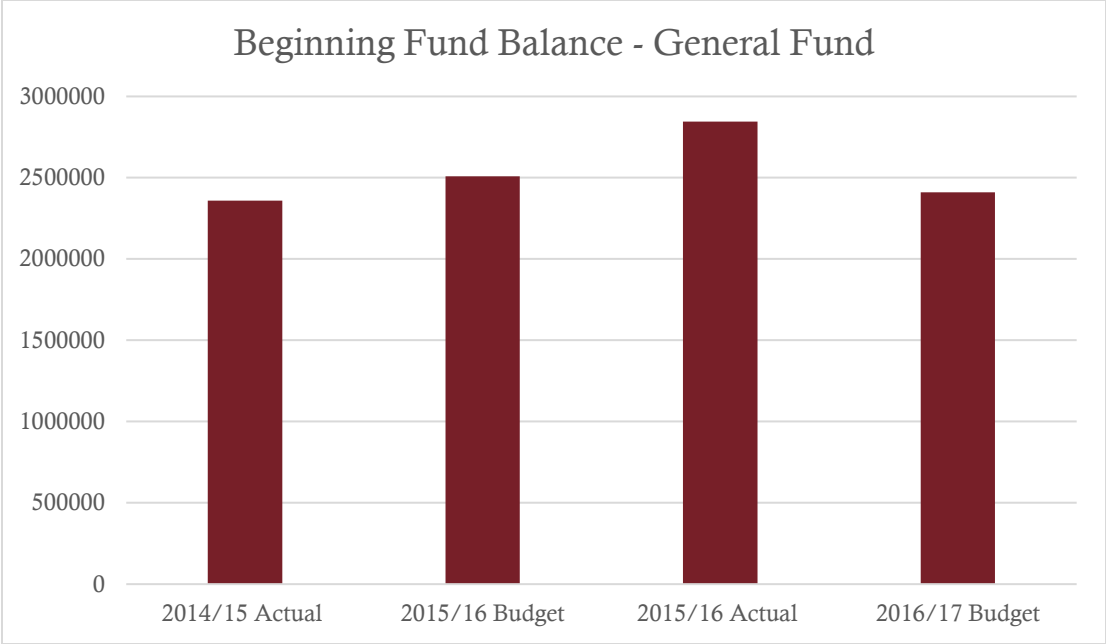
## PROPERTY TAXES BUDGET VS. ACTUAL



The beginning fund balance is the second largest resource within the FY 2016/17 budget. The beginning fund balance consists of all unspent dollars from the prior fiscal year which includes prior contingencies and reserves. The fund balance is increasing from \$2,508,200 in the FY 2015/16 budget to \$2,844,815 which is the audited ending fund balance for FY 2014/15. This was due to under projecting ambulance billing revenues by \$300,000. Ambulance billing has been constantly improving with the addition of staff which in turn helps with the efficiency in both billing and collections. With these added efficiencies the District is seeing revenue collections at much higher rates than in the past and therefore makes it difficult to project the appropriate revenues for the upcoming budget year.

For FY 2016/17, the approved fund balance is \$2,409,803, a 15.3% decrease from the projected FY 2015/16 amount. This decrease is attributed solely to under projecting ambulance billings in FY 2014/15. Ambulance revenues were budgeted at \$1,100,000 for FY 2014/15 which in turn is used to budget/project FY 2015/16 beginning fund balance. This is done before year end and audited financial statements are complete. The actual ambulance billing figure came in at \$1,435,999 which was \$335,990 more than budgeted/projected.

Beginning Fund Balance – General Fund			
2014/15 Actual	2015/16 Budget	2015/16 Actual	2016/17 Budget
2,358,091	2,508,200	2,844,815	2,409,803



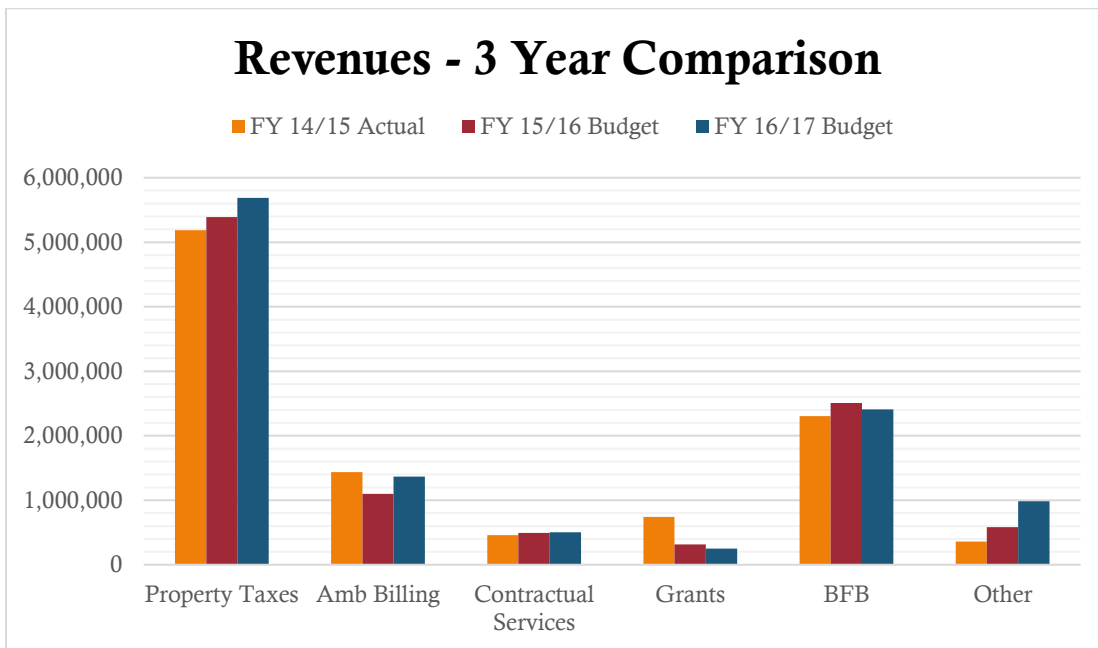
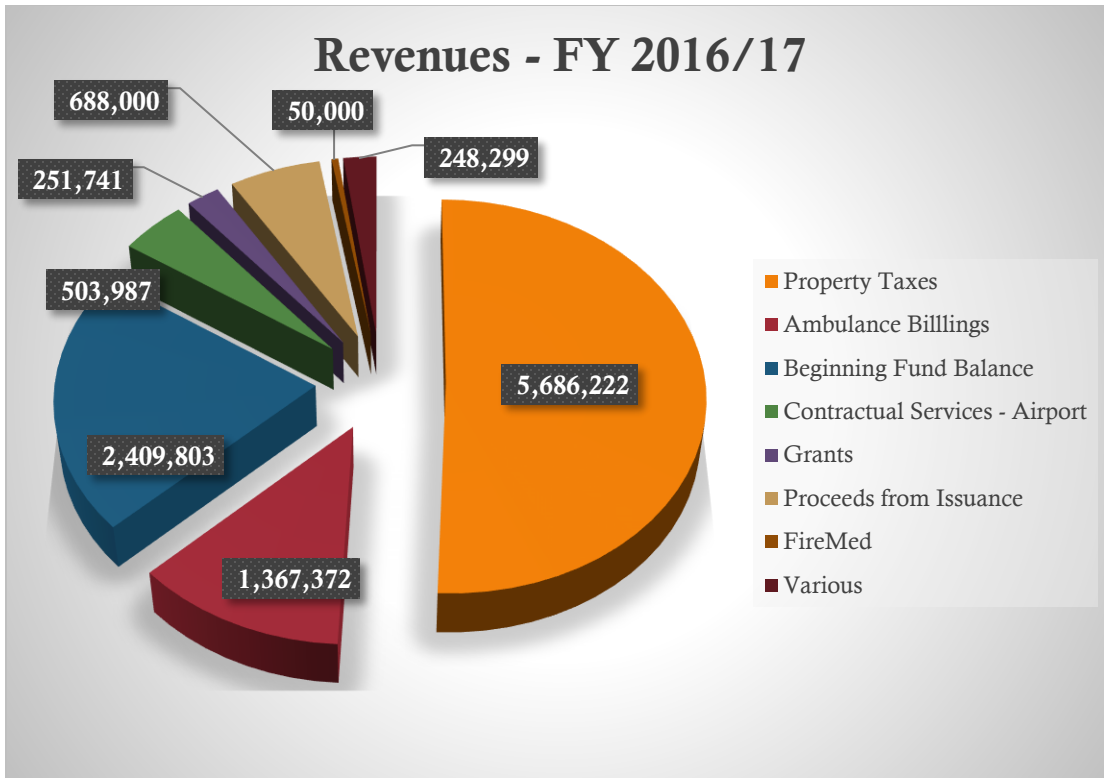
Revenues from ambulance billings are expected to be \$1,367,372. The 2014/15 actual ambulance revenue received was \$1,435,999. The District anticipates to see the same efficiencies and collections in FY 2016/17 to support the increased ambulance billing budget.

