

REDMOND FIRE & RESCUE  
BUDGET COMMITTEE MEETING MINUTES  
JUNE 3, 2025

BOARD PRESENT: President Gary Ollerenshaw, Vice President Jessica Meyer, Secretary/Treasurer John Blanton, Member Earl Fisher, and Member Amanda Joe Luelling.

BUDGET COMMITTEE PRESENT: Joshua Werner, Sharon Harris, and Alan Unger.

STAFF PRESENT: Fire Chief Ryan Herrera, Chief Financial Officer Jodi Burch, Deputy Fire Chief Dustin Miller, Human Resources Manager Diane Cox, and Fire Marshal Tom Mooney.

PUBLIC PRESENT: None

PUBLIC HEARING CALL TO ORDER: President Ollerenshaw called the budget committee meeting to order at 9:00 AM.

ROLL CALL: Committee Member Richard Hurd absent.

**ELECTION OF BUDGET COMMITTEE CHAIR:**

President Ollerenshaw called for an election of a budget committee chair. Member Fisher nominated Josh Werner, the motion was seconded by Vice President Meyer and approved by unanimous vote.

**APPROVAL OF MINUTES:**

The minutes from the May 29, 2024, meeting were reviewed. Member Fisher made a motion to approve the minutes. The motion was seconded by Vice President Meyer and approved by unanimous vote.

**BUDGET MESSAGE:**

Chief Herrera pointed out some errors found within the document that printed incorrectly; these will be fixed before the budget document goes live. He then thanked everyone on the administrative team for their work getting the budget ready and prepared.

Chief Herrera gave a brief overview of the key successes noted in the budget document, and staff continue to meet and go through the strategic plan, working towards completing the outlined goals. He called attention to the administrative positions that have been addressed within the budget, noting that the organization has grown, but the administrative staff has not, so this budget helps rebalance the growth with the addition of a position. Next, Chief Herrera moved to discuss grant funding. The district was awarded over \$1.6 million in grants, including a \$1.4 million seismic rehabilitation grant for station 404, a UTV and trailer grant for responses, an Oregon State Fire Marshal grant for defensible space, and lastly, a personal protective equipment grant for ballistic helmets.

To complete his presentation of the budget message, Chief Herrera outlined the ongoing challenges faced by the district. Challenges discussed included increasing call volume, capital improvement and apparatus needs, increased personnel costs, and property tax revenue. Chief Herrera noted that the passing of the operating levy has greatly helped, but taxes will continue to be a challenge.

## OPEN PUBLIC HEARING FOR DISTRICT BUDGET:

Chair Werner opened a public hearing for the District's proposed budget for fiscal year 2025/2026 at 9:13 AM and welcomed comments from the public. No public comments were received.

## BUDGET OVERVIEW:

Chief Financial Officer Jodi Burch opened the budget overview, inviting members to ask questions at any time and explaining how the pages in the presentation correlate to the budget document. She then went through the budget process, role of the budget committee, major focus of the budget, and the budget structure of 3 funds and 7 cost centers. She finished her overview with a high-level summary by expenditure category, noting that a lot of the expense is capital, but half of it is covered by grants.

## REVENUES:

Burch explained that total budgeted revenues for the 2025/26 proposed budget are \$32,243,728 (\$32.2M), including the beginning fund balance and transfers. She presented the committee with a chart showing the increase in various revenues, highlighting the operating revenues of \$19.1M, which is made up predominantly of property taxes, ambulance billings, and contractual services. Next, she gave a brief description of the beginning fund balance, how it is calculated, and its purpose, along with a historical look at the beginning fund balance.

Growth in property taxes is expected to be 4.7% in total assessed value, with a 95.5% collection rate, which is in line with information from the County and City. Total property taxes are expected to be \$13.7M. Committee Member Werner inquired if the 95.5% is a realistic collection rate, stating it seems low. Burch explained that we generally see 96% but several people take advantage of the prepay discount to save 3%, which affects the collection rate. During the discussion on property tax collection rates, Director Blanton asked if Burch knew how many people live outside the City of Redmond's incorporated area. This led to a general discussion on the difficulty of getting exact numbers, with Chief Herrera explaining he is working with various organizations to track down a more accurate number.

