



MARION COUNTY FIRE DISTRICT NO. 1

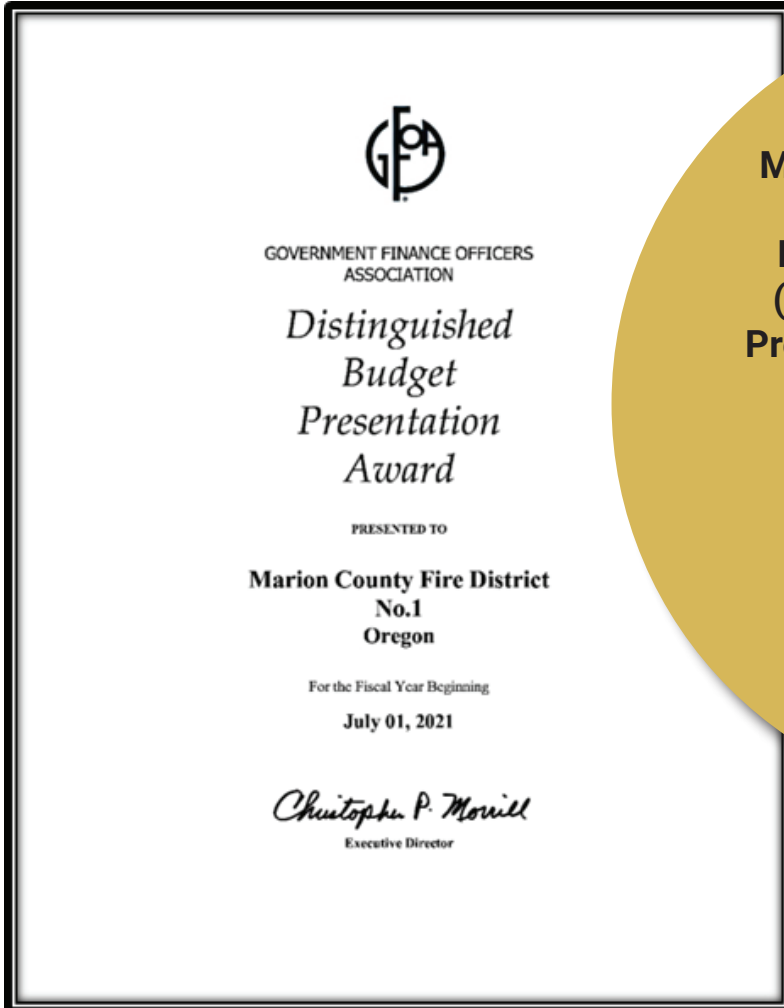
PROPOSED ANNUAL BUDGET
FISCAL YEAR 2023





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BUDGET AWARD



Marion County Fire District No. 1 received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for FY 2022.

The District has received the award for 3 years:

**FY 2019
FY 2020
FY 2021**

BUDGET AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award to Marion County Fire District #1, Salem, Oregon for its annual budget for the fiscal year beginning July 1, 2021. 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 communication medium. The award is valid for a period of one year only. We believe the FY 2023 budget continues to conform to the program requirements, and therefore will be submitting it to GFOA to determine its eligibility for another award in FY 2023.

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INTRODUCTION OF MEMBERS

BOARD OF DIRECTORS

	<u>Term Expires</u>
Mike Welter - President	06/30/2025
Jeff Hart – Secretary/Treasurer	06/30/2025
Sue Curths – Director	06/30/2023
Mike Bauer – Director	06/30/2023
Jon Stueve - Director	06/30/2025

BUDGET COMMITTEE

	<u>Term Expires</u>
Julio Quevedo - Position #1	12/31/2024
Ken Morin - Position #2	12/31/2023
Kevin Davidson - Position #3	12/31/2023
Kevin Fredinburg - Position #4	12/31/2024
Steve Howton - Position #5	12/31/2024

FIRE DISTRICT BUDGET STAFF

Kyle McMann – Fire Chief/Chief Financial Officer
Ron Lee – Deputy Fire Chief
Anita DeVilliers – Finance & Administrative Services Specialist
Paula Smith – Fire Marshal
Mark Bjorklund – Battalion Chief
Kris Boyer – Battalion Chief



MISSION AND VISION

Mission Statement

(Our purpose for existing)

To make a positive difference in our community. We accomplish our mission through:

1. Rapid Response
2. Taking Appropriate Action
3. Producing a Beneficial Result

Vision Statement

(What we constantly strive to be)

To be an organization which is known and trusted by our community, respected by our peers and united in the accomplishment of our mission.

The Five Basic Rules

(Within our organization, there are Five Basic Rules, which every member is expected to know and consistently practice)

Rule No. 1: Do What is Right.

Rule No. 2: Do Your Best.

Rule No. 3: Treat Others with Dignity, Understanding and Respect.

Rule No. 4: Leave the Situation Better than the Way You Found It.

Rule No. 5: Help Other Members to be Successful.



FIRE DISTRICT OVERVIEW

MARION COUNTY FIRE DISTRICT NO. 1

Marion County Fire District No.1 (District) operates as a Special Service District under Oregon Revised Statute Chapter 478, not connected to any City or County Government and is managed by a five-member Board of Directors, comprised of residents of the district. The Board hires the Fire Chief to manage the day-to-day operations of the district.

The district started as a single volunteer station (Four Corners Fire Department) in 1939. That volunteer station merged with the Brooks Rural Fire District in 1968, creating Marion County Fire District No.1. Since that time, it has grown to include stations at Four Corners, Middle Grove, Pratum, Macleay, Brooks, Clear Lake, Labish Center, and the Chemeketa College Fire Station.

The district has 59 full-time and 2 part-time employees, and 52 volunteers as of March 2022. The District's Organizational Chart is noted on page 6. Fire, Rescue, and Emergency Medical Services are provided from 7 of the district's 8 stations.

Four Corners, Station #1



Middle Grove, Station #2



Pratum, Station #3



Macleay, Station #4



Brooks, Station #5



Clear Lake, Station #6



Labish Center,
Station #7



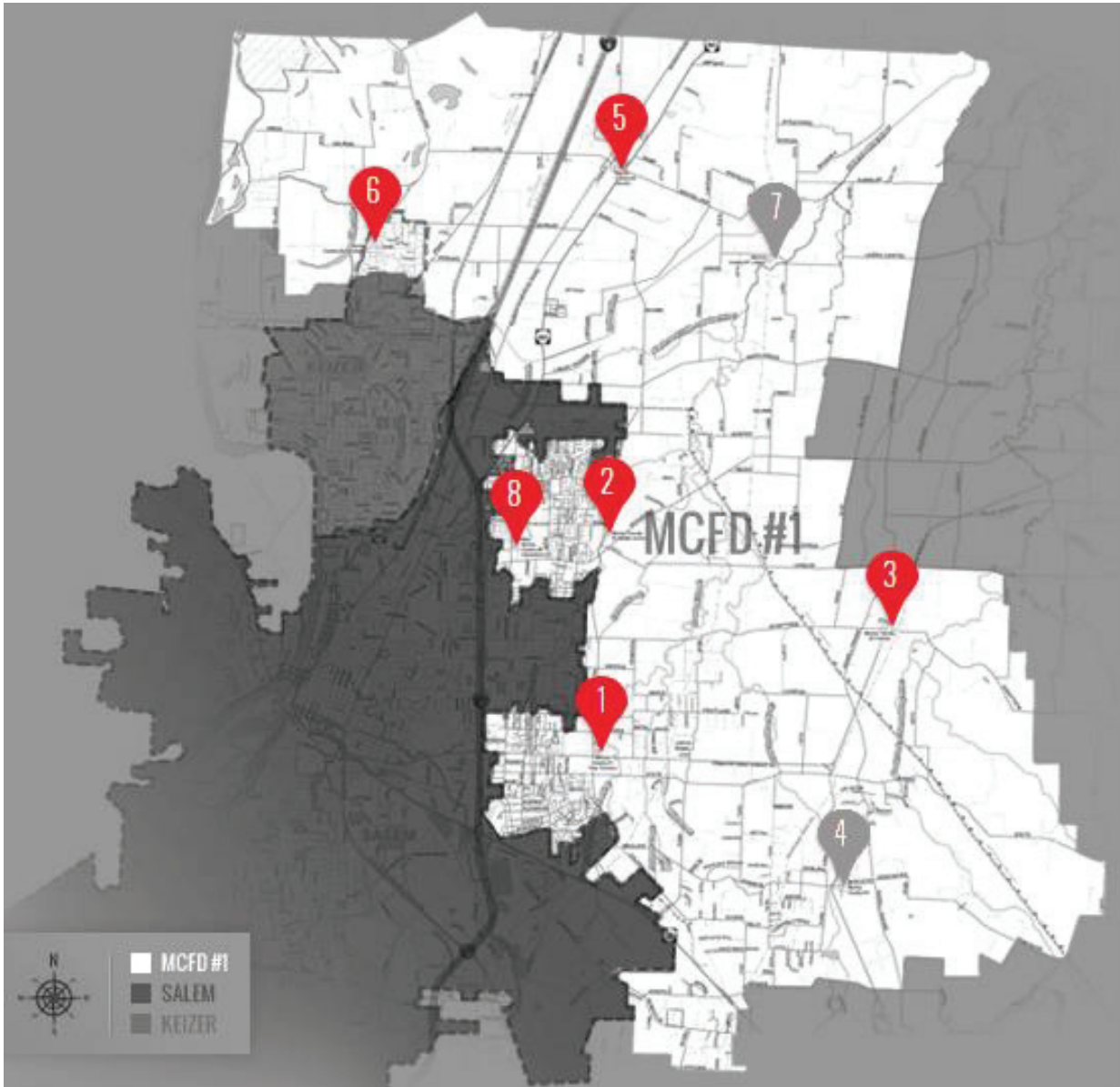
Chemeketa,
Station #8



FIRE DISTRICT OVERVIEW

POPULATION/SERVICE AREA

The district serves a population of approximately 50,000 residents in an 80 square mile service area. The district serves the communities of Four Corners, Middle Grove, Pratum, Macleay, Brooks, Clear Lake, Labish Center and Chemeketa.

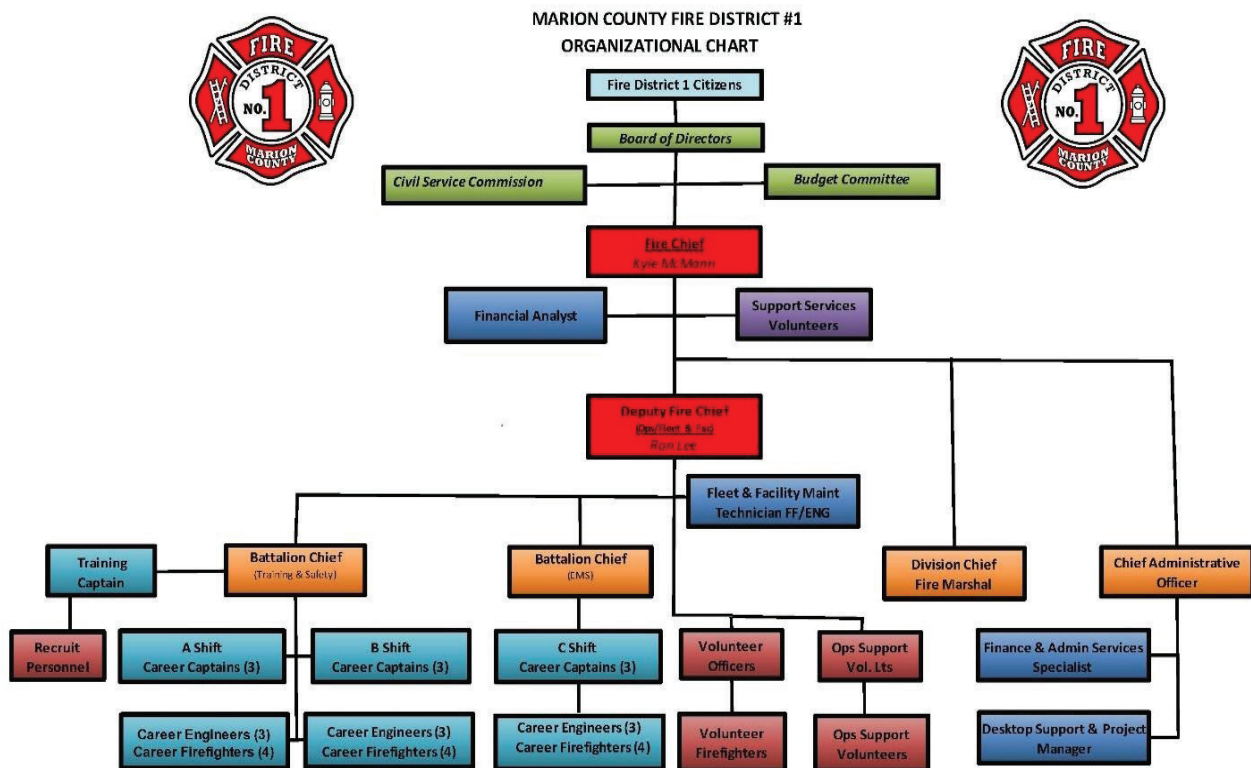


*Station 4 is currently closed due to budget cuts and lack of community volunteers.



FIRE DISTRICT OVERVIEW

ORGANIZATIONAL CHART (AS OF APRIL 2022)



MULTI-SERVICE DISTRICT

Marion County Fire District No.1 provides numerous services and programs within the community; these include:

- Fire Suppression
- Emergency Medical Services/Advanced Life Support Ambulance Transport
- Rescue/Extrication
- Fire Prevention
- Public Fire Safety Education
- Community Outreach