The District is anticipating the expiration of its final FEMA SAFER grant, awarded in 2012, in the fall of 2016. The grant awarded is a four year program to fund a Volunteer Firefighter Coordinator/Training Chief position whose main responsibility is to oversee both the student and volunteer programs as well as the training functions at the District. Total federal grant dollars budgeted for this grant in FY 2016/17 are \$22,241.

The District is anticipating to receive an AFG vehicle grant to use toward the purchase of a new water tender. There is a 10% District match associated with this grant. Total amount of the grant budgeted is \$225,000.

The District contracts with the Redmond Airport to staff the airport fire station. The Airport will reimburse the District for 3 firefighters and associated training fees. The budgeted resource for FY 2016/17 is \$503,987.

A breakdown of the 2016/17 Resources is included below.

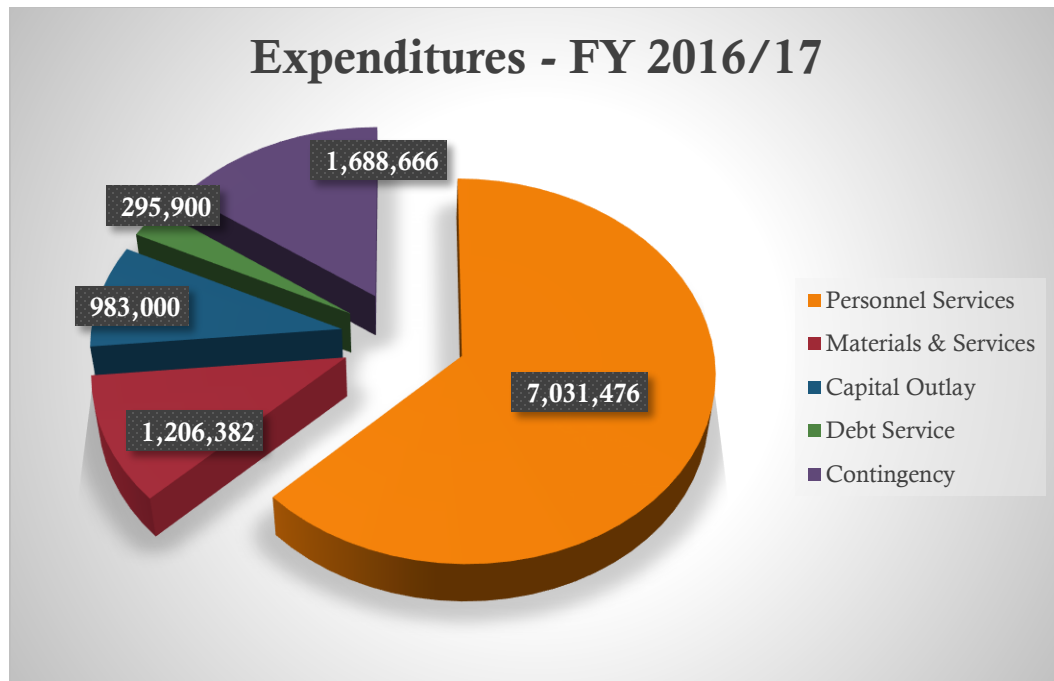


## Expenditures

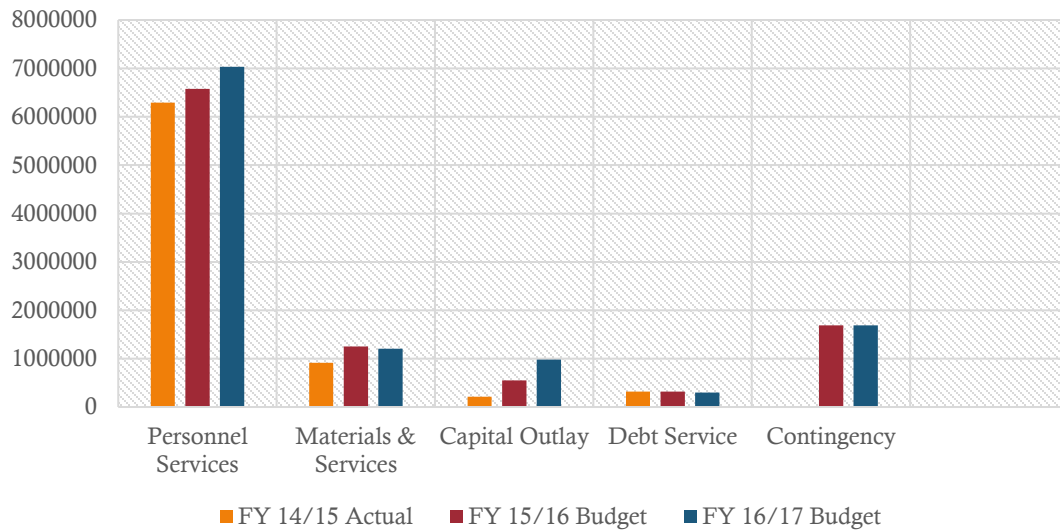
District expenditures are broken into six different categories within each cost center. These categories include:

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

Total expenditures for the approved FY 2016/17 budget are \$11,205,424 and are divided among the categories as follows:



## Expenditures - 3 Year Comparison



### Personnel Services

Personnel Services is the largest expenditure for the FY 2016/17 budget. There are 53 employees within the District. There are 6.5 new positions budgeted for FY 2016/17 which are for a new Basic Life Support (BLS) unit. Of these 6.5 new positions, 3 are full time and the remaining are part time. These positions will be funded through 2 open Engineer/Paramedic positions that have not been filled. The Community Paramedic position in FY 2014/15 was fully funded through a grant which was not renewed for the 2015/16 fiscal year. Currently the District is operating through a contract with St. Charles Health System for 1.5 Community Paramedics to service a specific geographic area. Because this is a temporary program, the District is using a staffing agency for these individuals until the contract expires or additional funding may be made. If the program continues through long term funding, the District will look into the option of hiring these positions via the District.