Continuing through the Revenues, Burch reported that Ambulance Billing revenues have remained consistent. Anticipating continued steady growth, the district is budgeting for 4% growth in the next fiscal year. Ground Emergency Medical Transport (GEMT) funds were presented with an explanation of the various programs (FFS vs CCO). The proposed amount is built with some conservatism in place.

Moving to discuss grants, Burch pointed out that common practice is to only budget a grant when we know we have the money. This proposed budget includes the \$1.5M grant for the seismic improvements at Cline Falls; for any other grants received, a budget adjustment will be made. A brief discussion on the FEMA grants was held, emphasizing that the intent is to keep all employees hired and not lose them if we are awarded the SAFER grant.

Burch provided a recap overview of the major revenue sources and inquired if the committee had any questions/comments.

Committee Member Unger asked how CCOs work with OHA and if there is a plan to adjust if there are changes with Medicaid with the change in government administration. Burch explained that this is why there is conservatism built into the budget and how it won't make an immediate

impact this year, but possibly next year. This led to a general discussion on GEMT.

Committee Member Unger also asked about the relationship between Redmond Fire & Rescue and the private medic companies and if it's good that they're here. Deputy Fire Chief Miller explained the IGAs with Adventure medics and Trident Emergencies and explained the deployment models.

Member Ollerenshaw asked when the ASA is going to need to be renegotiated with the county. Redmond ASA is up in 2028, but we have a firm helping with some revisions and modernizations to bring the language more current.

#### EXPENDITURES:

Burch reviewed the total budgeted expenditure of \$32.2M, but like revenues, this includes items like contingencies and transfers, so not all will be spent. Debt services were pointed out because we do have to report the expenditure even though it is grant funded. Day-to-day expenditures are budgeted at roughly 18.9M.

Burch reviewed the personnel services section, which is the largest portion of the budget. The budget includes 73 full-time equivalent (FTE) staff totaling \$15.4M in total compensation. Increases in the current year are mostly due to contract negotiations. Worker's comp and PERS are also attributed. No FTEs were added to the budget this year and there is a modification within the Administrative Department.

Burch provided a breakdown of the components of personnel service expenditures with the largest being wages (\$8.9 M), PERS (\$3.1M), and medical benefits (\$1.73M). She noted that insurance increased by 6% this year. There was a comparison in the PERS rates since 2013/15 and discussion about the unfunded actuarial liability and how PERS is funded. Current employees are not paying for their retirement; they are funding the retirees.

There are not a lot of changes regarding the materials and services (M&S) costs from previous years. We have invested in information technologies (I.T.) over the past couple of years for data and analytics.

Burch discussed debt services. We didn't pay off any debt but did add another engine. It was noted that the facilities only have a couple more years until they are paid off. Member Blanton asked what the loan terms are on the engines. The engines that are coming this year are on a ten (10) year loan. The newly added engine that will be here in 2028 is on a five (5) year loan and will be mostly paid by the time it is here.

Capital costs will vary from year to year. The current year includes a focus on stations and technology. No new debt is expected.

Member Ollerenshaw noted that he does not like the work contingency in regards for the need to fund July, August, September, October, November (JASON). Burch explained we must have contingency as a budget term. There was a discussion about possibly adding a line item with different terms.

To conclude the expenditure overview section, Burch noted again that the costs rising are inflation and sometimes out of our control.

Burch then provided more detail on the individual divisions within the General Fund:

Administration – hiring a human resources/payroll specialist instead of a CFO remains flatline at 6 FTE. \$89.5k for consulting, \$90k for I.T. software, 23k for training and development of staff. Chief Herrera explained some of the I.T. is to help keep units in their assigned area for response

Fire & Rescue Operations – includes step increases plus an additional \$2.5M to represent the cost of 9 new positions and anticipated wage and benefit changes currently in negotiation, increases in medical premiums of 6%, and an increase in worker’s compensation costs due to higher rates and a higher experience impact. M&S costs include \$60k for uniforms, \$130k for PPE replacements, and \$33k for some hoses and ladder replacements.

Member Fisher asked about the overtime budget going down. Burch explained that some of the new employees are filling the holes we were paying overtime to fill. Chief Herrera discussed the minimum staffing change that also resulted in a reduction in staffing and overtime.

Fire & Rescue Training – this fund includes the wages for the Fire Training Captain and the wages/benefits for the existing staff to assist in training. M&S costs include \$7.5k for facility maintenance (a \$90k decrease from prior year budget due to completion of training center improvements) and \$35.5k for lease expenses.