FIRE DISTRICT OVERVIEW

TOP 10 TAXPAYERS

2021 - 2022 Measure 5 Taxable Value: \$5,573,260,213

2021 - 2022 Measure 5 Assessed Value: \$3,482,615,544

Source: Marion County Assessor's Office

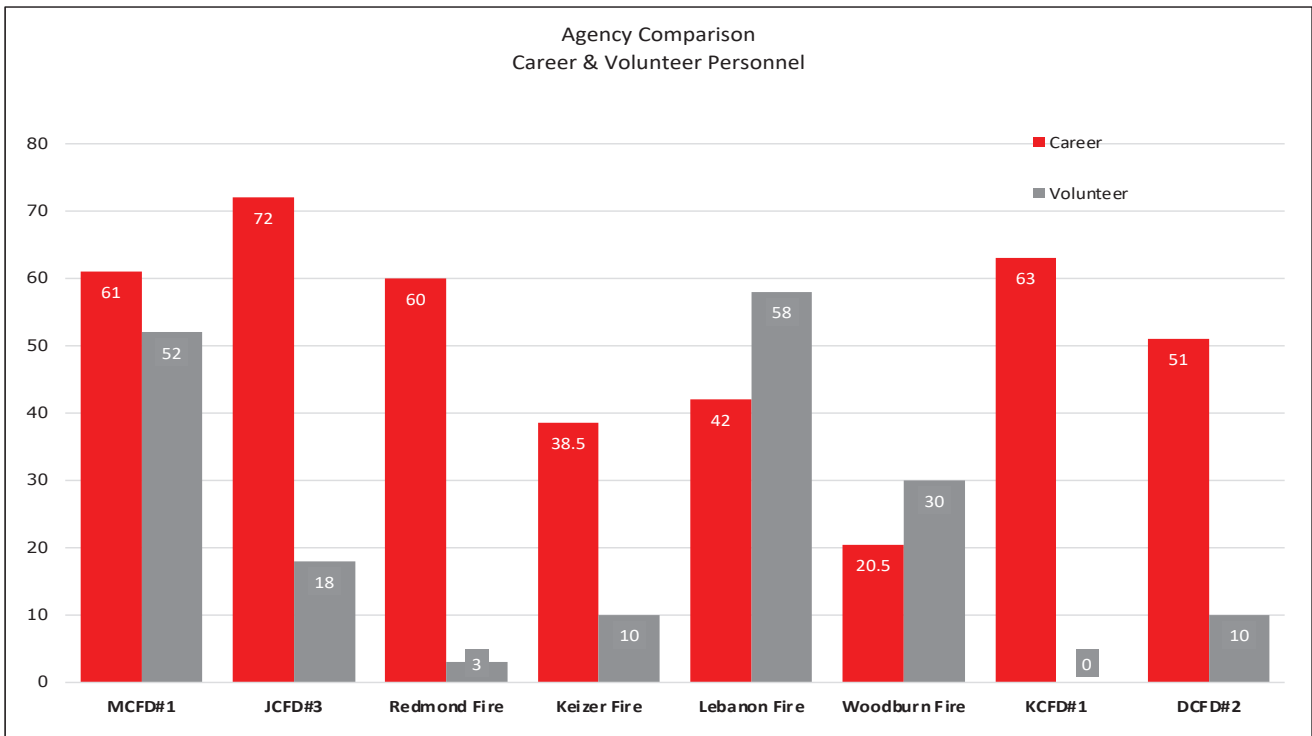
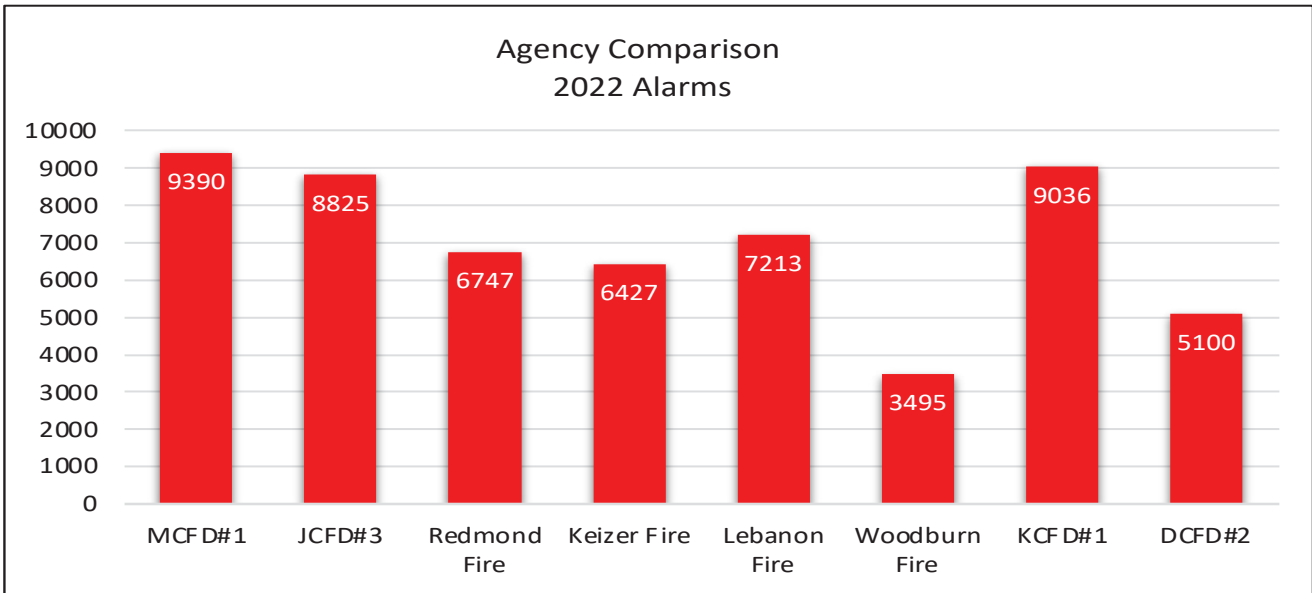
2021-2022 Top 10 Taxpayers	M50 Assessed Value	Total Tax
Portland General Electric Co	\$62,307,000	\$866,845
Meadowlawn Properties	\$22,292,946	\$388,982
PNW Veg Co LLC	\$28,084,420	\$323,133
Comcast Corporation	\$20,378,000	\$300,386
Covanta Marion Inc	\$23,609,260	\$266,660
Wells-Brown LLC	\$14,046,610	\$249,087
Gildred Family Properties LLC	\$12,914,580	\$201,150
Northwest Natural Gas Co	\$13,807,000	\$192,518
Shea-One LLC	\$12,214,650	\$189,532
Willamette Estates-II LLC	\$10,117,710	\$177,833



FIRE DISTRICT OVERVIEW

AGENCY COMPARISON

Seven similar fire agencies are used for comparison to the district: Jackson County Fire District #3, Redmond Fire & Rescue, Keizer Fire District, Lebanon Fire District, Woodburn Fire District, Klamath County Fire District No. 1, and Douglas County Fire District No. 2.





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BUDGET MESSAGE

Dear Budget Committee Members and Citizens:

I am pleased to present to you the Fiscal Year (FY) 2023 proposed budget for Marion County Fire District No. 1 (District). The budget has been prepared for your review and consideration consistent with the district's vision, mission, and five basic rules along with the core tenants of our Strategic Goals.

In addition, it is prepared in compliance with Oregon Budget Law and generally accepted accounting principles (GAAP). This budget is intended to serve as a financial plan, policy document, communications device, and operations guide while being fiscally responsible with revenues we receive and providing the best services that align with our mission, vision and value statements. The FY 2023 Proposed Budget utilizes the best data analysis projections available and conservative, realistic financial modeling.

The mission of the district is to be an organization, which is known and trusted by our community, respected by our peers, and united in the accomplishment of our mission. The vision for the district is to make a positive difference in our community. We accomplish this by (1) Rapid Response (2) Take Appropriate Action and (3) Producing a Beneficial Result. Within our organization, there are Five Basic Rules, which every member is required to know and consistently practice:

- Do What is Right
- Do Your Best
- Treat Others with Dignity, Understanding and Respect
- Leave the Situation Better than the Way you Found it
- Help Other Members to be Successful

This budget supports the Issues and Goals identified in our [2018-2023 Strategic Plan](#). In 2017, the district completed a community-based strategic planning session with an outcome of a new five-year strategic plan that will continue to keep the organization focused and drive future budget and planning processes.

The Strategic Plan identifies five strategic goals that are designed to focus the efforts of the organization on achieving the vision.

1. Optimize training opportunities for career & volunteer personnel
2. Improve and maintain internal & external communications and engagements
3. Plan for staffing deployment, recruitment, retention and succession
4. Develop and strengthen collaborative strategic partnerships.
5. Ensure sustainability and survivability of service delivery by efficient use finances

The five goals have several objectives, which define what needs to be accomplished in order to meet that goal and achieve our desired outcomes. The objectives are measured by a series of performance measures that have completion due dates identified. The District Steering reviews the outcomes of the tasks, objectives, and goals and reports on those outcomes to the organization. A quarterly and annual performance report is presented to the Board of Directors. The Strategic Plan is a dynamic working document that ensures the members of our District and those in the communities we serve know where our focus is.

BUDGET MESSAGE

FY 2022 Year in Review

Over the past year, the district had several accomplishments, some of which we would like to highlight.

- Placed Engine 305 in service at the Middle Grove Fire Station with a crew of 3 following the passage of the May 2021 Local Option Levy passage
- Received the following grants:
 - FEMA AFG-S For COVID Personal Protective Supplies
 - FEMA AFG For Quint Apparatus to replace Engine 315 at the Four Corners Fire Station
 - FEMA SAFER – 3 Year Hiring of Firefighters Grant for 9 laid off personnel
- Hiring of 12 Single Role EMT's & Paramedics to start our EMS Single Role Program to staff Ambulances
- Hiring of 11 Firefighters for SAFER and back fill of open positions
- Awarded the GFOA Budget Presentation for the FY 2022 budget
- Achieved a clean audit, with no findings, for the fiscal year ending June 30, 2021

Economic Factors and Long-Range Financial Planning

The district has made several key assumptions based on information from the local external environment and economic and historical forecasts in developing the budget as well as the long-range financial forecast. We remain focused on monitoring the external environment throughout the budgetary process given the impact economic changes will have on our ability to provide necessary services at current levels.

- Assessed property valuation is projected to increase modestly. We have forecasted a 3.0 percent assessed valuation growth for FY 2023. The economy has been modestly growing in the local area; however, most of this growth is outside of the Fire District, so little new growth in construction occurs within its boundaries. What does occur is mainly residential in-fill construction.
- Call volume for the district increased 15.7 percent in 2021 compared to a 1.1 percent increase in 2020. The five-year average reflects a 6.6 percent increase for all incidents. The Four Corners and Jan Ree/Hayesville areas within the Urban Growth Boundary remains to be the district's busiest service area with approximately 63 percent of District incidents occurring in these areas.

2021 Call Volume
9,390
<u>Fire Calls</u>
163
<u>EMS</u>
6,138
<u>Other</u>
3,089

The district continues to be a stakeholder in the Brooks-Hopemere Community Plan, that is being updated by the Marion County Commissioners. This is a guide to needs and vision for that community for the long term. In April 2022, the Commissioners announced a multi-million-dollar investment in the water and sewer infrastructure from Federal ARPA funding, which will assist in managed growth.

- Oregon PERS Pension costs continue to impact the budget and resources available to provide services for the district residents. Additional employer rate increases are in place for the 2023-2025 biennium as well as planned increases in 2027. These are out of the district's control, and the District continues to forecast the impacts long term.



BUDGET MESSAGE

FY 2023

- Medical calls continue to be the dominate type of incident to which the district responds. This category of response continues to increase based on the socioeconomic environment, changing demographics, and changes in the national healthcare system. The Ground Emergency Medical Transport (GEMT) reimbursement program has been a bright spot of additional revenue to increase reimbursement costs, including collections for FFS and CCO Programs, however, continue to fall short of the full cost of service.
- Taxpayers continue to expect the district to operate within its means, and with a balanced budget. The community expects transparency, effective and efficient delivery of fire and EMS services.
- The FY 2023 budgetary priority is firefighter safety through communications infrastructure, annual medical physicals and modest improvements to emergency response apparatus and equipment and stations to ensure reliant communication methods, safe equipment with safe and healthy personnel
- The district will continue to evolve and strengthen the EMS Single Role Program
- The district will on-board a full-time Finance & Budget Specialist to manage payroll and finance aspects of the district
- The district will on-board a full-time Human Resources Specialist to manage the human resources aspects of the district
- The district continues to forecast the financial survivability of the district long term, and make decisions based on this plan

The district remains committed to long range financial planning as a tool to meet strategic goals and guide decision making, maintain expenditures at levels that balance with operating revenues, and to determine the impact of various deployment scenarios related to meeting the increasing demands for service. With this financial planning commitment, the district has set itself up to manage these scenarios and prepare for future challenges and opportunities.

Property Tax Analysis and Potential Impacts

The district experienced total assessed valuation (AV) growth of 4.0 percent for FY 2022. The district's financial forecast for FY 2023 and beyond includes continued modest, but reduced increases in the growth rate of assessed value. Based on this conservative growth assumption and limited new construction within commercial areas of the district, this budget reflects a conservative and limited 3.0 percent increase for the next couple of years.

Summary of Revenue and Expenditures / Major Budgetary Items

General Fund (Fund 10)

Revenue

This proposed budget reflects \$9,025,000 in current year property tax revenue, an increase of 4.36 percent or \$377,600. It is important to also rely on the assessed value of the district, which is estimated to increase at a conservative 3.0 percent per consultation with the Marion County Assessor. This is due to very limited new property improvement growth within the district and majority of the District comprised of rural agricultural land. When comparing one FY to another, when comparing adopted amounts for the new FY 2023, the comparison to actual for FY 2022 which is why it is important to explain when comparing net revenue changes. Current year taxes are calculated at our permanent tax rate of \$1.9045 per \$1,000 of assessed value with a 97.5 percent collection rate plus \$0.59 per \$1,000 of assessed value for the Local Option Levy. Property tax revenues are predominately derived from residential property, and some commercial property within the district. Prior year taxes are budgeted at \$203,000. All property taxes combined account for 62.2 percent of the district's operating revenue.

BUDGET MESSAGE

Ambulance transport revenue is estimated at \$3,210,000, a decrease of 4.1 percent or \$132,720. This is decreased due to the anticipated receipt of both the GEMT Fee for Service (FFS) and Coordinated Care Organization (CCO) portions, however revised amounts once actual GEMT funds are received may change this amount for the positive.

Grant revenue is estimated at \$2,004,651. This is for the FEMA Assistance to Firefighters Grant (AFG) for a portion of the Quint Ladder Truck in the amount of \$727,272 and FEMA Staffing for Adequate Fire and Emergency Response (SAFER) for the 9 Firefighters in the amount of \$1,277,379.

Beginning fund balance is estimated at \$7,000,000, an increase of 38.4 percent or \$1,943,200. This is mainly due to unanticipated GEMT-CCO Program revenue and the delayed hiring of personnel from the Local Option Levy proceeds which was due to hiring processes that took longer than expected.

The district considers operating revenue to consist of property tax, ambulance transport revenue, interest income, fees for service, intergovernmental revenue, and proceeds from grants. Total General Fund operating revenue for FY 2023 fiscal year is budgeted at \$14,841,367. Overall, proposed General Fund resources total \$21,841,367, this is a 19.4 percent increase over the FY 2022 amended budget.

Personnel Services

This proposed budget reflects an overall increase in Personnel Services of 15.7 percent or \$1,558,430 from what was budgeted in the prior year. This budget, within personnel services, reflects a minimal 2 percent cost of living adjustment for both represented and non-represented employees.

PERSONNEL: This Proposed Budget maintains all current positions plus small enhancements due to the Local Option Levy, FEMA SAFER Grant and Administrative assistance.

This includes the nine FEMA SAFER Firefighter positions for staffing of the Four Corners Station Fire Engine, and 15 Single Role EMS Personnel for ambulance staffing.

This proposed budget also includes a full time Financial Accounting Specialist to replace the part time Financial Analyst that resigned in February 2022, a limited duration, full time Staff Assistant for stability in the Administration Division and half FTE for the transition because of the retirement in the Fire Prevention Division upcoming next year.

This budget reflects a full year of salary and benefits for all funded positions. New this Fiscal Year is full budgeting of FTE max cost to allow for more accurate long-term forecasting.

PERS: This budget year the district will not receive an employer contribution rate adjustment into the Public Employees Retirement System (PERS). Employer rates are set by the PERS Board every two years and are based on a system-wide actuarial valuation that accounts for all costs, liabilities, rates of interest, and other factors to ensure System sustainability. A valuation report is only an estimate of the System's financial condition as of a single date. Employer rates will rise again for the 2023-2025 biennium, and the district has taken this into account with our Financial Forecasting. As of today, advisory rates look to be a range of a 3.5-5.0% increase.

The current rate for all members in the PERS tier one and tier two groups (employees with established membership prior to 2003) is 33.99 percent of payroll. Rates for firefighters in the tier three (OPSRP) group (employees with established membership after August 29, 2003) is 26.51 percent of payroll and current rates for general service members in the OPSRP group is 21.88 percent of payroll. The new 2021-2023 rate for all members in the PERS tier one and tier two groups is 32.92

BUDGET MESSAGE

percent of payroll. Rates for firefighters in the tier three (OPSRP) group is 27.98 percent of payroll and rates for general service members in the OPSRP group is 23.62 percent of payroll.

The total budgeted PERS expense is \$1,954,983, or an increase of 13.1 percent or \$226,743, mainly due to the increase of personnel from the LOL and SAFER Grant. Of total personnel, about 28 percent are in the Tier 1 and 2 group, 49 percent are in the OPSRP firefighter group, and 22 percent are in the OPSRP general service group.

HEALTH INSURANCE: The District provides a medical and dental insurance plan for its full and part-time employees with a required employee cost share of 7 percent. In addition, an HRA-VEBA Health Reimbursement Plan is provided in which the district contributes a fixed amount for all employees based on family tier status. The budgeted HRA-VEBA contribution expense is \$179,785.

Renewal rates for the health insurance plan effective July 1, 2022, to June 30, 2023 represents a net zero overall rate hold through the OFCA/SDIS Group Plan. The total budgeted health insurance expense is \$1,678.967.

WORKERS COMPENSATION INSURANCE: This is required to provide Workers Compensation Insurance to all employees and provides this insurance to all Volunteers and Board Members. Rates are increasing for FY 2023 based on District recent historical claims, insurance market adjustments and rate modifications. The total budgeted workers compensation insurance expense is \$179,068.