Position	FY 2014/15	FY 2015/16	FY 2016/17
Fire Chief	1	1	1
Deputy Fire Chief	1	1	1
EMS Division Chief	1	1	1
Fire Marshal	1	1	1
Finance Manager/CFO	.50	.50	.50
Office Administrator	1	1	1
Battalion Chiefs	4	4	4
Deputy Fire Marshal	1	1	1
Captains	9	9	9
Engineer/Paramedic	21	21	19
Firefighter/Paramedic	6	6	6
Community Paramedic	1	0	0
EMTs	0	0	6.5
Administrative Assistant	2	2	2
<b>Total</b>	<b>49.5</b>	<b>48.5</b>	<b>53.0</b>

At \$7,031,476, personnel services are 62.8% of total expenditures. Notable expenditures within the Personnel Service category include contributions to Public Employee Retirement System (PERS) and medical insurance costs.

- PERS contributions are calculated two ways. The first calculation is a flat 6% of salary paid by the District for each 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 2016/17 is \$868,548.

	Employer 6%	Tier 1 / Tier 2	OPSRP
FY 2014/15	6%	20.20%	14.30%
FY 2015/16	6%	16.71%	11.77%
FY 2016/17	6%	16.71%	11.77%

- Medical insurance is budgeted at \$1,019,410, which includes \$47,000 to contribute to employee's VEBA accounts and reserve for HRA-MERP payments when claims are processed. Insurance rates are estimated to increase by 10%.

Per the collective bargaining agreement between the fire district and the Redmond Firefighters Association, Local 3650, a 5% increase has been budgeted to occur on July 1, 2016 for all Firefighter/Paramedic positions (excludes Engineer/Paramedics and Captains). Also effective July 1, 2016, all positions will received a Paramedic incentive



of 4% off top step Engineer/Paramedic base salary in lieu of the existing 4% Spanish incentive. This paramedic incentive will increase to 5% effective January 1, 2017.

The budget includes a cost of living adjustment which will be effective January 1, 2017.



## Materials & Services

Materials and Services is the third largest expenditure category at 10.8% of total budget expenditures. Notable materials and service items are discussed in further detail within each cost center narrative.

## Debt Service

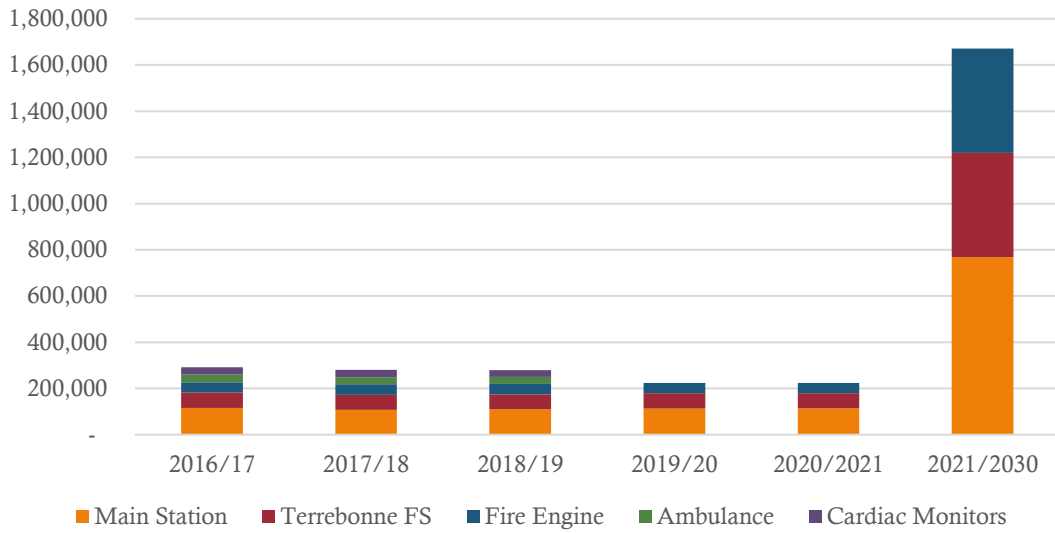
Rural Fire Protection Districts formed under ORS Chapter 478 are limited to the total amount of indebtedness they may incur, which includes both general obligation bonds and other financing liabilities. At no time may the aggregate amount of debt liabilities exceed one and one-fourth percent (0.0125) of the District's real market value, which for 2015/16 is \$4,443,900,364.

The District's legal debt limit for FY 2016/17 is approximately \$55,548,755. As of the end of FY 2015/16, Redmond Fire & Rescue's total outstanding debt is \$2,970,700.

In FY 2015/16, the District implemented an internal debt service ceiling. At any given time, the District will only hold payments on one fire engine, two ambulances and two fire stations.