EMS Operations – this fund includes the wages for the EMS Training Captain and the six (6) EMS only individuals. Chief Herrera noted one (1) FTE reduction in this cost center. When one of the EMTs became a FFPM the position wasn’t filled because the PM fell into that role.

Fire & Life Safety – the budget of two (2) FTEs is consistent with the prior year, but the personnel services budget decreased from the prior year because the second position was filled with a lower classification than was budgeted for in fiscal year 2024. M&S costs remain consistent.

Buildings, Vehicle & Equipment – costs are consistent with the prior year. The majority is a contract with DC911 for I.T. services. Property insurance is going up about 15% this year. Member Fisher asked why there was an increase. Burch explained that it is related to usage, and the cost of repair and replacement has increased significantly. Wear and tear and age of buildings has also increased.

Non-Departmental – Burch mentioned the purpose of recording transfers from the General Fund to the Capital Projects Fund is to fund the capital services and debt service. Contingency remains over \$6.5M and is 126 days of cash on hand. Reserves lines for FY 2025/26 were removed for reporting ease.

Member Meyer commented that she appreciates that we are at 126 days of cash on hand versus the 105 last year.

Committee Member Unger asked if the levy funds are put into reserves. Burch explained that it’s not directly held back from the levy. Reserves are just built-up savings and that every year we spend a little less than what we bring in. This led to a general discussion on the purpose of

the levy funds and what they have been used for.

Capital Projects Fund – the budget for building improvements at Cline Falls is \$2M. \$1.5M of that is covered by the seismic grant. \$450k is budgeted for cardiac monitors. We are hoping to receive a grant to offset the costs of those. And \$300k for the fire alerting system. There is \$2M in reserves/contingency, which is an increase of \$400k from the prior year.

MERRC Fund – Fire Marshal Mooney discussed the fund and what it covers. He explained it is used to purchase and maintain communication equipment that enhances response to larger buildings. Funds will come from building owners who elect to participate rather than purchase equipment themselves. The funds are restricted and will be used to enhance our communication within these buildings.

#### BUDGET SUMMARY:

Burch provided the budget overview summarizing the activities of both funds combined. There is currently a deficiency showing over 1.3M, which is because of the capital purchases. This is us spending down that money we have been saving over the years.

Committee Member Unger asked of the 10M, how much of that is contingency for JASON. Burch stated that it is about 6.5M and explained how it breaks down and what the spend down is covering.

Member Meyer inquired if this year's budget looking better because we did 6 instead of 9 new hires. Burch stated yes, and that overall, a FFPM position is over \$175k per year.

Operationally, if we were not buying capital, we are positive \$100k. This means we are spending less than is coming in.

CFO Burch continued by going through a summary of each fund.

#### CONCLUSION:

When it comes to funding, the plan is to increase staffing as funding allows, to continue working on goals in the adopted Strategic Plan, develop a five-year replacement and reserve budget to incorporate into the annual budget, and to craft future goals to address assessment recommendations.

Burch opened the floor for questions.

Committee Member Unger asked about the contracted CFO, which lead to a general discussion outlining how it works.

Chair Werner asked about the apparatus that will be replaced. There was a discussion on how the apparatus is circulated and used.

#### BUDGET APPROVAL:

Vice President Meyer moved that the Redmond Fire & Rescue budget committee approve the proposed FY 2025/26 budget as well as taxes for the 2025/26 fiscal year at the rate of \$1.7542 per \$1000.00 of assessed value for the permanent rate tax levy and in the amount of \$0.7500 per

\$1000.00 of assessed value for the local option tax levy. The motion was seconded by Member Fisher. Chair Werner noted that he wanted to open the floor for public comment and with no comments, closed the public comment. The motion was approved by unanimous vote.

**PUBLIC HEARING CLOSED:**

Budget Committee Chair Werner closed the public hearing and returned control to Board President Ollerenshaw at 10:46 AM.

**MEETING ADJOURNED:**

President Ollerenshaw thanked the citizen members for their service and recognized the staff for their work. A motion for the adjournment of the meeting was called by Member Fisher and seconded by Vice President Meyer; the motion was approved by unanimous vote. The meeting was adjourned at 10:47 AM.