Materials and Services

This proposed budget reflects a sizeable increase in Materials and Services of 17.1 percent or \$486,937 from the prior fiscal year. Noteworthy projects budgeted include improving our emergency response communication, replacing personal protective equipment (PPE), including scheduled replacement of structural turnouts, Single Role EMS Personnel PPE EMS supplies and continuing baseline required maintenance of equipment, fleet apparatus and District facilities. There is major increases in the Fleet & Facilities Division due to increasing fuel and maintenance costs for aging apparatus and stations. Total Materials and Services budgeted is \$3,336,261 which is 20.6 percent of General Fund operating expense.

Capital Outlay

This proposed budget reflects a major decrease in Capital Outlay expenditures of 84.2 percent or \$107,500 from the prior fiscal year. This is for replacement fire hose and radios as needed. While this amount does not cover all of the Capital needs of the District that are needed, the securement of the 2022 Financing Agreement for Capital Projects will address some of the needs of the District and is budgeted in Fund 70. Total Capital Outlay budget is \$20,200.

Contingency

The district has a financial policy that Operating Contingency will be no less than five percent of budgeted Personnel Services and Materials & Services. This also aligns with GFOA Best Practices Guidelines. This budget has allocated \$745,000 in contingency.

Ending Fund Balance

The district has a financial policy that the General Fund's Unappropriated Ending Fund Balance (UEFB) will be 4 months of the personnel services budgeted amount. Ensuring adequate levels of minimum ending fund balance along with monthly ambulance transport revenue contributes to fiscal sustainability to meet operating requirements before receipt of the large portion of yearly property taxes. This budget has allocated \$4,786,004 in ending fund balance.

BUDGET MESSAGE

Debt Service (Fund 30)

This proposed budget would represent the fourteenth year of a financing agreement with US Bank and Bank of America. The term of this issuance was sixteen years with final payment scheduled for June 15, 2024. The district will be paying off this issuance in June 2022. New debt was issued in \$5 million sets in years 2008 and 2009 to fund construction of the Four Corners Station, front line fire engines, and ambulances through full faith and credit obligations with US Bank and Bank of America. This budget for Fiscal Year 2022 allowed the district to redeem all issuances and payoff the Bond Debt 2 years in advance. This s leaves the district with no outstanding bonding indebtedness.

Due to the need for Capital Outlay Financing, and the fact that the Bonded indebtedness is being paid off in June 2022, the Board of Directors secured a 15-year, \$3.5 million Financing Agreement to pay for large Capital Outlay Purchases. This Agreement will be paid back through existing District Resources, and no new taxes. Purchases to include District portion of the Quint Ladder Truck, Pumper, SCBA's, Middle Grove Fire Station remodel, Extrication Equipment, and several Ambulance Remounts.

Capital Projects (Fund 70)

This fund was originally utilized for the proceeds of the 2008 and 2009 bond issuances for large capital outlay projects. This fund will be fully expended at the end of FY 2021. With the new proceeds from the 2022 Financing Agreement for Capital Projects, this Fund will again be utilized to account for those funds and purchases. The proposed budget is \$4,127,272, which includes a budget transfer of \$727,272 from FEMA for a portion of the Quint Ladder Truck.

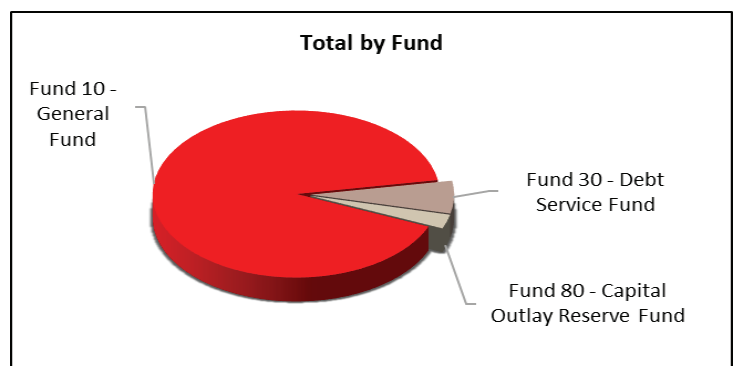
Capital Outlay Reserve (Fund 80)

This fund is utilized to set aside funds for larger Capital Outlay projects in coordination or in-lieu of bond indebtedness. The proposed budget includes a transfer of \$500,000 from the General Fund. Anticipated expenditures for FY 2023 include remounting of two 1995 GMC water tenders onto new chassis to extend their life cycle and provide safer apparatus for personnel and large equipment purchases. Total Capital Outlay Reserve budgeted is \$675,000.

Budget Summary

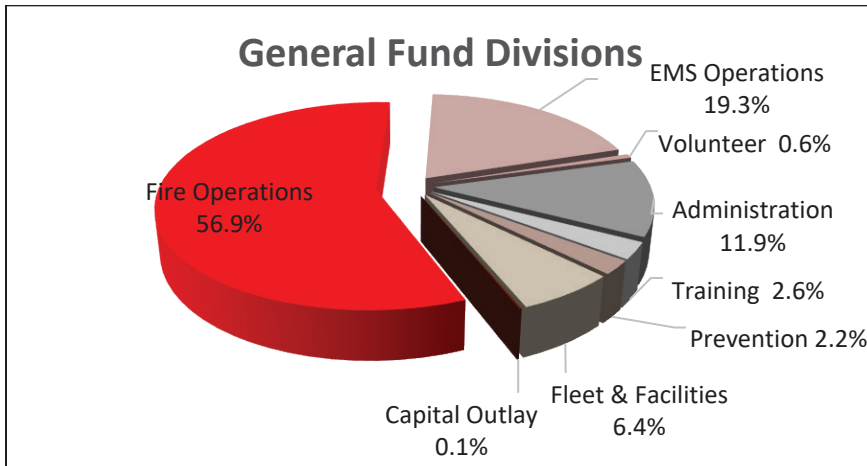
The Fiscal Year 2023 budget continues to be organized into the following Funds:

- General (10)
- Debt Service (30)
- Capital Projects (70)
- Capital Outlay Reserve (80)



BUDGET MESSAGE

The General Fund is organized functional units as presented in the Districts Organization Chart and into the following Divisions:



- Fire Operations
- EMS Operations
- Volunteer
- Administration
- Training
- Fire Prevention
- Fleet & Facilities
- Capital Outlay

This proposed FY 2023 budget has been developed for all District funds subject to the budget requirements of Oregon State Budget Law, including the legal requirement for a balanced budget, meaning that total resources/requirements meet expenditures within each fund.

The district considers operating expenses to consist of personnel services, materials and services, capital outlay, and debt service. This budget has been proposed with total operating expenses at \$19,890,363 a increase of \$5,775,862 over the prior year. Total budget appropriations for all funds are \$22,112,635, which is an increase of \$2,611,204 over the prior year budget.

BUDGET MESSAGE

Breakdown of significant revenues and expenditures:

FY 2023 Revenues		Total
Beginning Fund Balance		10,595,000
Property Taxes (Current & Prior Years)		9,228,000
Ambulance Transport Billing		3,210,000
Other		3,885,639
Total Revenues	\$	26,918,639
FY 2023 Expenditures		Total
Personnel Services		11,476,630
Materials & Services		3,336,261
Capital Outlay		4,827,472
Debt Service		250,000
Contingency		745,000
Transfers		1,477,272
Reserved for Future Expenditures		-
Unappropriated Ending Fund Balance		4,806,004
Total Expenditures	\$	26,918,639

This budget has been prepared based on our permanent tax rate of \$1.9045 per \$1,000 of taxable assessed value, with a General Fund Local Option Levy of \$0.59 per \$1,000 of taxable assessed value as allowed by law.

This budget is conservative and attempts to meet our operational needs so that the district may continue to effectively provide emergency response, and limited fire prevention services to our citizens, while remaining receptive to our current and future financial situation and the current local economic climate. The FY 2023 Budget adheres to all State of Oregon Budget Law requirements and proposed relevant financial policies. I would like to thank all of those involved in the budget process and extensive time commitments it demands to ensure a balanced budget, transparent process and quality Budget Document for the citizens and guide for the Fire District.

Respectfully submitted,

Kyle G McMann

Kyle G McMann

Fire Chief/Budget Officer/Chief Financial Officer

Marion County Fire District No. 1

STRATEGIC PLAN 2018-2023

MCFD#1's [Strategic Plan for 2018 – 2023](#) was adopted by the Board of Directors June, 2018; with strategy and action revisions proposed by the Board of Directors in May 2021. Five key issues emerged from interviews with stakeholders, focus groups with MCFD#1 career and volunteer firefighters, conversations with residents, a survey of residents, and a survey of MCFD#1 personnel. In general, MCFD#1 is viewed favorably both from within the organization and by the public. However, all organizations can make improvements and MCFD#1 is no exception.

The perspectives gathered during the issue-identification and goal-setting phases of the strategic planning process have been integrated into the content and recommendations of this strategic plan. The plan therefore reflects the expertise and desires of the community and personnel of MCFD#1.

Issue 1: Career and Volunteer Personnel Training Adequately trained firefighter personnel are essential to MCFD#1's ability to perform and maintain services for community members. However, only 50% of surveyed personnel are satisfied with career training, and only 31% of surveyed personnel are satisfied with volunteer training. To improve satisfaction with training, personnel recommended more standardized training between career and volunteer personnel and shared goals to work towards.

Issue 2: Communication Transparent and consistent communication is essential for organization success. However, less than 50% of surveyed personnel felt satisfied with the current level of internal communication. Many personnel also cited insufficient or unclear communication as a workplace stressor or frustration. Personnel recommended a more streamlined and open process to improve communication between administration and personnel.

Issue 3: Community Outreach MCFD #1 must be an organization that is known and trusted by the community. While many residents who took the survey and attended the public workshop agreed that public outreach was important to the district's mission, less than 50% of survey respondents felt that the district was effective at engaging the public. Interviews with stakeholders revealed that the district does a good job of reaching residents during tax levy campaigns but has limited contact at other times.

Issue 4: Partnerships Effective and efficient partnerships with other emergency service providers ensure the best possible services to MCFD#1 residents and help reduce overall operating costs. While some of the district's partnerships are viewed as effective (particularly the relationship with the Salem Fire Department), other areas of collaboration could use improvement. Internal survey respondents mentioned the need to have shared trainings with other departments/districts within the area (particularly with the Keizer Fire District).

Issue 5: Financial Sustainability Without adequate funding, the district cannot operate at an appropriate level for the residents. Ninety-seven percent of internal survey respondents ranked funding as one of the top three priorities for the district over the next five years. Additionally, residents have also expressed concern over the financial viability of the district within the coming years.

STRATEGIC PLAN 2018-2023

From Issues to Goals: The Strategic Plan Steering Committee discussed the strategic issues in the context of what the district should aim for in the future. Specifically, the Committee developed a set of goals aimed at resolving each of the identified issues. The purpose of these goals and their accompanying action plans are to guide MCFD#1’s strategic direction over the next five years. The following graphic shows the relationship between each issue and the strategic goals.



STRATEGIC PLAN 2018-2023

This Strategic Plan includes actions that will bring the district closer to meeting its goals. Actions are designed to be completed in the next five years (the timeframe covered in this plan). Actions are organized by goal and strategy. Goals are the big picture, overarching aspirations for MCFD No.1. Strategies represent a path of action that will guide the district towards the goal. Each strategy is comprised of action items, which are manageable steps towards achieving each strategy, and therefore, each goal.



Issue 1 Career and Volunteer Personnel Training

Goal 1 Optimize Training Opportunities for Career and Volunteer Personnel

- Strategy 1.1 Provide training opportunities for career and volunteer personnel
- Strategy 1.2 Formalize professional development program for personnel



Issue 2 Communication

Goal 2 Improve Internal Communication and External Communication and Engagement

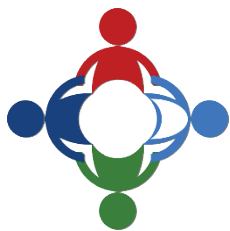
- Strategy 2.1 Create open lines of communication between supervisors, careers, and volunteers to increase understanding and reduce confusion
- Strategy 2.2 Gather and implement strategies to engage with the Latino community
- Strategy 2.3 Improve web-based and digital communications



Issue 3 Community Outreach

Goal 3 Strengthen Planning for Staffing and Succession

- Strategy 3.1 Streamline and improve hiring processes
- Strategy 3.2 Maintain and expand volunteer recruitment and retention
- Strategy 3.3 Pursue proactive strategies for internal promotion
- Strategy 3.4 Maintain appropriate staffing levels for call volume
- Strategy 3.5 Improve staffing levels to meet call volume demands, establish benchmarks and communicate to organization



Issue 4 Partnerships

Goal 4 Build on Relationships with Community Partners

- Strategy 4.1 Continue and improve coordination with partner agencies to maximize use of shared resources
- Strategy 4.2 Pursue and maintain Strategic Partnerships
- Strategy 4.3 Pursue Cooperative Legislative Changes
- Strategy 4.4 Distribute relevant information to partner agencies to raise awareness of MCFD#1 goals and activities
- Strategy 4.5 Create goals and Performance Measures



Issue 5 Financial Sustainability

Goal 5 Maintain Financial Sustainability

- Strategy 5.1 Identify areas that MCFD#1 can forge new partnerships that minimize costs
- Strategy 5.2 Evaluate the fiscal impact of varying service delivery methods
- Strategy 5.3 Research and develop proposals to increase grant & contract funding
- Strategy 5.4 Explore opportunities for other cost-saving options

BUDGET OVERVIEW

BUDGETING PROCESS

The FY 2023 budget process for the district started in January with the appointment of the Budget Officer, appointments to the Budget Committee, and adoption of the Budget Calendar by the District Board of Directors. The Budget Officer for FY 2023 is Fire Chief/CFO Kyle McMann, as per motion of the Board of Directors and Board Policy.

The proposed balanced budget is created using historical and current financial data as well as projections for the new fiscal year that could impact the fiscal areas of the district. All Project Managers submitted budget requests for their areas for consideration to the Fire Chief and Deputy Fire Chief. After receipt of all requests and meetings with project managers, the process of preparing and working to a balanced budget was achieved through revisions by the Fire Chief and Command Staff.

Once the balanced budget has been developed, it is presented to the Budget Committee, made up of the five Board of Directors and five appointed District citizens. The Budget Committee reviews the proposed budget documents, makes any necessary changes, and then approves both the budget and tax rates to go before the Board of Directors during the Budget Hearing, which is held during the regular Board Meeting in June 2022. After adoption of the Budget by the Board of Directors, the necessary budget documents are submitted to the Marion County Assessor, Oregon Department of Revenue and Marion County Clerk.

There are two methods by which Oregon State Budget Law allows a local government's adopted budget to be modified due to unforeseen circumstances. First, the Board of Directors may authorize the transfer of appropriations within a fund during the fiscal year by resolution in accordance with ORS 294.450. Second, the Board of Directors may authorize supplemental appropriations during the year by adopting a supplemental budget in accordance with ORS 294.480. If the amount of the new appropriation is less than 10% of that fund's expenditures, the supplemental budget can be approved at a regularly scheduled Board of Directors' meeting. If the supplemental budget includes changes greater than 10% in any fund, then a public hearing must be held with the Budget Committee and a summary of the supplemental budget advertised.