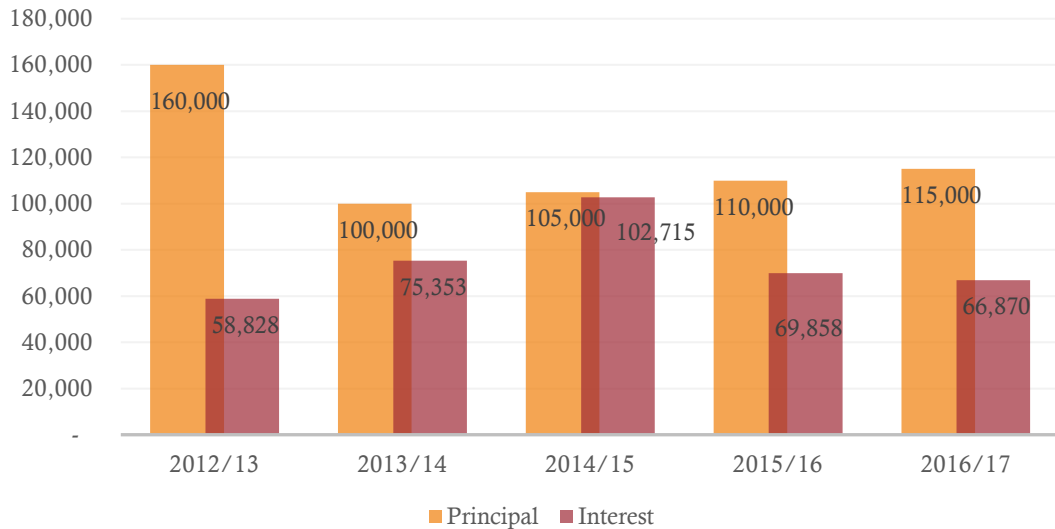


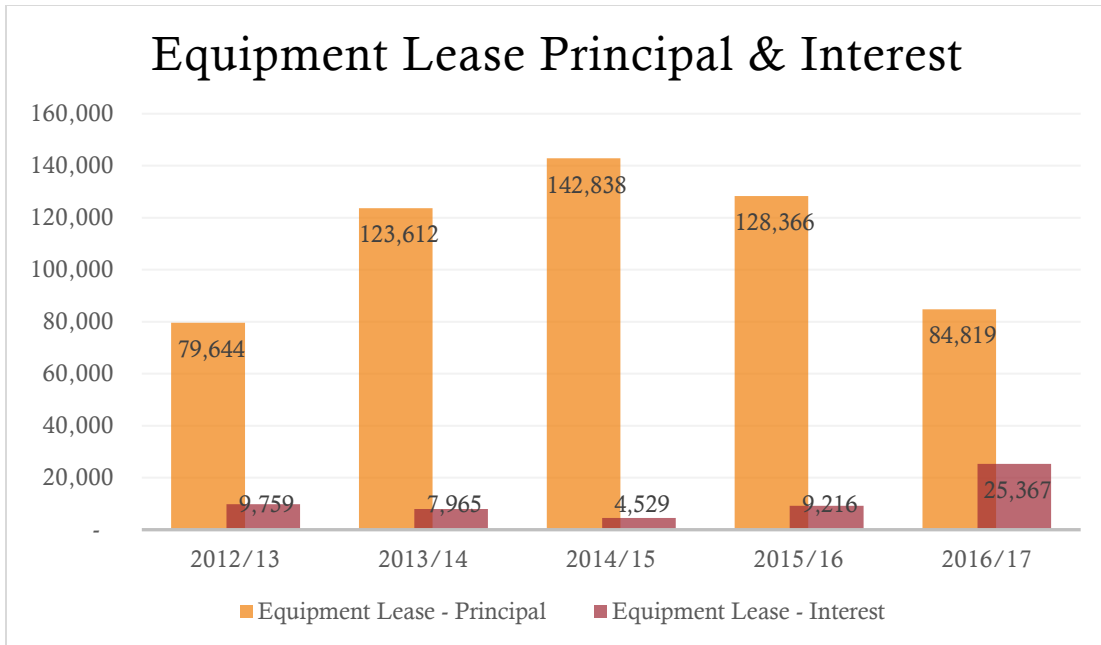
## Outstanding Debt - 2015/16 Year End



Debt service is broken into four segments; principal and interest for 2 fire stations (Terrebonne and Main Station in Redmond) and Equipment Lease-Principal and Equipment Lease-Interest. For FY 2016/17, these include payments on one fire engine, one ambulance, and 5 Defibrillators. Total debt service for the 2016/17 FY is \$295,900. See below for trends on each of these segments over the past five years.

## Principal & Interest (Two Fire Stations)





### Capital Outlay

The budget includes \$983,000 for Capital Outlay and is discussed in further detail with the Operations Cost Center.

### Transfers

There are no transfer expenditures included in the FY 2016/17 budget.

### Contingency

Contingencies are monies set aside for unforeseen expenditures. The FY 2016/17 budget has a total contingency of \$1,688,666 which is 15.1% of total expenditures. Contingencies are discussed in further detail within the Operating Cost Center narrative.

# Financial Policies

## FINANCIAL POLICY OVERVIEW

1. To protect the policymaking ability of the District by ensuring that important policy decisions are not controlled by financial problems or emergencies.
2. To enhance the policy making ability of Redmond Fire & Rescue's Board of Directors by providing accurate information on the program costs.
3. To ensure sound management of the District by providing accurate and timely information on financial condition.
4. To provide sound principles to guide the important decisions of the District Board which have significant fiscal impact.
5. To set forth operational principles which minimize the cost of government and financial risk, and safeguard the District assets.
6. 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.
7. To provide essential public facilities and maintain the District's infrastructure.
8. To protect and enhance the District's credit rating and prevent default on any debt issue of the District.
9. To insure the legal use of all District funds through a sound system of administrative policies and internal controls.

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 of 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 for both the Board of Directors and Budget Committee. In addition to monthly reporting, a rolling 5-year projection of the District's future financials is also presented 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.

## Financial Policies

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.

### ACHIEVING FINANCIAL POLICY, ANNUAL ANALYSIS

1. To achieve and maintain the aforementioned objective, 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.
2. It is the focus of this analysis to:
  - a. Identify the areas where the District is already reasonably strong in terms of protecting its financial conditions;
  - b. Identify existing or emergency problems in revenue sources, management practices, infrastructure conditions and future funding needs;
  - c. 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
  - d. Review internal management actions taken during the last budget cycle.

# Financial Overview

## Operations Cost Center

The Operations Cost Center is managed by the Deputy Fire Chief. It contains the necessary line items to support all aspects of fire and EMS service delivery. All station and equipment maintenance, daily station operating and emergency service requirements are funded through the Operations Cost Center. This cost center includes Personnel Services, Materials & Services, Capital Outlay, Debt Service and Contingency. Both Personnel and Debt Service were discussed within the Budget Overview.

There are 46.5 employees funded in this cost center including their salary, benefits, uniforms, and safety supplies.

### Materials & Services

Materials and services for this cost center are anticipated to decrease by 4.8%. Changes to note are:

- Medical Supplies/Equipment – Increasing from \$138,000 to \$148,000. This increase is due to rising costs of materials, medications and supplies as well as additional supplies needed for the new EMT unit.
- Personal Protective Equipment is decreasing by \$85,000. This is the amount budgeted in FY 2015/16 for the purchase of turnouts and therefore will not be included in the FY 2016/17 budget.
- Vehicle Maintenance – Increases from \$115,529 to \$136,480. Vehicle

## 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 Washington state government agencies.*

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

*Cost center performance measures are noted throughout the Financial Overview.*

## OPERATIONS - PERFORMANCE MEASURES

### *Wellness/Fitness*

#### Goal:

*Ensure organizational support for wellness and fitness by striving to pay-out \$100 per member in fiscal year for Wellness incentives.*

#### Measure:

*Average Wellness incentive pay-out per Fiscal Year per individual:*  
2012/13- \$88.11  
2013/14 – \$180.67  
2014/15 – \$134.84

### *Response Times*

#### Goal:

*Maintain equipment and training to meet a minimum response time of 8 minutes on 80% of all emergency calls.*

#### Measure:

*2013 Average Response Time (Time of Dispatch to Arrival) – 7:06 minutes, # of calls – 4,410*  
*2014 Average Response Time (Time of Dispatch to Arrival) – 7:27 minutes, # of calls – 4,879*  
*2015 Average Response Time (Time of Dispatch to Arrival) – 7:43 minutes, # of calls – 5,144*

#### Goal:

*Meet or exceed the Oregon Health Authority Training hours of 48 hours per individual every two years.*

#### Measure:

*FY 2009-2011: Total EMS Training hours avg. per individual – 99.02*  
*FY 2011-2013: Total EMS Training hours avg. per individual – 89.18*  
*FY 2013-2015: Total EMS Training hours avg. per individual – 107.61*

maintenance is a line item to account for a contract between the District and the City of Redmond for the use of their City maintenance shop. Costs are allocated over a 3 year period throughout all users of the shop (this includes various City departments along with the District through the City/District contract). As this 3 year period cycles out years of very high or very low expenditures, costs due from all users will fluctuate.

- Radios will increase by \$23,800 for the purchase of new radios in FY 2016/17.
- EMS Licenses – Increases from \$700 to \$9,500. License renewals are on a two year cycle, therefore every other budget year will see a lower budgeted amount.

### **Capital Outlay**

Capital Outlay expenditures are defined by the District as items which cost \$5,000 or more and have an estimated useful life of more than five 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 EMS, fire and administrative equipment, and vehicle purchases. Overall Capital Outlay for FY 2016/17 is \$983,000.

There are four purchases included in the FY 2016/17 budget. The EMS Equipment line item includes the purchase of four gurneys and a new ambulance which will be financed. The debt payment for the new ambulance will not be due until the FY 2017/18 budget and therefore is not included this year. The Fire Equipment line item includes \$250,000 for a new water tender which will be funded through an AFG SAFER vehicle grant. This grant includes a 10% match and is included in the revenues noted earlier. \$513,000 has been included for a new fire engine. The

FY 2015/16 budget had included this purchase. Due to changes in the design of the engine to reduce the cost, the building of the engine was delayed and will be available for delivery in the fall of 2016.

To ensure the firefighters have the necessary equipment the District must continually prepare fiscally to upgrade when necessary. The District recently finished a six month process to develop a long term financial and strategic plan. This will in turn help develop the upcoming apparatus replacement plan.

Capital Outlay included in the FY 2016/17 budget are recurring purchases as they are used in daily operations and will be replaced on a regular basis according to the equipment replacement schedule.

### **Contingency**

The contingency category has remained consistent with the prior year's budget by including three reserve accounts and one contingency account.

#### **Building Reserve**

The building reserve for 2016/17 is \$398,000. The line item was created to reserve for major remodels to existing stations and future building projects.

#### **Equipment Reserve**

Beginning in 2012/13 the District funded a reserve account to support future purchases of necessary equipment. \$185,500 is dedicated to fund the purchase of emergency medical equipment listed below. \$90,000 will be dedicated to future purchases of fire equipment listed below.

- Fire hose
- Self Contained Breathing Apparatus
- Cardiac monitors
- Patient gurneys
- Emergency medical equipment

Much of the Fire Operations cost center includes equipment needed for service delivery. An equipment replacement fund has been established to ensure the necessary financial resources will be available when equipment reaches the end of its useful life. Below is a table defining the equipment and the particulars surrounding its respective replacement amount and useful life.





<b>Equipment Replacement Schedule</b>					
<b>Type of Equipment</b>	<b>Purchased</b>	<b>Purchase Price</b>	<b>Useful Life</b>	<b>Replacement Date</b>	<b>Replacement Cost</b>
<b>Rescue Tools</b>	2002-2003	\$60,000	20 years	2022/2023	\$100,000
<b>Turnouts</b>	2016	\$80,000	10 years	2026	\$100,000
<b>Thermal Image Cameras</b>	2013	\$40,000	10 years	2023	\$60,000
<b>Fire Hose</b>	Random	Size Dependent	10 years	Annual Purchase	\$30,000
<b>SCBA</b>	2007	\$750,000	15 years	2022	\$800,000
<b>Gurneys/Stair Chair</b>	2012	\$10,000	10 years	2022 Ongoing (w/ ambulances)	\$15,000
<b>Cardiac Monitors</b>	2014	\$140,000	8 years	2022	\$140,000*
<b>Ventilators</b>	2011	\$7,500	5 years	2016	\$7,500
<b>IV Pumps</b>	2010	\$28,000	5 years	2015	\$28,000
<i>*Will be offset by trade in equipment</i>					

### Operating Reserve

The Operating Reserve was created to account for future personnel increases, specifically PERS and medical insurance. This will ensure that the District's Operations budget does not take a hit if unexpected personnel costs incur. The FY 2016/17 operating reserve is set at \$350,000.

### 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 ensure that the District's Operations budget does not take a hit if unexpected personnel costs incur. The FY 2016/17 reserve is set at \$50,000.

### Contingency

The Contingency remains at \$615,166 in 2016/17 and is equal to roughly 1.25 months' worth of operations. Contingency and reserve accounts are not only essential to the District for future purchasing but also for cash flow purposes. The District's number one funding source is its tax revenue which is not received until the first of November. Because of this, there are five months of expenditures that the District must fund with reserves or by using a line of credit. Since the reserve levels for the District have held constant, a line of credit has not been needed to support this gap in revenues.



## Administrative Cost Center

The Administrative Cost Center is managed by the Fire Chief. There are 4 full time and 1 half time positions funded through the Administrative Cost Center. This cost center has increased by 1% from prior year's budget. The personnel costs in this cost center are increasing by 3%. This is primarily due to the increase in medical insurance costs and a cost of living adjustment.

Materials and services for this cost center are anticipated to decrease by 2%. Changes to note are:

- Volunteer scholarships include a \$21,300 decrease. The student program had been increased in the student head count and scholarship amounts which were reimbursable under the SAFER grant. This grant will expire fall of 2016. Because of this, the student head count and scholarships will be reduced back to pre-SAFER grant levels.
- The District is anticipating a decrease in its annual audit due to expiring federal grants. The federal funding required an additional single audit to be performed. This will no longer be necessary and therefore decrease this line item by \$5,000.
- IT Contractual and Contractual Services are budgeted to increase by \$28,750 in total. Contractual Services includes funding for an office intern that will be reimbursed through an SDOA grant and additional funding for the Physician Advisor for the Community Paramedic program which is paid for via a contract with St. Charles Health Systems.

## Administrative

### Cost Center

### Performance Measures

#### *District Budget*

##### Goal:

*Earn Distinguished Budgeting Award through GFOA*

##### Measure:

*2013/14 - Awarded*

*2014/15 – Awarded*

*2015/16 - Awarded*

*The District is currently submitting the FY 2016/17 budget for review.*

#### *District Audit*

##### Goal:

*To complete the audit process receiving zero findings.*

##### Measure:

*2010/11 – # of findings - 0*

*2011/12 - # of findings - 0*

*2012/13 - # of findings – 0*

*2013/14 - # of findings – 0*

*2014/15 - # of findings - 0*

#### *Ambulance Billing*

##### Goal:

*Train and maintain ambulance billing staff to provide redundancy in our billing process and continuing to maintain a 10-day ambulance billing cycle.*

##### Measure:

*Currently this measurement is under review to determine if a 10-day billing cycle is reasonable and/or should be increased. Over the past year multiple requirements have changed as well as implementing new billing software which impacts the billing process. Although the cycle timing may be longer than in the past, the efficiencies and accuracies have improved greatly.*

## Fire & Life Safety Performance Measures

### *Existing Construction*

#### Goal:

*Inspect existing occupancies that have been prioritized based on risk to individuals.*

*Assembly Occupancies*

*Residential Occupancies*

*Manage The Compliance Engine program that has been implemented this year to help businesses maintain existing fire and life safety systems.*

#### Measure:

*When Time allows we will inspecting bars and taverns and apartment complexes. This will be slowed due to the increased activity in new construction.*

*The Compliance Engine was started in July of 2015. It tracks the required maintenance of fire and life safety systems in existing commercial buildings. If systems are determined to have deficiencies that are not brought into compliance it will generate an inspection from our staff.*

### *Public Education – Firefighters are our Friends – preschool/ kindergarten*

#### Goal:

*To reduce fear in small children of firefighters in our firefighting gear.*

#### Measure:

*Observe children at final stages of the program: As firefighters are dressing in fire gear are any of the children becoming uncomfortable? After firefighter has all the gear on do all the children interact with him/her?*

*The addition of the firefighter paper dolls and the silly sounds of the air pack have been a great success. We have been able to keep Preschoolers engaged for up to 60 minutes at a time. All the children have been very comfortable interacting with the firefighter in gear.*

### *Helmet Program*

#### Goal:

*Reduce the number of head injuries from riding bikes, scooters and skate boards.*

#### Measure:

*Helmets Provide:*

*2013 – 76*

*2014 – 238*

*2015 - 110*

IT Contractual Services include funds for ambulance billing software management, time keeping software maintenance, and items previously recorded in IT Software which has a \$5700 decrease in its budget this fiscal year.