BUDGET OVERVIEW

FY 2023 BUDGET CALENDAR

Date	Action	Responsible
January 2022	Recruit Budget Committee Members, if necessary	Board of Directors
January 20, 2022	<ul style="list-style-type: none"> • Appoint Budget Officer • Review Draft FY 2023 Budget Calendar 	Board of Directors
February 17, 2022	<ul style="list-style-type: none"> • Appoint Budget Committee • Adopt FY 2023 Budget Calendar 	Board of Directors
February – May 2022	Prepare FY 2023 Proposed Budget	Budget Officer
May 9, 2022	Budget Document distributed to Budget Committee & available to public	Budget Officer
May 9, 2022	Publish Public Notice of Budget Committee Meeting on website – 1 st Publication	Staff
May 12, 2022	Publish Public Notice of Budget Committee Meeting – 2 nd Publication (email notice to SJ 5/5/22)	Staff
May 19, 2022 17:30 at Brooks Classroom**	Budget Committee Meeting #1	Budget Committee
May 26, 2022 17:30 at Brooks Classroom**	Budget Committee Meeting #2, if necessary	Budget Committee
June 9, 2022	Publish Financial Summary & Budget Hearing Notice (email notice to SJ 6/3/22)	Staff
June 16, 2022 18:00 at Brooks Classroom**	Budget Public Hearing <ul style="list-style-type: none"> • Adopt budget & make appropriations • Levy taxes by fund & categorize tax 	Board of Directors
By July 15, 2022	File with Assessor’s Office 2 copies of: <ul style="list-style-type: none"> • LB-50 • Budget resolutions • Newly approved LOT or permanent rate ballot measures 	Budget Officer
By September 30, 2022	File complete budget with County Clerk	Budget Officer

**Budget Committee Meetings and Budget Hearing may be held virtual via Zoom Conferencing based on COVID guidance by the CDC/OHA/State of Oregon at time of meetings. If so, link to meeting will be published.

BUDGET OVERVIEW

BUDGET & ACCOUNTING BASIS

The district maintains a cash basis of accounting, meaning that revenues and expenditures are incurred at the time they are received or paid out. The district's financial statements are prepared on the modified cash basis of accounting, which conveys accounts payable and payroll liabilities at fiscal year-end. All accounting and budgeting are done within the guidelines of Generally Accepted Accounting Principles (GAAP) from the Governmental Accounting Standards Board (GASB).

DISTRICT FUNDS

There are three categories of Funds: governmental, proprietary, and fiduciary. Governmental funds account for tax-supported activities. Proprietary funds account for government's business-type activities that are supported by fees or charges. Fiduciary funds account for resources held by the government as a trustee or agent for others. The district maintains financial controls and integrity in its budgeting and accounting practices.

The district has appropriated and adopted four funds, all of which are classified as governmental funds:

- Fund 10 – General Fund – Accounts for financial operations of the district's fire protection and emergency services costs not accounted for in other funds and considered a major fund. The primary revenue source comes from property tax revenue and ambulance revenues. Expenditures are for the fire protection and ambulance services.
- Fund 30 – Debt Service Fund – Used to account for the payment of principal and interest in the district's long-term debt. Property tax revenue was the primary revenue source. For FY2023, primary revenue source will be District Inter-Fund Transfer.
- Fund 70 – Capital Projects Fund – Originally used to account for the series 2009 & 2012 GO Bond monies and was fully expended in 2017. In 2020, the fund reopened to account for the sale of property originally purchased with bond monies. Expenses are for large capital needs of the district. In 2022, the fund is utilized to account for the proceeds of the 2022 Financing Agreement for Capital Outlay Projects.
- Fund 80 - Capital Outlay Reserve Fund – Used to reserve resources for future capital outlay expenses. Primary revenues are transfers from the General Fund.

Day-to-day management of the budget is managed by the Fire Chief/CFO and Financial Analyst through the District program managers.

BUDGET OVERVIEW

DISTRICT-WIDE FINANCIAL OVERVIEW

Description	FY 2021 Amended Budget	FY 2022 Amended Budget	FY 2023 Proposed Budget	FY 2022 to FY 2023 Percent Change
RESOURCES				
Beginning Fund Balance	\$ 6,431,702	\$ 6,206,000	\$ 10,595,000	71%
Property Taxes	\$ 7,560,000	\$ 9,968,207	\$ 9,228,000	-7%
Licenses & Permits	\$ 5,000	\$ 6,000	\$ 9,000	50%
Intergovernmental	\$ 1,226,909	\$ 697,624	\$ 2,204,651	216%
Charges for Services	\$ 2,673,000	\$ 3,444,720	\$ 3,306,000	-4%
Interest	\$ 70,500	\$ 25,000	\$ 23,000	-8%
Miscellaneous	\$ 99,600	\$ 82,600	\$ 75,716	-8%
Current Revenue	\$ 11,635,009	\$ 14,224,151	\$ 14,846,367	4%
Transfers In	\$ 298,387	\$ 300,000	\$ 1,477,272	392%
TOTAL ALL RESOURCES	\$ 18,365,098	\$ 20,730,151	\$ 26,918,639	30%
REQUIREMENTS				
Personnel Services	\$ 9,984,463	\$ 9,918,200	\$ 11,476,630	16%
Materials & Services	\$ 2,708,642	\$ 2,849,324	\$ 3,336,261	17%
Capital Outlay	\$ 880,572	\$ 780,200	\$ 4,827,472	519%
Debt Service	\$ 1,215,627	\$ 1,233,807	\$ 250,000	-80%
Operating Budget	\$ 14,789,304	\$ 14,781,531	\$ 19,890,363	35%
Transfers Out	\$ 298,387	\$ 300,000	\$ 1,477,272	392%
Non-Operating Budget	\$ 298,387	\$ 300,000	\$ 1,477,272	392%
Contingency	\$ 600,500	\$ 635,250	\$ 745,000	17%
Ending Fund Balance	\$ 2,676,907	\$ 5,013,370	\$ 4,806,004	-4%
TOTAL ALL REQUIREMENTS	\$ 18,365,098	\$ 20,730,151	\$ 26,918,639	30%

BUDGET OVERVIEW

SUMMARY OF RESOURCES AND REQUIREMENTS BY FUND TYPE AND CATEGORY					
FY 2023 Proposed Budget					
Fund	10 General	30 Debt Service	70 Capital Projects	80 Capital Reserve	Totals
RESOURCES					
EMS Billing	\$ 3,210,000	\$ -	\$ -	\$ -	\$ 3,210,000
Capital Firemed	36,000	-	-	-	36,000
Property Taxes	9,228,000	-	-	-	9,228,000
MVA Billing	60,000	-	-	-	60,000
Conflagration	200,000	-	-	-	200,000
Grant Revenue	2,004,651	-	-	-	2,004,651
Permits & Fees	9,000	-	-	-	9,000
Property Leases	21,500	-	-	-	21,500
Interest Income	18,000	-	5,000	-	23,000
Miscellaneous Revenues	54,216	-	-	-	54,216
Total Current Resources	14,841,367	-	5,000	-	14,846,367
Transfers In	-	250,000	727,272	500,000	1,477,272
Beginning Balance	7,000,000	20,000	3,400,000	175,000	10,595,000
TOTAL RESOURCES	\$ 21,841,367	\$ 270,000	\$ 4,132,272	\$ 675,000	\$ 26,918,639
REQUIREMENTS					
Personnel	\$ 11,476,630	\$ -	\$ -	\$ -	\$ 11,476,630
Materials & Services	3,336,261	-	-	-	3,336,261
Capital Outlay	20,200	-	4,132,272	675,000	4,827,472
Transfers Out	1,477,272	-	-	-	1,477,272
Debt Service	-	250,000	-	-	250,000
Contingency	745,000	-	-	-	745,000
Reserve EFB	-	-	-	-	-
Unappropriated EFB	4,786,004	20,000	-	-	4,806,004
TOTAL REQUIREMENTS	\$ 21,841,367	\$ 270,000	\$ 4,132,272	\$ 675,000	\$ 26,918,639
Financial Ratios					
Fund/Ratio Description	General	Debt Service	Capital	Capital Reserve	Totals
Property taxes as a percentage of the total fund type	42.25%	0.00%	0.00%	0.00%	34.28%
Current resources as a percentage of Personnel and Materials & Services	100.19%	0.00%	0.00%	0.00%	100.23%
Personnel as a percentage of the total fund type	52.55%	0.00%	0.00%	0.00%	42.63%
Personnel and Materials & Services as a percentage of the total fund type	67.82%	0.00%	0.00%	0.00%	55.03%
Capital as a percentage of the total fund	0.09%	0.00%	100.00%	100.00%	17.93%

BUDGET OVERVIEW

GENERAL FUND – FUND 10

Resources (Revenue)

The district's main sources of resources/revenue include recurring revenue with limited one-time revenue sources.

Recurring sources of resources/revenue include:

- Current property taxes
- Delinquent property taxes
- Ambulance transport billing, including GEMT FFS & CCO Reimbursements
- Motor vehicle accident cost recovery
- Interest earnings
- Beginning fund balance
- Other charges for services

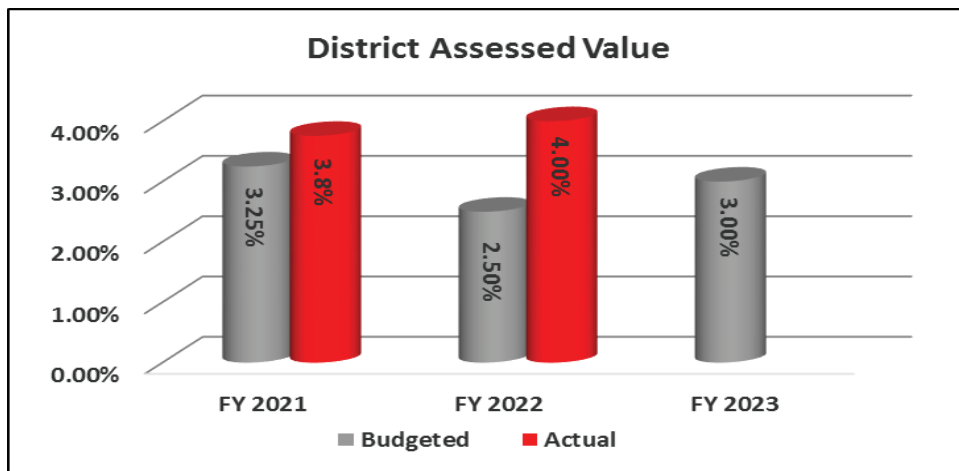
One-time sources of resources/revenue include:

- Intergovernmental revenue
- Grant awards

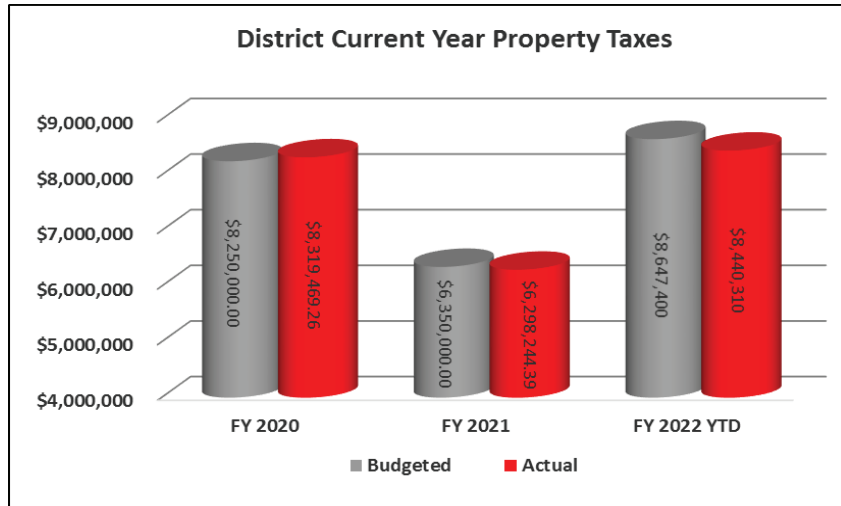
The largest portion of revenue comes from property taxes. The district levies the following property taxes:

Permanent Rate	\$1.9045/\$1,000
Local Option Levy (5-year term, beginning FY 2022)	\$0.5900/\$1,000
Debt Service (2008 General Obligation Bonds)	Paid off June 30, 2022 (\$0.30-0.33/\$1,000)

Based on analysis and recommendation from the Marion County Assessor's Office, the FY 2023 budget is projecting a 3.0% increase in Total Assessed Value of the District, with a 97.5% collection rate. Tax compression is not a major issue for the Fire District at this time. The FY 2022 budget had projected a 2.5% increase in Assessed Value based on County Assessor recommendations, but actuals from the County Assessor show a 4.0% increase. The district will continue to utilize projections for FY 2023 and beyond, based on Assessor recommendations. The charts below illustrate the past few years of assessed value and property tax receivables.

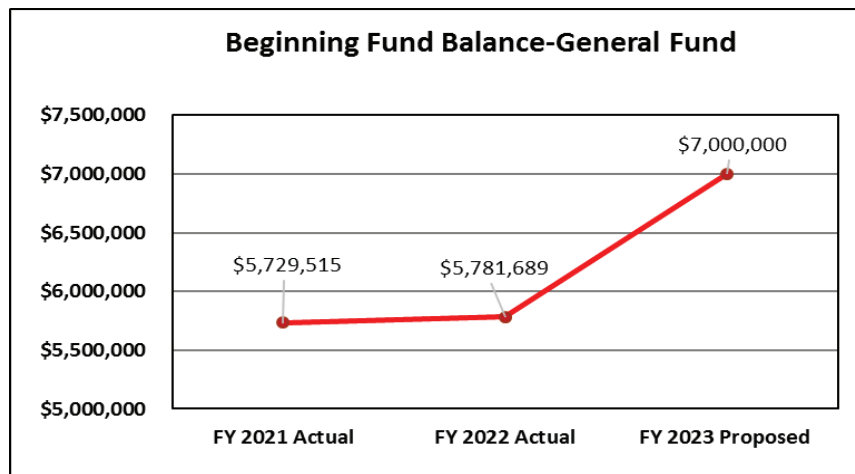


BUDGET OVERVIEW



The Beginning Fund Balance is the second largest resource the district utilizes in FY 2023. It is a culmination of unspent funds from the prior fiscal year which includes Contingency, Unappropriated Funds and unspent amounts in line items. When projecting where the district will end the fiscal year, a conservative approach is taken in predicting what will be received and what will be expended.

This amount is anticipated to increase from \$5,750,000 in the current FY 2022 to \$7,000,000 in FY 2023. This increase on the Beginning Fund Balance amount has been largely in part due to increased GEMT Reimbursements and delayed hiring of personnel.

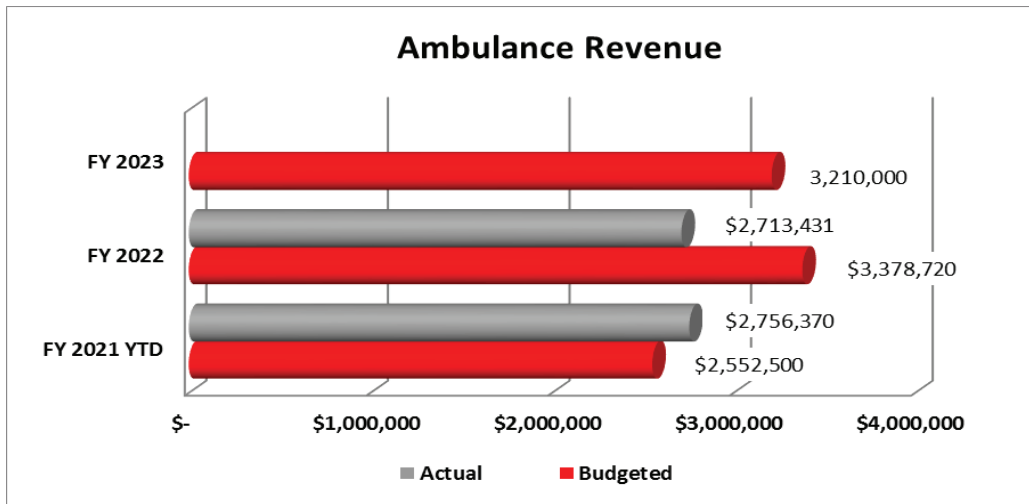


Charges for Services includes leases, MVA Cost Recovery, Fire Marshal Services Cost Recovery, and Ambulance transport billings. These sources of revenue are generally classified as recurring revenue, which can be used to fund ongoing operations. Revenue from Ambulance transport billings comprises the largest portion of this section. It continues to be somewhat varied, but is a bright spot based on several factors. For FY 2023, ambulance revenue is projected at \$3,210,000 based on historical data, payer mix, anticipated GEMT (Government Emergency Medical Transport) payments, and advisement from Systems Design West, our ambulance billing company, as well as increased call/transport volume.



BUDGET OVERVIEW

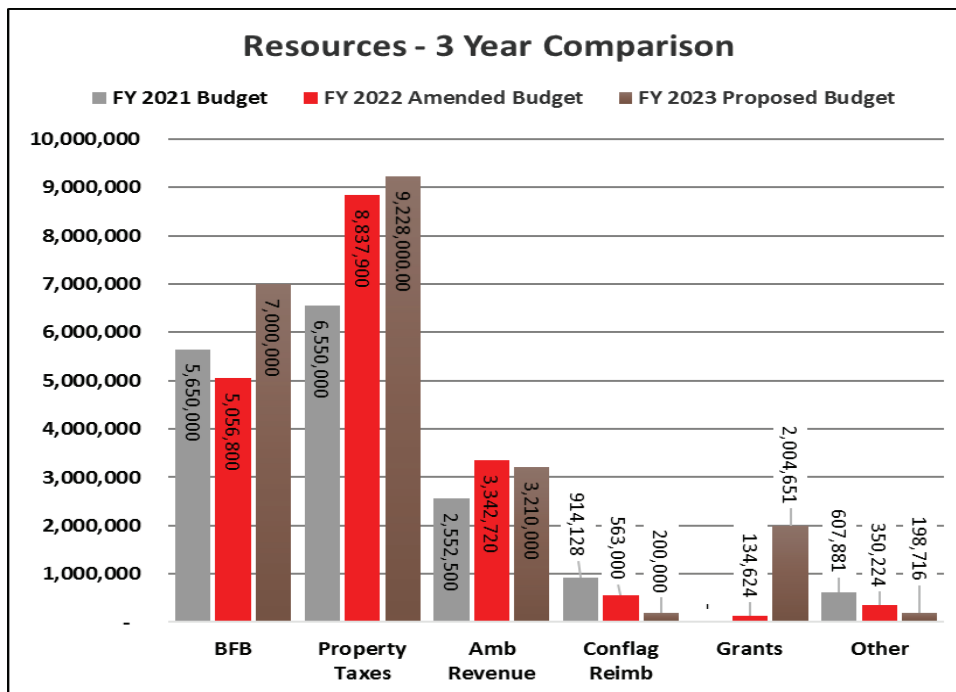
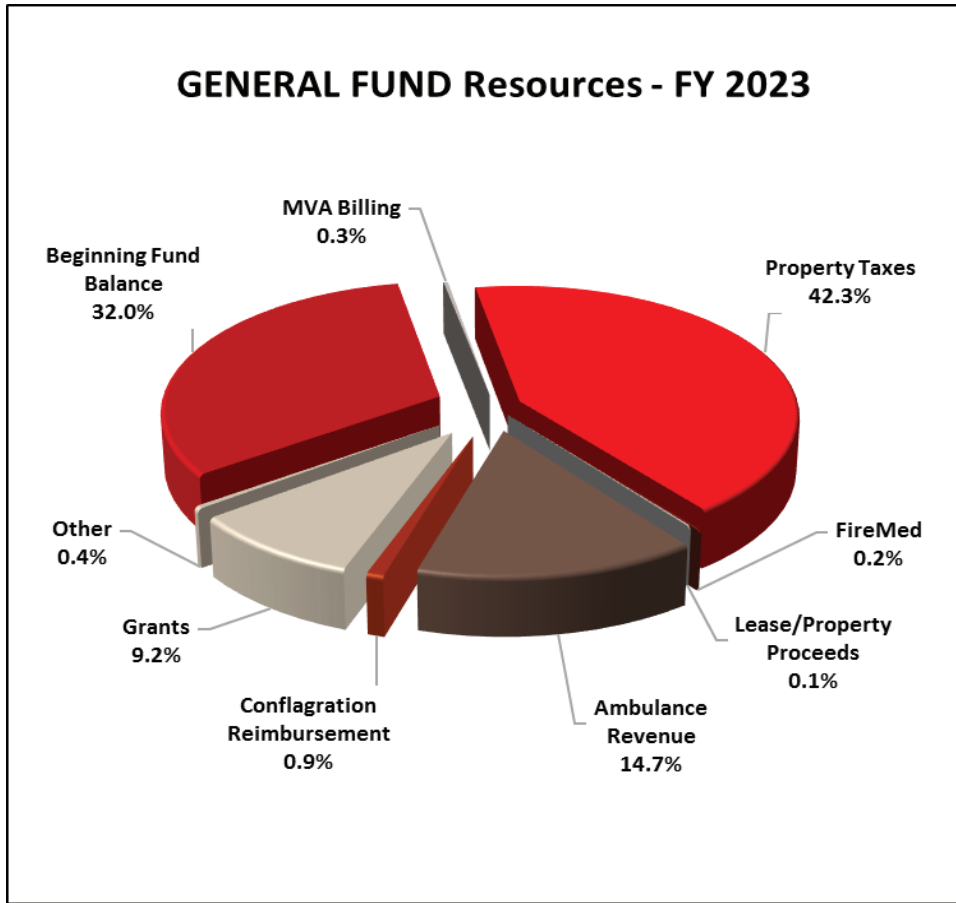
The GEMT supplemental reimbursement program provides additional funding to eligible governmental entities that provide GEMT services to Medicaid beneficiaries and are budgeted as part of the Ambulance Revenue/EMS Billing account. This voluntary program allocates federal share of the supplemental reimbursement payments based on uncompensated costs for Medicaid Fee-For-Service transports. The District plans to continue participating in this program and is considering it a recurring revenue source, at present, however starting in the 2023 Fiscal Year will move all reimbursements to transfers into the Apparatus & Equipment Reserve Fund. The District also continues to participate in the Coordinated-Care-Organization transports, which it considers non-recurring revenue, and will budget this conservatively as it requires annual approval from the Center for Medicare and Medicaid Services. The district continues to monitor this program and is ready to adjust if the stability of this program becomes tenuous. Transport volumes due to the COVID-19 pandemic are varying at this time. The district continues to evaluate this area closely and is budgeting conservatively, based on historical trending.



The district classifies grant funds (private, County, State or Federal), intergovernmental (Conflagration Reimbursement) and sale of assets as non-recurring revenue sources and, as such, treats as one-time revenue. Some grants are for a single fiscal year and others span multiple years. Asset sales occur when deemed as surplus and typically is infrequent.

BUDGET OVERVIEW

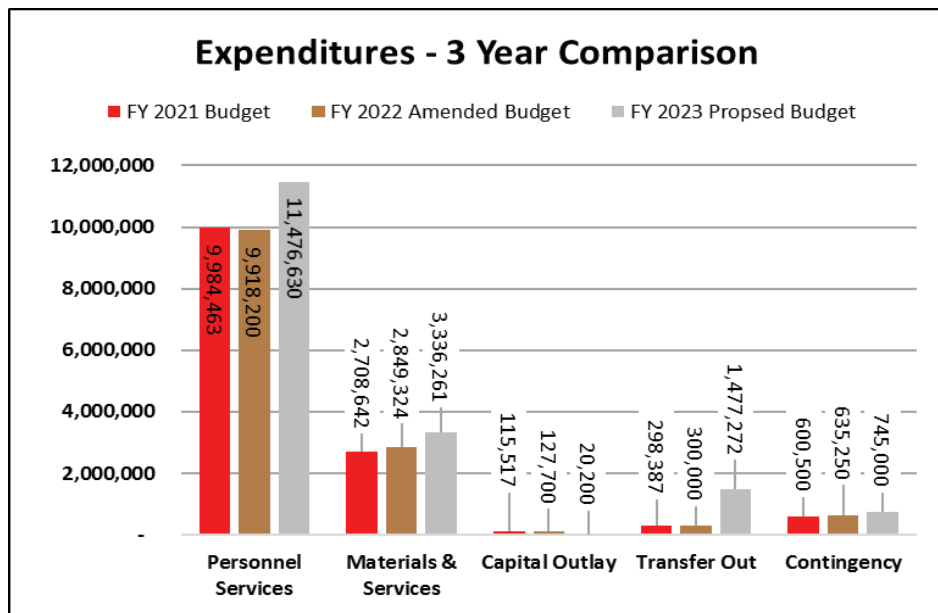
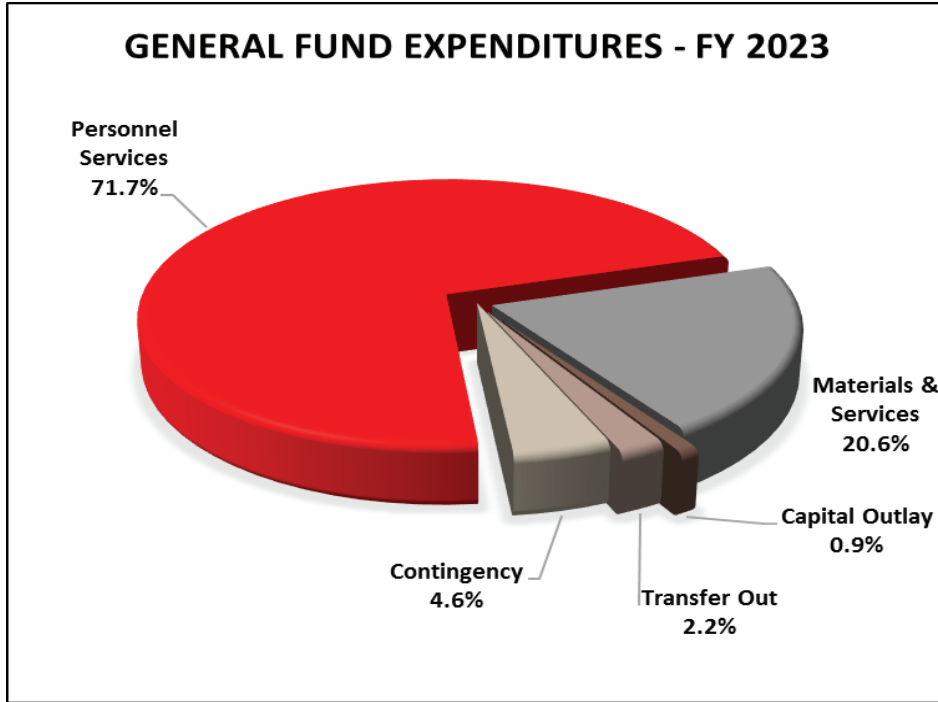
Breakdown of General Fund Resources:



BUDGET OVERVIEW

Expenditures (Expenses)

Total General Fund expenditures for FY 2023 proposed Budget are \$17,055,363; excluding ending fund balance, and are divided among the following categories:



BUDGET OVERVIEW

The District’s General Fund has seven operational divisions:

- Fire Operations
- EMS Operations
- Volunteer
- Administration
- Training
- Prevention
- Fleet & Facilities
- Capital Outlay

Personnel Services

The Personnel Services category is comprised of the largest expenditures for the budget, encompassing 71.7% of the general fund operating budget at a cost of \$11,476,630. For FY 2023, the proposed budget features 66.5 FTE, 65 full-time and 3 part-time employees.

The district participates in the Oregon Public Employees Retirement System (PERS). Contributions to PERS are budgeted at \$1,954,983 for FY 2023. PERS contracts with Milliman to provide independent agency audits of retirement accounts. The report displays how severely underfunded the District’s PERS account is and provides employer-specific contribution rates that became effective July 1, 2021.

The PERS rates are set on a biennium cycle and the FY 2023 rates are within the second year of this cycle.

Fiscal Year	Employee IAP 6%	Tier 1 / Tier 2	OPSRP Police/Fire	OPSRP General
FY 2021	6%	33.99%	26.51%	21.88%
FY 2022	6%	32.92%	27.98%	23.62%
FY 2023	6%	32.92%	27.98%	23.62%

The PERS Individual Account Program (IAP) is a flat 6% of salary and is paid by each employee. The other calculation is based on the employee’s retirement status (Tier 1 / Tier 2 or OPSRP). Beginning on July 2020, PERS is redirecting 2.5% of Tier 1/Tier 2 participant IAP 6% contributions to a stability fund for future pension payments.

The district is budgeting for a 2% Cost of Living Adjustment (COLA) for FY 2023, with agreement of the [IAFF Local and Collective Bargaining Agreement \(CBA\)](#). This will be the first COLA in 2 years.

For FY 2023, the district has budgeted for a 0% increase in medical insurance and dental insurance due to the rate hold offered by the OFCA Health Care Plan through Regence. There is no change to the HRA VEBA contribution benefit following the reduction in FY 2021 for all employees.

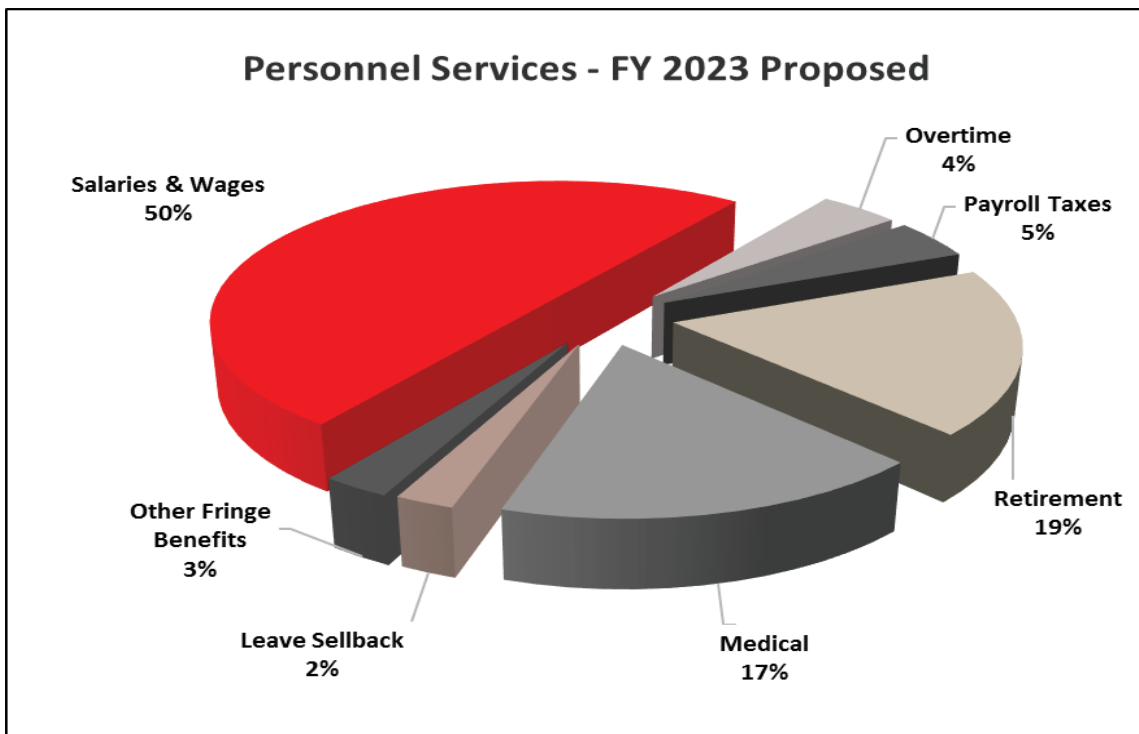
Out of Shift Overtime is decreased from the current FY 2022 amended budget of \$870,000 to \$500,000 in FY 2023. This projection considers the staffing of both the Fire and EMS Operations Divisions and conflagration deployment reimbursement estimates. As actual Conflagration Out of Shift Overtime costs are reimbursed, the amount will be amended through the proper budgetary process at the Board of Director level.

BUDGET OVERVIEW

Unfunded Liabilities – Personnel Services

The district funds a portion of the unfunded liabilities of the district through the budget process. There are three areas of unfunded liabilities for the district:

- Vacation leave – This is accrued leave by all full and part-time employees. A large portion of this liability is funded using float personnel to cover leaves by line firefighters without the use of overtime costs, reasonable anticipated coverage needs through overtime budget and budgeting for two retirement accrued vacation cash outs.
- Sick leave – This is accrued leave by all full and part-time employees. A large portion of this liability is funded using float personnel to cover leaves by line firefighters without the use of overtime costs, while budgeting for necessary anticipated additional overtime costs. There is a budget for a partial sick leave cash out at retirement or separation.
- Public Employees Retirement System (PERS) – The District participates in the Oregon PERS system for retirement benefits of all full and part-time employees of the district. The unfunded liability is calculated by the PERS system every 2 years and is reflected in the employer contribution rates the district pays and are adjusted each biennium on July 1st. As of December 31, 2021, the District’s pension net unfunded actuarial liability (UAL) was \$11,140,729. At present, the district has not participated in the PERS side account program to assist with reducing the UAL amount.