## Fire & Life Safety Cost Center

The Fire & Life Safety Cost Center is managed by the Fire Marshal. There are currently 2 employees funded through this division. This cost center is responsible for the Fire & Life Safety Divisions 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. The Fire & Life Safety cost center is anticipating a 1.8% increase from prior year which is due to the increases in personnel costs previously noted above.

## Fire & Life Safety Performance Measures

### *Matches and Lighters are Tools not Toys – 1<sup>st</sup> Grade*

#### Goal:

Children will tell a grown up if they find matches and lighter in an unsafe location. Reduce the number of children who misuse fire. Reduce the number of children who are burned or die from the misuse of fire by youth.

#### Measure:

During the class program:

- Assess the number of children who are able to accurately identify a tool from a toy
- Assess how many of the students are able to accurately respond to the safety questions at the end of the program
- Determine if any of the children who are entering the Juvenile Fire Setters Program (JFS) have completed the program
- Since implementing this program seven years ago we have seen a reduction of cases in the JFS program for this age group.



### *Care & Feeding of Smoke Alarms*

#### Goal:

Students will be able to identify the proper steps for caring for their smoke alarms.

#### Measure:

During the class program the students will demonstrate the step for maintaining a smoke alarm. We then can track the number of requests for assistance through our smoke alarm program and identify families we provide service to who have children in this age group.

### *Juvenile Fire Setters*

#### Goal:

Upon completion of the program the youth will not choose to misuse fire again.

#### Measure:

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. We have only had one case of recidivism in 12 years.

**Youth Who Misuse Fire:** (Shows direct result of programs in school and the community)

2013 – 11

2014 – 4

2015 - 5



# Strategic Plan 2016-18

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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.

## **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.

#### **Action Items / Desirable Outcomes** (TM/DP/DC)

- 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** (DP/DK)

- 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** (TM/MN/DC)

- 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** (TM/DP/DC)

- 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** (TM/DP)

- 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** (TC/JC)

- 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.

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# Long Range Financial Plan

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## 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 39), a Strategic Plan for Future Facilities and Staffing (see page 43) and a three year financial projection. We have included further detail regarding the three year financial projection below.

## Three Year Financial Projection

Once the budget has been approved by the District Board, our 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 give administration a look at the overall fiscal impact and help with decision making and future budgeting decisions. One example on when this tool is used is by addressing the Top Ten Lists which were noted previously in the Budget Message. For FY 2016/17, a top ten item noted was to add additional funding for training. These funds can be entered into the document and the fiscal impact can be seen over the course of three years.

### Revenues

Property Taxes – The following three year projection includes a consistent 3% increase.

Ambulance Billing – Ambulance Billing remains constant at \$1,300,000. Many changes are being made within the billing department to increase efficiency and the collection rate but the results of these changes are still unknown and therefore the projection is left at a constant rate over the course of the document.

Beginning Fund Balance (BFB) – This is the net fund balance (revenues less expenditures plus contingencies) from the prior year. For the purpose of this document, only the contingency is 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, Airport Contractual Services, interest revenue, etc. These line items are reviewed individually and remain constant throughout the document or increase at a 1.0% rate (the same rate increase assumption as Materials & Services).

### Expenditures

Personnel Services – There are a variety of unknowns in regards to Personnel Service expenditures. The collective bargaining agreement with the District's Firefighters



Association, Local 3650 expires on June 30, 2019 so future wage increases are unknown for the 2019/20 fiscal year. For the purpose of this document, all wage increases remain consistent with the current year budget and collective bargaining agreement (2.0% for union, non-union at percentages based on individual positions). Medical insurance is assumed at a 10% increase each year along with a \$1000 VEBA contribution for each individual. PERS includes a 20% over the next three years.

**Materials & Services** – Inflation has been factored into the projection at a rate of 1.0% for each year. This rate has been used across all budgeted line items. While most line items do not see much increase from year to year, the intent of applying inflation to every line item each year, is to be as conservative as possible and that when those large increases do occur, they have been accounted for.

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

**Capital Outlay** – The option to include capital outlay in the document is available but for now has been omitted. 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** – Contingency also serves as a reserve account for upcoming projects and unknown increases in personnel services. For the three year projection, contingencies remain the same throughout this document. They are set aside in the expenditure category but carried forward through the beginning fund balance in the following fiscal year.

	<i>Budget FY 2016/17</i>	<i>Projected FY 2017/18</i>	<i>Projected FY 2018/19</i>	<i>Projected FY 2019/20</i>
	<b>REVENUES</b>			
<i>Total Revenues</i>	11,205,423	9,460,565	9,025,543	8,374,865
	<i>Budget FY 2016/17</i>	<i>Projected FY 2017/18</i>	<i>Projected FY 2018/19</i>	<i>Projected FY 2019/20</i>
	<b>EXPENDITURES</b>			
<i>Personnel Services</i>	7,031,475	6,915,350	7,309,129	7,607,042
<i>Materials &amp; Services</i>	1,206,382	1,201,001	1,221,053	1,223,313
<i>Debt Service</i>	295,900	282,000	281,000	289,000
<i>Capital Outlay</i>	983,000	-	-	-
<i>Contingency</i>	1,688,666	1,688,666	1,688,666	1,688,666
<i>Total Expenditures</i>	11,205,423	10,087,017	10,499,848	10,808,021
<i>Net Fund Balance*</i>	-	1,062,214	214,361	(744,490)

\*Net Fund Balance is the net of revenues and expenditures excluding the contingency.

Although the figures noted in the projection appear bleak by the end of FY 2019/20, assumptions were kept at a conservative level and can always vary. Just by changing a few assumptions, a negative fund balance at the end of FY 2019/20, can quickly be adjusted. For instance, by removing all wage increases for FY 2017/18 and increasing the property tax projection to a 5% increase instead of 3%, the deficit in FY 2019/20 goes from \$744,490 to \$60,421.

# General Fund Budget Detail

	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2016/17	FY 2016/17
	Actual	Actual	Adopted	Proposed	Approved	Adopted
Redmond Fire & Rescue	Budget	Budget	Budget	Budget	Budget	Budget
<b>Fire Operations</b>						
<b>Resources</b>						
Property Taxes - Current	4,769,097	5,060,809	5,289,776	5,586,222	5,586,222	5,586,222
Property Taxes - Prior	124,972	128,003	100,000	100,000	100,000	100,000
Ambulance Billings	1,099,543	1,435,999	1,100,000	1,367,372	1,367,372	1,367,372
Rescue Billing	2,565	(268)	1,500	1,500	1,500	1,500
Fire Med Memberships	43,422	43,722	40,000	50,000	50,000	50,000
Special Events	26,751	53,537	20,000	15,000	15,000	15,000
Interest Revenue	12,069	12,750	11,000	12,500	12,500	12,500
Conflagration	40,016	15,270	-	25,000	25,000	25,000
Training Revenue	3,915	5,900	7,000	2,500	2,500	2,500
Contractual Services - Airport	469,608	460,417	494,377	503,987	503,987	503,987
Fire & Life Safety - Training	(30)	(17)	50	50	50	50
Fire & Life Safety - Inspectio	-	-	50	50	50	50
Fire & Life Safety - Car Seats	1,348	1,250	1,000	1,000	1,000	1,000
Permits	15	-	-	-	-	-
Fire & EMS Reports	590	280	200	200	200	200
Collections	7,713	9,330	-	5,000	5,000	5,000
Community Paramedic				160,000	160,000	160,000
Refunds / Reimbursements	1,165	2,421	1,000	500	500	500
Workers Comp. Dividend	26,514	34,522	-	-	-	-
Federal Gov't Grants-FLS	2,924	6,174	2,400	1,500	1,500	1,500
Federal Gov't Grants-Operation	645,687	608,020	310,462	247,241	247,241	247,241
Non-Federal Grants	72,960	126,990	3,000	3,000	3,000	3,000
Bond / Note Sale	148,229	149,650	500,000	688,000	688,000	688,000
Private Source / Donations	1,545	4,371	-	-	-	-
Sale of Property	-	27,250	-	25,000	25,000	25,000
Room Rental Fees	305	120	-	-	-	-
Miscellaneous	949	501	-	-	-	-
Beginning Fund Balance	2,303,335	2,358,091	2,508,200	2,409,803	2,409,803	2,409,803
<b>Resources Total</b>	<b>9,805,208</b>	<b>10,545,092</b>	<b>10,390,015</b>	<b>11,205,424</b>	<b>11,205,424</b>	<b>11,205,424</b>
<b>Personnel Services</b>						
Regular Pay	3,216,841	3,268,901	3,326,205	3,509,021	3,509,021	3,509,021
Overtime	232,438	399,534	330,000	320,000	320,000	320,000
Conflagration Wages	-	2,676	-	18,750	18,750	18,750
Wellness Bonus	6,504	4,397	16,200	16,200	16,200	16,200
Holiday Pay / Vac Buy Back	52,244	61,757	68,642	76,373	76,373	76,373
Special Event Wages	7,466	6,784	5,000	5,000	5,000	5,000
Community Paramedic Program				160,000	160,000	160,000
FLSA	25,983	23,918	25,000	25,000	25,000	25,000
Employer FICA	217,509	230,032	224,639	237,399	237,399	237,399
Employer Medicare	50,491	54,336	52,536	55,521	55,521	55,521
Employer PERS	680,257	736,920	758,109	783,165	783,165	783,165
Medical Insurance	661,212	700,364	847,773	869,277	869,277	869,277
EMPLOYER - DEFERRED COMP.	2,400	2,400	2,400	2,400	2,400	2,400
Life Insurance	8,249	1,008	1,008	1,032	1,032	1,032
Long Term Disability	1,426	8,378	8,568	8,772	8,772	8,772
Accidental D&D	3,273	277	3,721	4,040	4,040	4,040
Workers Comp	79,002	78,104	87,000	100,000	100,000	100,000
FSA	(3,566)	126	3,276	3,354	3,354	3,354
MERP	7,467	7,617	10,000	10,000	10,000	10,000
VEBA	42,000	21,000	42,000	40,000	40,000	40,000
PEHP/VEBA	12,960	12,930	12,960	12,240	12,240	12,240
<b>Personnel Services Total</b>	<b>5,304,157</b>	<b>5,621,460</b>	<b>5,825,037</b>	<b>6,257,545</b>	<b>6,257,545</b>	<b>6,257,545</b>

**Materials & Services**

Station Supplies	12,674	10,093	18,540	18,540	18,540	18,540
Station Furnishing	-	-	5,000	4,000	4,000	4,000
Uniforms	27,172	23,816	41,200	41,200	41,200	41,200
Safety Supplies	671	1,168	5,150	5,150	5,150	5,150
Medical Supplies / Equipment	118,871	137,786	138,000	148,000	148,000	148,000
Personal Protective Equipment	25,646	4,709	100,000	15,000	15,000	15,000
Taxi Vouchers	808	174	360	360	360	360
Building Maint.	26,635	25,597	54,160	54,160	54,160	54,160
Fire Tuition, Meeting, Travel	15,540	14,763	20,600	28,600	28,600	28,600
EMS Tuition, Meeting, Travel	11,508	11,298	36,050	31,050	31,050	31,050
Small Tools & Work Equipment	23,578	17,971	35,020	20,020	20,020	20,020
ARFF	40,093	23,988	50,000	50,000	50,000	50,000
Radios	17,693	13,444	41,200	65,000	65,000	65,000
Firefighting Foam / Extinguish	1,998	2,010	2,575	2,575	2,575	2,575
Fire Meals	787	100	1,545	1,545	1,545	1,545
External Equip Maint.	17,036	14,257	32,600	32,600	32,600	32,600
Fuel	52,905	52,330	61,800	56,000	56,000	56,000
Vehicle Maint.	111,660	133,436	115,529	136,480	136,480	136,480
External Vehicle Maint.	6,439	6,912	10,300	10,300	10,300	10,300
Wellness / Fitness	8,491	11,415	13,905	16,000	16,000	16,000
EMS Licenses	570	9,055	700	9,500	9,500	9,500
Ambulance Refunds	11,820	12,244	11,000	11,000	11,000	11,000
Employee / Volunteer Recogn	329	8,200	7,500	7,500	7,500	7,500
<b>Materials &amp; Services Total</b>	<b>532,924</b>	<b>534,764</b>	<b>802,734</b>	<b>764,580</b>	<b>764,580</b>	<b>764,580</b>

**Capital Outlay**

EMS Equipment	187,042	152,727	39,000	220,000	220,000	220,000
Fire Equipment	23,240	31,114	513,000	763,000	763,000	763,000
Admin Equipment	10,862	-	-	-	-	-
Vehicles	39,387	27,985	-	-	-	-
Building	-	-	-	-	-	-
Capital Improvements	-	-	-	-	-	-
Software	-	-	-	-	-	-
<b>Capital Outlay Total</b>	<b>260,531</b>	<b>211,826</b>	<b>552,000</b>	<b>983,000</b>	<b>983,000</b>	<b>983,000</b>

**Debt Service**

Principal	100,000	105,000	110,000	115,000	115,000	115,000
Interest	76,398	73,404	70,000	70,000	70,000	70,000
Equipment Lease - Prin	91,512	126,838	128,366	84,900	84,900	84,900
Equipment Lease - Int.	6,915	10,482	9,216	26,000	26,000	26,000
<b>Debt Service Total</b>	<b>274,825</b>	<b>315,725</b>	<b>317,582</b>	<b>295,900</b>	<b>295,900</b>	<b>295,900</b>

**Contingency**

Building Reserve	-	-	398,000	398,000	398,000	398,000
Equipment Reserve	-	-	275,500	275,500	275,500	275,500
Operating Reserve	-	-	350,000	350,000	350,000	350,000
Workers Comp Reserve	-	-	50,000	50,000	50,000	50,000
Contingency	-	-	615,166	615,166	615,166	615,166
<b>Contingency Total</b>	<b>-</b>	<b>-</b>	<b>1,688,666</b>	<b>1,688,666</b>	<b>1,688,666</b>	<b>1,688,666</b>

**Total Expenditures**

<b>Total Expenditures</b>	<b>6,372,437</b>	<b>6,683,774</b>	<b>9,186,019</b>	<b>9,989,691</b>	<b>9,989,691</b>	<b>9,989,691</b>
<b>Fire Operations Net Total</b>	<b>3,432,771</b>	<b>3,861,317</b>	<b>1,203,996</b>	<b>1,215,733</b>	<b>1,215,733</b>	<b>1,215,733</b>