BUDGET OVERVIEW

Employee Count:

Department	Adopted Budget	Adopted Budget	Proposed Budget
	2020-2021	2021-2022	2022-2023
Fire Operations	44.00	44.00	41.00
EMS Operations	0.00	0.00	15.00
Volunteer	0.00	0.00	0.00
Administration	5.50	5.00	7.00
Training	2.00	1.00	1.00
Prevention	1.00	1.00	1.50
Fleet & Facilities	1.00	1.00	1.00
	Total FTE's	53.50	52.00
			66.50
	Change in FTE		14.50

Materials & Services

Materials & Services is the second largest expenditure category comprising 20.6% of the general fund operating budget and is budgeted at \$3,336,261 for FY 2023. This area is where day-to-day operational expenses are budgeted for the district. For the proposed budget, budgeted expenditures provide for an extremely tight margin to provide a balanced budget yet purchase needed supplies for District operations. The district believes while this area is tightly budgeted, it does provide for critical firefighter safety enhancements.

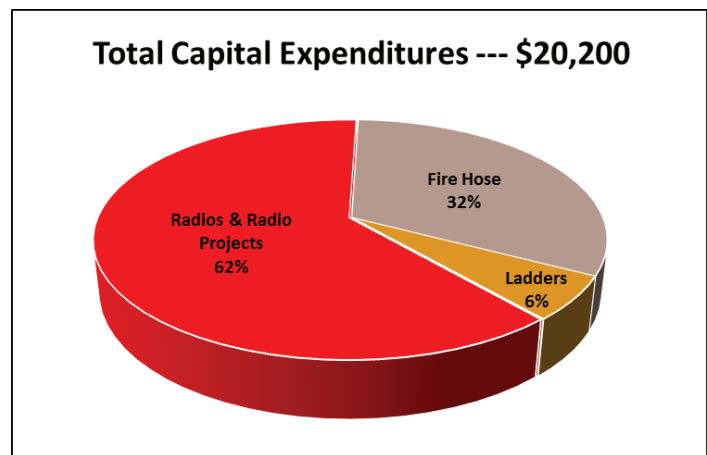
Capital Outlay

Needed Capital Outlay projects are numerous within the district, but limited resources limit improvements without large grant or bonding opportunities. The district evaluates its Capital needs on an annual basis through replacement plans developed by project managers, and the recent Large Capital Outlay Plan. The Operations Staff (Officers of District) then prioritizes projects in April of each year for inclusion into the General Fund budget and/or Capital Outlay Reserve Fund.

The budget includes \$20,200 for Capital Outlay projects in FY 2023, a decrease from \$127,700 budgeted in FY 2022. This reflects a very small (<1%) appropriation of the General Fund Budget, to improve firefighter safety communications through portable radio purchases, radio tower replacement/move and provide for a small replacement of structural firefighting hose.

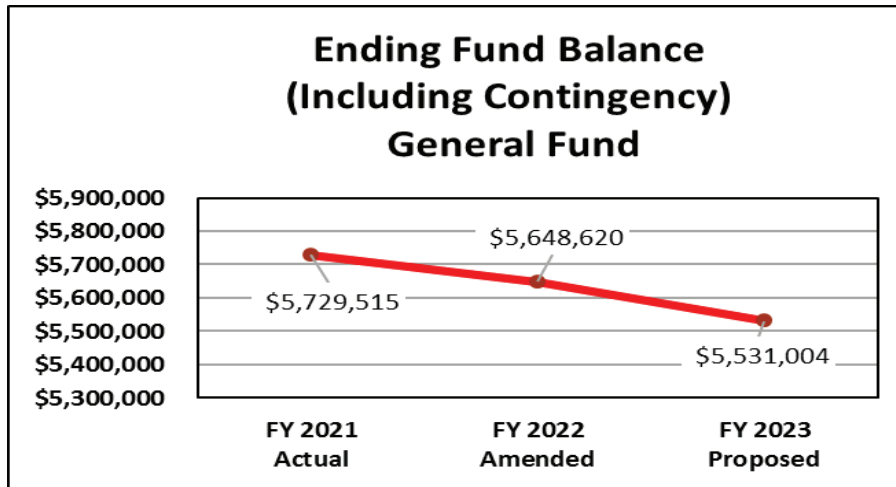
For FY 2023, the district is continuing to set aside funds in the Capital Outlay Reserve Fund, and the District has budgeted \$500,000 as a transfer from the General Fund to save for larger future capital outlay items. This is 100% of the anticipated funds from the GEMT-CCO

Funds that is pending Federal Approval for calendar year 2022. A \$250,000 General Fund transfer from the GEMT-FFS Funds that the district expects to receive to the Debt Service Fund for payment on the 2022 Financing Agreement. Another \$50,000 is General Fund transfer is budgeted for unknown and possible pending conflagration deployments. The large



BUDGET OVERVIEW

equipment and vehicle purchases are budgeted in the Capital Outlay Reserve Fund 80.



The minimal Capital Outlay expenditures in the General Fund, and utilization of the Capital Outlay Reserve Fund allow for minimal affects to the overall budget. Project Managers have been tasked with development of replacement plans of capital items under their area of responsibility, which provide a plan to budget for and limit large, needed expenditures that would affect the budget. Further, the utilization of the Capital Outlay Reserve Fund, allows the district to save for larger high dollar capital projects that are one-time expenditures, such as apparatus, radios and self-contained breathing apparatus that need to be replaced all together for consistency and operability within the operation of the district.

Contingency

Contingency is the amount set aside for emergency/unforeseen expenditures that may not be budgeted. Per Oregon Budget Law, to spend contingency funds, Board of Director action is necessary. The budgeted amount for FY 2023 is \$745,000 and remains within the district's financial policy of ~ 5% of Personnel Services and Materials & Supplies expenditures.

Reserved for Future Expenditures

This line item had been used in the past for funds being reserved (saved) for possible use in the next fiscal year. Due to the failure of the local option levy, no funds are available and this line-item sunset based on Oregon Budget Law requirements.

Unappropriated Ending Fund Balance

While not an "appropriated" item in the budget, the Unappropriated Ending Fund Balance (UEFB) are funds set aside to become cash carryover/beginning fund balance in the next fiscal year and are not accessible to use in the fiscal year, except in certain emergency situations, as defined by Oregon Revised Statues. A best-practice strategy, of trying to maintain 4 months of Personnel Service expense, is used. The General Fund's UEFB for FY 2023 is \$4,786,004.

BUDGET OVERVIEW

GENERAL FUND – RESOURCES

2020 Actual	2021 Actual	2022 Amended	Account 10-00	Description General Fund Revenue	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
5,788,048	5,756,477	5,750,000	4000-00	Beginning Fund Balance	0	7,000,000	0	0
2,308,172	2,756,370	2,507,500	4005-00	EMS Billing	0	2,160,000	0	0
0	0	0	4006-00	EMS GEMT FFS	0	350,000	0	0
0	0	835,220	4007-00	EMS GEMT CCO	0	700,000	0	0
45,196	39,721	36,000	4010-00	Capital FireMed	0	36,000	0	0
211,000	198,871	190,500	4015-00	Property Taxes - Delinquent Yr	0	203,000	0	0
8,319,469	6,298,244	8,647,400	4020-00	Property Taxes - Current Year	0	9,025,000	0	0
71,515	54,598	66,000	4025-00	MVA Billing	0	60,000	0	0
0	0	134,624	4030-00	FEMA Grants	0	2,004,651	0	0
4,500	312,781	0	4033-00	Grants - Other	0	0	0	0
0	1,317	0	4035-00	Transfer Apparatus ResFund	0	0	0	0
2,350	1,909	6,000	4040-00	Fire Marshal Fees	0	9,000	0	0
19,383	19,964	20,100	4045-00	Cell Tower Lease	0	21,500	0	0
592,548	0	0	4047-00	Rockdale Property	0	0	0	0
134,844	43,909	25,000	4050-00	Interest on Investments	0	18,000	0	0
100	2,850	500	4055-00	Donations	0	500	0	0
113,722	22,452	5,000	4065-00	Miscellaneous	0	5,000	0	0
80,662	19,715	10,000	4070-00	Recovery/Reimbursement	0	10,000	0	0
0	55,309	46,500	4073-00	COBRA Reimbursement	0	28,716	0	0
127,344	913,631	563,000	4075-00	Conflagration Reimbursement	0	200,000	0	0
11,500	12,500	500	4080-00	Sale of Assets	0	10,000	0	0
17,830,355	16,510,617	18,843,844		General Fund Revenue Totals:		21,841,367	0	0



FIRE OPERATIONS



FIRE OPERATIONS

GENERAL FUND – FIRE OPERATIONS

Division Description

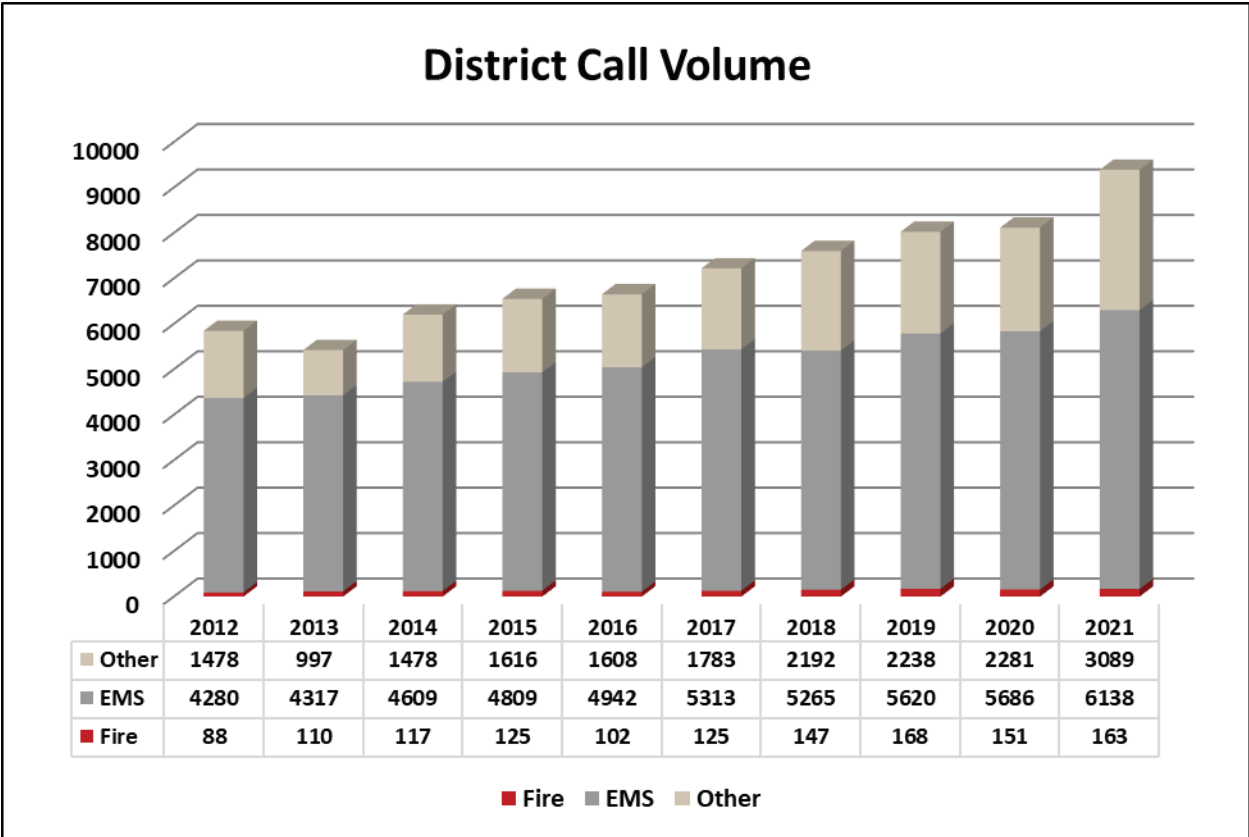
The Fire Operations Division is the emergency response function of the district. The focus is on attaining a high level of response and performance reliability as well as the recruitment and retention of a dedicated highly trained force of emergency responders. In addition, the Division maintains up to date policies, procedures and guidelines, coordinates with the Training Division for multi-disciplinary programs, develops meaningful performance standards, and encourages position advancement through the professional development plan.

The district operates seven community fire stations, four of which are staffed with a combination of career and volunteer staff, three of which are staffed by volunteers and two 24 hour/7-day a week Advanced Life Support Fire Engines as well as three 24 hour/7-day a week Advanced Life Support Ambulances. The Macleay volunteer station is currently closed as of January 1st, 2021, due to budget cuts and lack of volunteer response personnel. Each of the eight (seven operational) fire stations are assigned a geographical area that defines their initial or first-due response area and are supported by the entire District during overlapping call times or multi-apparatus responses. The Lake Labish Fire Station house the Incident Support Apparatus and staffed by Operations Support Volunteers and respond throughout the district on incidents. There are 11-13 personnel on-duty each day to respond to emergencies, supplemented by additional volunteers and day-time career staff.

In 2022, the Operations Division responded to a total of 9,390 calls, an increase of 15.7% from 2021.



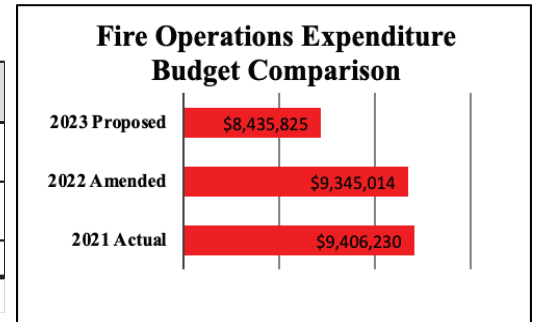
FIRE OPERATIONS



FIRE OPERATIONS

Budget Summary

Expenditures	2020 Actual	2021 Actual	2022 Amended	2023 Proposed
Personnel Services	\$ 7,470,320	\$ 8,435,693	\$ 8,337,500	\$ 7,771,175
Materials & Services	\$ 782,994	\$ 970,537	\$ 1,007,514	\$ 664,650
	\$ 8,253,314	\$ 9,406,230	\$ 9,345,014	\$ 8,435,825
	% Change	13.97%	-0.65%	



Personnel Summary

Position	2022 Adopted	2023 Proposed
Battalion Chiefs	2.00	2.00
Captains	9.00	9.00
Engineers	9.00	9.00
Firefighter/Paramedic	20.00	21.00
Single Role EMT/Paramedics	3.00	0.00
Total FTE	44.00	41.00

FY 2023 Proposed Significant Changes

- FEMA SAFER Grant Staffing
- Staffing of 2 dedicated 24 hour/7-day a week ALS Fire Engine's
- 2% Wage Cost of Living Adjustment (COLA)

FY 2022 Accomplishments

- Purchasing efficiencies
- Response to over 9,300, calls for service
- Response to the COVID-19 Pandemic
- Receipt of FEMA SAFER Grant for re-hiring 9 laid off Firefighters
- Receipt of FEMA AFG Grant for Quint Ladder Apparatus