**Fire Administration****Personnel Services**

Regular Pay	318,235	276,223	301,202	307,923	307,923	307,923
Overtime	73	-	-	-	-	-
Holiday Pay / Vac Buy Back	3,691	1,732	5,865	2,228	2,228	2,228
Employer FICA	19,038	16,481	18,582	18,998	18,998	18,998
Employer Medicare	4,115	3,818	4,346	4,443	4,443	4,443
Employer PERS	45,712	41,106	47,537	49,291	49,291	49,291
Medical Insurance	49,378	77,831	100,925	107,238	107,238	107,238
Employer - Deferred Comp.	3,309	3,648	3,684	6,520	6,520	6,520
Life Insurance	455	76	120	120	120	120
Accidental D&D	224	21	443	470	470	470
Long Term Disability	75	516	1,020	1,020	1,020	1,020
FSA	176	298	390	390	390	390
VEBA	5,000	2,000	5,000	5,000	5,000	5,000
<b>Personnel Services Total</b>	<b>449,483</b>	<b>423,750</b>	<b>489,114</b>	<b>503,640</b>	<b>503,640</b>	<b>503,640</b>

**Materials & Services**

Uniforms	638	263	1,015	1,015	1,015	1,015
Office Supplies	9,277	8,835	8,120	8,120	8,120	8,120
Postage	3,019	2,381	2,800	2,400	2,400	2,400
Printing	921	1,852	1,400	2,000	2,000	2,000
Election Expenses	-	3,967	1,600	1,600	1,600	1,600
Directors	2,750	2,750	3,250	3,250	3,250	3,250
Consulting	-	500	15,000	15,000	15,000	15,000
Contract Services	14,629	25,013	23,660	30,780	30,780	30,780
IT Contract Service	48,906	52,654	59,357	80,987	80,987	80,987
Water / Sewer	764	1,506	2,736	6,336	6,336	6,336
Utility Electric	29,546	28,929	29,273	29,273	29,273	29,273
Utility Propane / Natural Gas	19,375	17,829	26,036	26,036	26,036	26,036
Garbage Collection	4,598	4,754	4,620	4,620	4,620	4,620
Telephone / Cell Phone	22,185	14,338	11,820	11,820	11,820	11,820
IT Software	788	25,592	5,700	-	-	-
IT Hardware	-	10,608	15,400	19,800	19,800	19,800
Addressing	1,238	1,211	1,000	1,000	1,000	1,000
Reserves / Volunteers	3,096	898	5,000	-	-	-
Volunteer Scholarships	49,000	35,900	51,300	30,000	30,000	30,000
Audit	13,450	17,790	20,000	15,000	15,000	15,000
Legal	5,812	2,045	15,000	15,000	15,000	15,000
Insurance	56,112	53,783	57,120	57,660	57,660	57,660
Advertising/Publications	1,787	1,316	1,500	1,500	1,500	1,500
Bank Fees	6,707	9,404	7,500	6,000	6,000	6,000
Admin Tuition, Meeting, Travel	12,128	13,187	32,035	25,000	25,000	25,000
Subscrip, Memberships, Lib. Re	9,430	10,514	8,000	8,000	8,000	8,000
Software	21,890	-	-	-	-	-
Small Tools & Work Equipment	15,056	12,529	6,000	6,000	6,000	6,000
Equipment Rental / Maint	6,401	5,667	5,940	5,940	5,940	5,940
Miscellaneous	1,458	545	500	500	500	500
<b>Materials &amp; Services Total</b>	<b>360,959</b>	<b>366,558</b>	<b>422,682</b>	<b>414,637</b>	<b>414,637</b>	<b>414,637</b>

**Transfers**

Building Reserve	-	-	-	-	-	-
Equipment Reserve	-	-	-	-	-	-
<b>Transfers Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Total Expenditures**

<b>Total Expenditures</b>	<b>810,442</b>	<b>790,308</b>	<b>911,796</b>	<b>918,277</b>	<b>918,277</b>	<b>918,277</b>
<b>Fire Administration Net Total</b>	<b>(810,442)</b>	<b>(790,308)</b>	<b>(911,796)</b>	<b>(918,277)</b>	<b>(918,277)</b>	<b>(918,277)</b>

**Fire & Life Safety****Personnel Services**

Regular Pay	166,020	168,777	172,687	174,774	174,774	174,774
Overtime	-	-	-	-	-	-
Wellness Bonus	-	-	-	-	-	-
Employer FICA	10,168	10,386	10,707	10,836	10,836	10,836
Employer Medicare	2,364	2,415	2,504	2,534	2,534	2,534
Employer PERS	30,662	32,942	35,618	36,091	36,091	36,091
Medical Insurance	31,155	32,970	40,370	42,895	42,895	42,895
Life Insurance	392	48	48	48	48	48
Accidental D&D	148	13	177	188	188	188
Long Term Disability	69	408	408	408	408	408
FSA	-	39	156	156	156	156
VEBA	2,000	1,000	2,000	2,000	2,000	2,000
PEHP/VEBA	360	360	360	360	360	360
<b>Personnel Services Total</b>	<b>243,338</b>	<b>249,358</b>	<b>265,035</b>	<b>270,290</b>	<b>270,290</b>	<b>270,290</b>

**Materials & Services**

Uniforms	1,172	808	900	900	900	900
FLS Tuition, Meeting, Travel	-	2,163	4,500	4,500	4,500	4,500
Subscrip, Memberships, Lib. Re	1,515	1,593	1,565	1,565	1,565	1,565
Halloween Community Event	-	2,672	3,000	3,700	3,700	3,700
Car Seat Program	-	4,125	2,500	2,500	2,500	2,500
Fire Meals	-	-	200	200	200	200
Fire & Life Safety	15,940	1,597	14,500	13,800	13,800	13,800
<b>Materials &amp; Services Total</b>	<b>18,627</b>	<b>12,958</b>	<b>27,165</b>	<b>27,165</b>	<b>27,165</b>	<b>27,165</b>

<b>Total Expenditures</b>	<b>261,965</b>	<b>262,316</b>	<b>292,200</b>	<b>297,455</b>	<b>297,455</b>	<b>297,455</b>
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<b>Fire &amp; Life Safety Net Total</b>	<b>(261,965)</b>	<b>(262,316)</b>	<b>(292,200)</b>	<b>(297,455)</b>	<b>(297,455)</b>	<b>(297,455)</b>
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<b>Total Expenditures</b>	<b>7,444,844</b>	<b>7,736,398</b>	<b>10,390,015</b>	<b>11,205,424</b>	<b>11,205,424</b>	<b>11,205,424</b>
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<b>Net Fund Total</b>	<b>2,360,364</b>	<b>2,808,694</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
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# Glossary

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

**Administrative** – Department responsible for the performance of executive duties and District management.

**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.

**Board of Directors** – Elected body of officials.

**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 general discussion of the proposed budget as presented in writing by the budget officer to the legislative body.

**Capital Outlays** – Expenditures for the acquisition of capital assets.

**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.

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

**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 1<sup>st</sup> and ends June 30<sup>th</sup>.

**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.

**Operations** – Department responsible for emergency medical treatment and fire suppression.

**Property Taxes** – Mandatory tax charged for the purpose of financing emergency services provided to the District residents for their protection and assistance.

**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.

**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 expenses.