FIRE OPERATIONS

Strategic Plan

Goal 2 Improve Internal Communication and External Communication and Engagement		
Strategy 2.1	Create open lines of communication between supervisors, careers, and volunteers to increase understanding and reduce confusion.	
		Target Completion
Action 2.1.1	Designate a liaison between the District and volunteer personnel	2020
Action 2.1.2	Communicate with intention to career and volunteer personnel on activities and issues prior to board meetings.	Ongoing
Goal 3 Strengthen Planning for Staffing and Succession		
Strategy 3.3	Pursue proactive strategies for internal promotion	
		Target Completion
Action 3.3.1	Establish a mentorship program between officers and career/volunteer personnel	Jun 2021
Action 3.3.2	Conduct annual review to assess progress of promotional candidates in AIC (Acting In Charge) programs	May 2021
Action 3.3.3	Evaluate effectiveness of succession efforts in the Goal 3 Task Force annually	2023
Strategy 3.4	Maintain appropriate staffing levels for call volume	
		Target Completion
Action 3.4.1	Develop a system to reduce non-essential engine deployment	Q3 2022
Action 3.4.2	Use response time, unit hour utilization, and call volume data to guide need for enhanced services/increased staffing (based on financial ability)	Monthly data
Action 3.4.3	Use quarterly alarm data and unit utilization review to determine compliance with District and NFPA standards, as well as comparable agencies.	Monthly data
Strategy 3.5	Improve staffing levels to meet call volume demands, establish benchmarks and communicate to organization.	
		Target Completion
Action 3.5.1	Seek alternative deployment models / outside research	Q2 2021
Action 3.5.2	Alternative modeling / set the course and communicate to the organization	Q2 2021
Action 3.5.3	Implementation process	FY 2021-22, 2023
Action 3.5.4	Set benchmarks for modeling with financial stability	FY 2023
Goal 4 Build on Relationships with Community Partners		
Strategy 4.1	Continue and improve coordination with partner agencies to maximize use of shared resources	
		Target Completion
Action 4.1.1	Continue to review and improve operational responses with partnering agencies	Ongoing
Action 4.1.4	Draft after-action review process	Q3 2021
Action 4.1.5	Implement the review process	2022
Action 4.1.6	Re-evaluate effectiveness of program and adjust as necessary	Ongoing
Goal 5 Maintain Financial Sustainability		
Strategy 5.2	Evaluate the fiscal impact of varying service delivery methods	
		Target Completion
Action 5.2.1	Evaluate ambulance transport services to include; full or partial sub-contract, public-private partnerships, contracted employees	Q4 2021
Action 5.2.2	Evaluate service delivery models for UGB/non-UGB areas	2022, Ongoing
Strategy 5.4	Explore opportunities for cost-saving options	
		Target Completion
Action 5.4.1	Research opportunities for innovative ways to generate revenue	Ongoing
Action 5.4.2	Explore fee increase for the District	2022
Action 5.4.3	Research additional costs in the District that can be minimized	Budget Process

FIRE OPERATIONS

Performance Measures

	Goal	2021 Actual	2022 Projection	2023 Projection
Turnout Time	1 min 15 sec	1 min 29 sec	1 min 32 sec	1 min 20 sec
Response Time	7 min 30 sec	8 min 59 sec	8 min 22 sec	8 min 30 sec
Average Response Time Inside Urban Growth Boundary	6 min 30 sec	7 min 38 sec	7 min 43 sec	7 min 30 sec
Average Response Time Outside Urban Growth Boundary	8 min 30 sec	9 min 18 sec	9 min 01 sec	9 min 0 sec

FIRE OPERATIONS

2020 Actual	2021 Actual	2022 Amended	Account 10-10	Description	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
Fire Operations Division								
3,751,944	3,323,905	3,993,600	5200-00	Salaries & Wages	41.0	3,823,500	0	0
45,596	75,785	90,000	5235-00	Wages -Incentives	0	70,000	0	0
677,285	636,192	842,000	5240-00	Wages - Out of Shift Overtime	0	440,000	0	0
94,832	203,204	198,400	5250-00	Wages - Leave Sellback	0	194,500	0	0
345,774	318,368	377,600	5260-00	FICA & Medicare	0	348,300	0	0
1,333,987	1,263,059	1,553,100	5265-00	Retirement OPERS, 401A & 457	0	1,482,900	0	0
1,074,621	969,535	1,116,800	5270-00	Health, Dental & VEBA	0	1,244,900	0	0
31,434	29,160	33,500	5275-00	Life/AD&D/LTD	0	32,450	0	0
109,114	123,766	125,600	5280-00	Workers Compensation	0	124,350	0	0
5,733	5,548	6,900	5285-00	Workers Benefit Fund & UI	0	10,275	0	0
1,191	1,415	1,850	5300-00	Operational Supplies	0	375	0	0
1,999	1,854	1,500	5305-00	Absorbent Supplies	0	3,390	0	0
0	0	500	5310-00	Passports & Accountability	0	7,500	0	0
0	1,918	3,000	5315-00	Air Monitor Maintenance	0	6,500	0	0
23	4,574	1,000	5320-00	Thermal Imaging Maintenance	0	10,000	0	0
2,062	1,360	3,000	5325-00	Ladder Testing & Maintenance	0	1,000	0	0
16,664	12,068	25,340	5330-00	MDT & Tablet Operations	0	11,200	0	0
244	29	500	5335-00	Small Tools & Equipment	0	9,500	0	0
0	0	0	5337-00	Fire Extinguisher Repair/Maint	0	2,000	0	0
5,352	1,243	3,500	5340-00	Breathing Air System Maint	0	3,500	0	0
980	938	1,500	5345-00	Power Tool Maintenance	0	1,925	0	0
1,857	465	350	5350-00	Nozzles & Appliances Maint	0	2,625	0	0
5,762	7,899	11,725	5355-00	Holmatro Tool Maintenance	0	9,675	0	0
15,715	11,267	19,500	5360-00	SCBA Repair & Maintenance	0	21,200	0	0
0	1,208	1,750	5363-00	FIT Testing	0	1,750	0	0
3,057	0	5,500	5365-00	Pump Testing	0	10,000	0	0
1,327	0	1,300	5370-00	Maps & Preplans	0	1,210	0	0
2,288	0	5,600	5375-00	Firefighting Foam	0	5,100	0	0
22,018	11,979	14,400	5380-00	Wildland FF Equipment	0	17,050	0	0
124	325	1,000	5385-00	Batteries	0	1,700	0	0
136	0	750	5390-00	Flashlights	0	1,080	0	0
6,459	280	3,000	5395-00	Fitness Equipment	0	4,650	0	0
7,866	8,670	9,800	5400-00	Hose Testing & Maintenance	0	9,000	0	0
953	359	1,000	5440-00	Incident Rehab Supplies	0	4,000	0	0
0	0	0	5725-00	Career Physicals	0	45,000	0	0
0	0	0	5775-00	Cell Phones	0	8,350	0	0
0	0	0	5835-00	Contracts - Medical Director	0	4,700	0	0
10,682	9,890	13,500	5405-00	EPCR - ESO Solutions	0	14,000	0	0
12,227	13,005	14,800	5410-00	NIFRS - Emergency Reporting	0	16,700	0	0
1,161	0	1,375	5415-00	Active 911 Alerting System	0	2,900	0	0
384,494	362,927	362,500	5420-00	Dispatch Fees - WVCC	0	75,000	0	0
2,715	0	500	5425-00	Admin Expense	0	250	0	0
12,158	36,944	17,500	5445-00	EMS Expenses	0	3,500	0	0
4,740	4,237	6,500	5450-00	Oxygen	0	1,300	0	0
10,278	8,144	10,500	5455-00	Trauma Supplies	0	1,600	0	0
17,944	13,016	18,000	5460-00	Airway Supplies	0	4,000	0	0
18,359	71,917	164,624	5465-00	Universal Precaution Supplies	0	66,000	0	0
13,323	4,045	13,500	5470-00	Cardiac Supplies	0	4,400	0	0
19,969	0	19,000	5475-00	EMS Equipment Contracts	0	3,500	0	0
5,137	4,281	6,900	5480-00	EMS Equipment Repair/Maint	0	1,200	0	0
1,252	1,251	2,500	5485-00	Glucose Testing Supplies	0	500	0	0
26,290	20,167	24,000	5490-00	Medications	0	5,300	0	0
28,150	24,197	29,000	5495-00	IV Supplies & Solutions	0	7,200	0	0
547	414	1,000	5500-00	Bio Hazard Disposal	0	400	0	0
739	5,890	500	5505-00	EMS Certifications	0	8,000	0	0
830	650	1,000	5510-00	Ambulance Licensing	0	0	0	0
22	98	500	5515-00	Pager Repair & Maintenance	0	500	0	0
28,875	3,550	8,000	5520-00	Portable Repair & Maintenance	0	8,000	0	0
646	478	2,500	5525-00	Base Station Repair/Maint	0	2,500	0	0
0	105	55,000	5530-00	Radio Frequency Licensing	0	61,600	0	0
0	0	175	5540-00	Dues & Subscriptions	0	200	0	0

FIRE OPERATIONS

2020 Actual	2021 Actual	2022 Amended	Account 10-10	Description	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
Fire Operations Division								
11,581	2,753	5,000	5545-00	Structural PPE - Helmets	0	20,250	0	0
403	370	600	5550-00	Structural PPE - Faceshields	0	600	0	0
287	235	400	5555-00	Structural PPE - Suspenders	0	1,250	0	0
10,432	1,190	3,000	5560-00	Structural PPE - Hoods	0	3,120	0	0
3,979	2,047	4,000	5565-00	Structural PPE - Boots	0	8,000	0	0
1,229	1,536	2,000	5570-00	Structural PPE - Gloves	0	3,500	0	0
367	900	1,250	5575-00	Structural PPE - Flashlights	0	1,200	0	0
15,454	22,794	38,000	5580-00	Structural PPE - Pants & Coats	0	50,000	0	0
0	0	150	5585-00	Structural PPE - Cleaning	0	6,750	0	0
1,597	4,709	5,000	5590-00	Structural PPE - Repair/Maint	0	5,000	0	0
0	0	4,625	5595-00	Wildland PPE	0	7,050	0	0
0	0	2,000	5600-00	Sportswear	0	0	0	0
9,061	2,721	5,000	5603-00	Winter Jackets	0	4,000	0	0
3,177	2,695	3,000	5605-00	Uniforms - Hardware	0	1,500	0	0
1,723	234	2,500	5615-00	Uniforms - Repair & Alteration	0	4,600	0	0
5,666	4,405	8,000	5620-00	Uniforms - Boot Allowance	0	7,000	0	0
2,411	156	8,000	5625-00	Uniforms - Class A	0	7,500	0	0
10,239	9,192	12,000	5630-00	Uniforms - Class B	0	27,200	0	0
8,773	3,255	12,250	5635-00	Uniforms - Class C	0	13,600	0	0
8,253,314	7,660,767	9,345,014		Fire Operations Totals:	41	8,435,825	0	0



EMS OPERATIONS

GENERAL FUND – EMS OPERATIONS

Division Description

The Emergency Medical Services (EMS) Operations Division is the Medical Emergency Response Function of the District. The focus is on attaining a high level of response and performance reliability as well as the recruitment and retention of a dedicated highly trained force of emergency responders. In addition, the Division maintains up to date EMS policies, procedures and guidelines, coordinates with the Training Division for multi-disciplinary programs, develops meaningful performance standards, and encourages position advancement through the professional development plan.

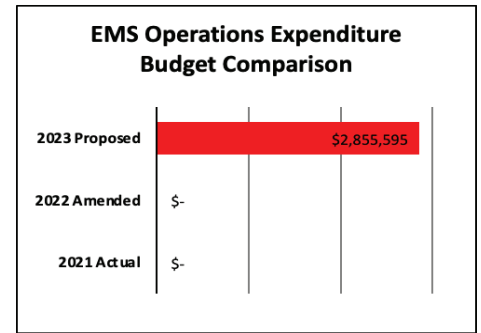
The district operates 4 Advanced Life Support Ambulances: 2 EMS Only Ambulances from the Middle Grove and Four Corners Fire Stations. The other 2 are Dual-Role Firefighter/EMT/Paramedics from the Clear Lake and Four Corners Stations. This deployment model allows a more cost-effective staffing model and allows the Districts Firefighters to be staffed on Engines, allowing them to be more available for Fire and EMS first response in the district.



EMS OPERATIONS

Budget Summary

Expenditures	2020 Actual	2021 Actual	2022 Amended	2023 Proposed
Personnel Services	\$ -	\$ -	\$ -	\$ 1,833,360
Materials & Services	\$ -	\$ -	\$ -	\$ 1,022,235
	\$ -	\$ -	\$ -	\$ 2,855,595
	% Change			



Personnel Summary

Position	2022 Adopted	2023 Proposed
Single Role Paramedics	0.00	9.00
Single Role EMTs	0.00	6.00
Total FTE	0.00	15.00

FY 2023 Proposed Significant Changes

- Continuing to build and expand the new EMS Operations Division
- New Division within District to account for and track expenditures for EMS Program
- Hiring of Single Role Float Personnel to cover for vacancies in lieu of overtime
- Budgeting for GEMT and EMS Billing Expenses in EMS Division vs Administration Division

FY 2022 Accomplishments

- Hiring of Single Role EMT and Paramedic Personnel
- 2 EMS New Hire Academies
- Response to the COVID-19 Pandemic

EMS OPERATIONS

EMS Performance Measures

	Goal	2021 Actual	2022 Projection	2023 Projection
Turnout Time	1 min 15 sec	1 min 29 sec	1 min 32 sec	1 min 20 sec
Response Time	7 min 30 sec	8 min 59 sec	8 min 22 sec	8 min 30 sec
Average Response Time Inside Urban Growth Boundary	6 min 30 sec	7 min 38 sec	7 min 43 sec	7 min 30 sec
Average Response Time Outside Urban Growth Boundary	8 min 30 sec	9 min 18 sec	9 min 01 sec	9 min 0 sec

EMS OPERATIONS

2020	2021	2022	Account	Description	2023	2023	2023	2023
Actual	Actual	Amended	10-15	EMS Operations Division	FTE	Proposed	Approved	Adopted
0	0	0	5200-00	Salaries & Wages	15.0	920,000	0	0
0	0	0	5235-00	Wages -Incentives	0	5,000	0	0
0	0	0	5240-00	Wages - Out of Shift Overtime	0	32,000	0	0
0	0	0	5250-00	Wages - Leave Sellback	0	30,250	0	0
0	0	0	5260-00	FICA & Medicare	0	82,650	0	0
0	0	0	5265-00	Retirement OPERS, 401A & 457	0	274,750	0	0
0	0	0	5270-00	Health, Dental & VEBA	0	448,500	0	0
0	0	0	5275-00	Life/AD&D/LTD	0	8,350	0	0
0	0	0	5280-00	Workers Compensation	0	29,060	0	0
0	0	0	5285-00	Workers Benefit Fund & UI	0	2,800	0	0
0	0	0	5330-00	MDT & Tablet Operations	0	2,460	0	0
0	0	0	5415-00	Active 911 Alerting System	0	2,900	0	0
0	0	0	5420-00	Dispatch Fees - WVCC	0	300,000	0	0
0	0	0	5425-00	Admin Expenses	0	250	0	0
0	0	0	5445-00	EMS Expenses	0	14,000	0	0
0	0	0	5450-00	Oxygen	0	5,200	0	0
0	0	0	5455-00	Trauma Supplies	0	6,400	0	0
0	0	0	5460-00	Airway Supplies	0	16,000	0	0
0	0	0	5465-00	Universal Precaution Supplies	0	26,400	0	0
0	0	0	5470-00	Cardiac Supplies	0	17,600	0	0
0	0	0	5475-00	EMS Equipment Contracts	0	13,800	0	0
0	0	0	5480-00	EMS Equipment Repair/Maint	0	4,800	0	0
0	0	0	5485-00	Glucose Testing Supplies	0	2,000	0	0
0	0	0	5490-00	Medications	0	21,200	0	0
0	0	0	5495-00	IV Supplies & Solutions	0	28,800	0	0
0	0	0	5500-00	Bio Hazard Disposal	0	1,600	0	0
0	0	0	5505-00	EMS Certifications	0	2,000	0	0
0	0	0	5510-00	Ambulance Licensing	0	1,500	0	0
0	0	0	5530-00	Radio Frequency Licensing	0	12,250	0	0
0	0	0	5540-00	Dues & Subscriptions	0	250	0	0
0	0	0	5597-00	EMS PPE	0	14,500	0	0
0	0	0	5545-00	PPE - Helmets	0	5,600	0	0
0	0	0	5603-00	Winter Jackets	0	1,000	0	0
0	0	0	5605-00	Uniforms - Hardware	0	3,600	0	0
0	0	0	5620-00	Uniforms - Boot Allowance	0	3,000	0	0
0	0	0	5625-00	Uniforms - Class A	0	2,500	0	0
0	0	0	5630-00	Uniforms - Class B	0	6,800	0	0
0	0	0	5635-00	Uniforms - Class C	0	3,400	0	0
0	0	0	5735-00	Immunization Supplies	0	3,675	0	0
0	0	0	5755-00	EMS Billing Charges	0	105,000	0	0
0	0	0	5756-00	EMS GEMT FFS	0	125,000	0	0
0	0	0	5757-00	EMS GEMT CCO	0	232,700	0	0
0	0	0	5760-00	EMS Billing Refunds	0	15,000	0	0
0	0	0	5775-00	Cell Phones	0	2,250	0	0
0	0	0	5835-00	Contracts - Medical Director	0	18,800	0	0
0	0	0		EMS Operations Totals:	15	2,855,595	0	0



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VOLUNTEER



VOLUNTEER

GENERAL FUND – VOLUNTEER

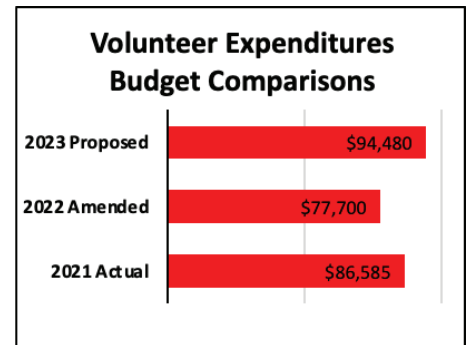
Division Description

The Volunteer Division responds to emergency calls and in combination with career staff, staff apparatus for emergency response. Volunteer Station Lieutenants oversee the volunteers at each station and the Volunteer Station Lieutenants are supervised by the Deputy Chief. Stations 3, 5, and 6 house Resident Volunteers.

In 2021, the Volunteer Tender Operator Role was expanded into the Operations Support Volunteer Role to reflect more adequately the job description.

Budget Summary

Expenditures	2020 Actual	2021 Actual	2022 Amended	2023 Proposed
Personnel Services	\$ 10,006	\$ 11,535	\$ 11,600	\$ 11,700
Materials & Services	\$ 75,073	\$ 75,050	\$ 66,100	\$ 82,780
	\$ 85,079	\$ 86,585	\$ 77,700	\$ 94,480



Personnel Summary

There are currently 59 volunteers serving the Marion County Fire District Community, including home responder, tour-of-duty, resident, student and support service volunteers.

FY 2023 Proposed Significant Changes

- Increased reimbursement stipend funds for increased numbers of volunteers
- Movement of the Awards and Recognition Program line items to the Administration Division
- Continued adjustment of the volunteer firefighter role and recruitment of new volunteers
- Expansion of the number of Resident Volunteers
- Expansion of the Operations Support Volunteer Program
- Inclusion of the Marion County Community Emergency Response Team (CERT) Program into the Fire District Volunteer Division

FY 2022 Accomplishments

- Revision of volunteer minimum activity standards
- Recruitment and training of new volunteer firefighters
- Revision of



VOLUNTEER

Strategic Plan

Goal 2 Improve Internal Communication and External Communication and Engagement		
Strategy 2.1	Create open lines of communication between supervisors, careers, and volunteers to increase understanding and reduce confusion.	Target Completion
Action 2.1.1	Designate a liaison between the District and volunteer personnel	2022
Action 2.1.2	Communicate with intention to career and volunteer personnel on activities and issues prior to board meetings.	Ongoing
Goal 3 Strengthen Planning for Staffing and Succession		
Strategy 3.2	Maintain and expand volunteer recruitment and retention	Target Completion
Action 3.2.1	Evaluate volunteer reimbursements options annually	Jun 2022
Action 3.2.2	Volunteer Officer meet at monthly association meetings	Monthly
Action 3.2.3	Evaluate utilization of volunteer engine responses, reporting progress at Quarterly Operations Meetings.	Jun 2022
Action 3.2.4	Identify strategies to expand officering, engineering, and other promotional opportunities for volunteers	Jan 2022

Performance Measures

	Goal	2021 Actual	2022 Projection	2023 Projection
Volunteer Count	75	59	65	75



VOLUNTEER

2020 Actual	2021 Actual	2022 Amended	Account 10-20	Description Volunteer Operations Division	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
1,591	1,109	1,600	5260-00	FICA & Medicare	0	1,600	0	0
8,394	8,690	9,900	5275-00	Life/AD&D	0	10,000	0	0
21	15	100	5285-00	Workers Benefit Fund & UI	0	100	0	0
10805	345	6,000	5645-00	Recognition & Awards	0	0	0	0
39,827	22,494	35,000	5650-00	Volunteer Incent & Reimb	0	60,000	0	0
1,839	0	1,500	5655-00	Support Services Program	0	1,500	0	0
2,308	0	100	5660-00	Station 1 Logistics	0	0	0	0
3,328	1,386	3,000	5665-00	Station 2 Logistics	0	0	0	0
394	1,356	1,500	5670-00	Station 3 Logistics	0	2,880	0	0
0	0	0	5675-00	Station 4 Logistics	0	2,880	0	0
2,994	5,375	3,000	5680-00	Station 5 Logistics	0	4,320	0	0
1,650	3,399	3,000	5685-00	Station 6 Logistics	0	4,320	0	0
0	0	0	5690-00	Station 7 Logistics	0	2,880	0	0
8,579		9,000	5695-00	Regcognition Functions	0	0	0	0
3,349	0	4,000	5700-00	Public Education	0	4,000	0	0
85,079	44,178	77,700		Volunteer Operations Totals:	0	94,480	0	0



ADMINISTRATION

ADMINISTRATION

GENERAL FUND – ADMINISTRATION

Division Description

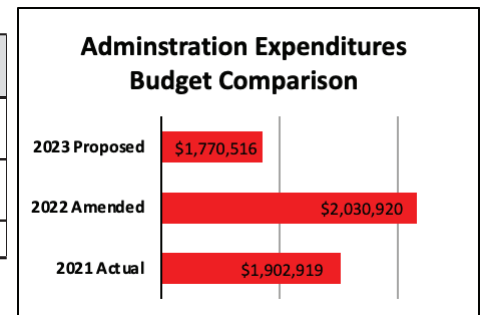
The Administration Division includes the function of the Fire Chief, general administrative services, legal, contract administration, human resource management, and finance. The Fire Chief serves as the Chief Executive Officer and Chief Finance Officer while providing direction, supervision, coordination, and general support to the district’s overall operations.

Administration supports the district in the achievement of its mission and vision by overseeing areas pertaining to strategic planning, policy development, staffing and personnel management, risk management, IT support, contracts and labor relations. In addition, support is provided to the District’s Board of Directors and Budget Committee members. The Board of Directors are elected positions serving four-year terms and are required to reside in or own property within the district. The Budget Committee members are appointed by the Board and serve three-year terms.

Finance provides financial accounting, budgeting, and reporting services for the district along with cash management and investments, fixed asset management, and strategic financial forecasting. Finance monitors all department budget activity and more importantly, assures compliance with Oregon Local Budget Law.

Budget Summary

Expenditures	2020 Actual	2021 Actual	2022 Amended	2023 Proposed
Personnel Services	\$ 927,230	\$ 922,185	\$ 940,900	\$ 1,180,925
Materials & Services	\$ 904,689	\$ 980,734	\$ 1,090,020	\$ 589,591
	\$ 1,831,919	\$ 1,902,919	\$ 2,030,920	\$ 1,770,516



Personnel Summary

Position	2022 Adopted	2023 Proposed
Fire Chief	1.00	1.00
Deputy Fire Chief	1.00	1.00
Chief Administrative Officer	1.00	1.00
Financial & Administrative Specialist	1.00	1.00
Financial Analyst	0.50	1.00
IT Desktop Support & Project Mgr	0.50	0.50
Management Analyst	0.00	0.50
Staff Assistant	0.00	1.00
Total FTE	5.00	7.00



ADMINISTRATION

FY 2023 Proposed Significant Changes

- Budgeting for Annual Physicals for Firefighting personnel
- Movement of GEMT and EMS Billing Charges to the EMS Operations Division
- Hiring of full time Financial Accounting Specialist
- Hiring of replacement Chief Administrative Officer/Human Resources Manager position
- Hiring of limited duration Staff Assistant for Administration assistance while restructuring

FY 2022 Accomplishments

- Revision of a 7-year financial forecast
- Completion of Ground Emergency Medical Transport (GEMT) cost recovery reporting
- Multiple grant requests; AFG, SAFER, OSFM, ODF
- Continued management of COVID restrictions and related legal ramifications
- Publication of 2021 Annual Report
- Production of [virtual events](#)
- Hiring and background process for 21 new Career and over 15 new Volunteer Personnel
- Hiring of 0.5 FTE Management Analyst/Grants Manager per Auditor Suggestion

Strategic Plan

Goal 2 Improve Internal Communication and External Communication and Engagement		
Strategy 2.3	Improve web-based and digital communications	Target Completion
Action 2.3.1	Maintain up-to-date information concerning District events on the MCFD#1 website in English and Spanish	Ongoing
Action 2.3.2	Draft a digital, information email or newsletter for District residents in English and Spanish	Ongoing
Action 2.3.3	Post regularly on District Facebook account in English and Spanish	Ongoing
Action 2.3.4	Update and maintain updated Spanish-language materials on District website	Q3 2022
Goal 3 Strengthen Planning for Staffing and Succession		
Strategy 3.1	Streamline and improve hiring processes	Target Completion
Action 3.1.1	Maintain and update checklist of required certifications and documents for job postings as needed	May 2022
Action 3.1.2	Continue using National Testing Network and explore the use of other hiring tools that screen candidates	Ongoing
Action 3.1.3	Continue evaluating use of online hiring platforms like governmentjobs.com	May 2022
Action 3.1.4	Require that personnel commit to a minimum 2 years with MCFD#1 after receiving District funded paramedic training, or pay back cost of training	Last updated MOU Jan 2020
Action 3.1.5	Include "bilingual (English and Spanish)" as a preferred qualification in job descriptions	Jul 2022
Goal 4 Build on Relationships with Community Partners		
Strategy 4.2	Pursue and maintain Strategic Partnerships	Target Completion
Action 4.2.1	Establish regular meeting schedule & communications with community partners	Ongoing

ADMINISTRATION

Action 4.2.2	Establish regular meeting schedule & communications with local government entity partners	Q3 2022
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Strategy 4.3	Pursue Cooperative Legislative Changes	Target Completion
Action 4.3.1	Evaluate potential legislative changes beneficial to FD Operations	2025

Strategy 4.4	Distribute relevant information to partner agencies to raise awareness of MCFD#1 goals and activities	Target Completion
Action 4.4.1	Continue to provide a comprehensive annual report to neighboring agencies and the public	Ongoing
Action 4.4.2	Develop Emergency Communication Plan	Review Annually
Action 4.4.3	Continue communication to partner agencies of MCFD#1 goals and activities in official reports, bi-annual meetings (Action 4.1.2), training sessions, and informal meetings.	Q3 2021

Strategy 4.5	Create goals and Performance Measures	Target Completion
Action 4.5.1	Research and develop metrics for Strategies 4.1-4.4	Q3 2022
Action 4.5.2	Create a report that provides metrics on Performance Measures	Q3 2022

Goal 5	Maintain Financial Sustainability	
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Strategy 5.1	Identify areas that MCFD#1 can forge new partnerships that minimize costs	Target Completion
Action 5.1.1	Conduct a comparable wage & benefit survey for all positions	2023
Action 5.1.2	Perform analysis that details current spending levels in comparison to similar size districts. The report should also include recommendations to improve alignment with comparable Districts	2022
Action 5.1.3	Pursue opportunities for increased cost effectiveness and cost sharing with other public/private entities through (1) Information Technology, (2) Communications, (3) Apparatus and Equipment, and (4) EMS supplies	2023

Strategy 5.3	Research and develop proposals to increase grant & contract funding	Target Completion
Action 5.3.1	Explore available grant opportunities for MCFD#1	Ongoing
Action 5.3.2	Pursue grant opportunities for MCFD#1	Ongoing
Action 5.3.3	Research & pursue contract opportunities for MCFD#1	2022

Strategy 5.4	Explore opportunities for cost-saving options	Target Completion
Action 5.4.1	Research opportunities for innovative ways to generate revenue	Ongoing
Action 5.4.2	Explore fee increase for the district	2022
Action 5.4.3	Research additional costs in the district that can be minimized	Budget Process

Strategy 5.5	Create goals and Performance Measures	Target Completion
Action 5.5.1	Research and develop metrics for 3, 5, and 10 year financial forecasts based on comparable Districts	Q3 2022
Action 5.5.2	Develop sustainable budget forecast to operate on base funding	2023
Action 5.5.4	Create a report that provides metrics on Performance Measures	Q3 2021



ADMINISTRATION

Performance Measures

	Goal	2021 Actual	2022 Projection	2023 Projection
Number of Applied For Grants	2	4	6	8
Worker's Comp Mod. Rate	0.95	1.28	1.25	1.25
Number of Citizen Mailings	4	2	1	4
Receipt of GFOA Distinguished Budget Presentation award	n/a	Awarded	Awarded	Pending
Number of audit material weaknesses or significant deficiencies	0	0	0	0

2020 Actual	2021 Actual	2022 Amended	Account 10-30	Description Administration Division	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
534,803	502,342	575,000	5200-00	Salaries & Wages	7.0	652,250	0	0
20,305	29,249	35,000	5250-00	Wages - Leave Sellback	0	31,350	0	0
40,767	39,090	42,700	5260-00	FICA & Medicare	0	55,150	0	0
191,832	191,627	189,800	5265-00	Retirement OPERS, 401A & 457	0	247,050	0	0
133,881	87,467	92,900	5270-00	Health, Dental & VEBA	0	188,750	0	0
4,137	3,852	4,000	5275-00	Life/AD&D/LTD	0	5,200	0	0
877	579	700	5280-00	Workers Compensation	0	1,000	0	0
629	573	800	5285-00	Workers Benefit Fund & UI	0	175	0	0
0	0	0	5330-00	MDT & Tablet Operations	0	1,000	0	0
1,529	1,275	2,200	5425-00	Admin Expense	0	3,000	0	0
1,535	2,014	2,295	5540-00	Dues & Subscriptions	0	2,820	0	0
0	0	0	5645-00	Recognition & Awards	0	12,500	0	0
0	0	0	5695-00	Recognition Functions	0	10,000	0	0
17,795	5,847	35,000	5720-00	Election Costs	0	40,000	0	0
2,117	0	31,250	5725-00	Career Physicals	0	1,600	0	0
6,876	7,208	15,700	5730-00	Volunteer Physicals	0	6,750	0	0
1,558	665	4,000	5735-00	Immunization Supplies	0	0	0	0
102,271	96,206	124,125	5740-00	District Insurance	0	123,000	0	0
121,310	12,550	75,000	5745-00	Legal Services	0	75,000	0	0
18,225	16,850	16,850	5750-00	Audit Services	0	20,350	0	0
255,308	257,618.33	493,700	5755-00	EMS Billing Charges	0	0	0	0
6,660	13,267.54	18,000	5760-00	EMS Billing Refunds	0	0	0	0
91,857	58,824	5,110	5765-00	Electronic Media	0	47,000	0	0
6,668	5,051	5,100	5770-00	Office Equipment Leases	0	2,750	0	0
0	0	0	5775-00	Cell Phones	0	3,525	0	0
2,489	1,171	2,000	5780-00	Copies	0	4,000	0	0
985	1,327	1,240	5785-00	Postage & Shipping	0	1,375	0	0
5,477	4,373	3,000	5790-00	Office Supplies	0	4,500	0	0
18,338	1,044	4,750	5793-00	IT Computer & Supplies	0	17,730	0	0
11,772	9,791	12,185	5795-00	Software Licensing	0	10,450	0	0
7,011	7,736	5,375	5800-00	Finance Expenses	0	5,400	0	0
0	0	15,000	5805-00	Line of Credit Fees	0	5,000	0	0
156	328	250	5810-00	Document Shredding	0	275	0	0
6,052	18,008	16,910	5815-00	Publications	0	20,950	0	0
0	0	250	5820-00	Photography	0	250	0	0
75,561	25,746	10,000	5830-00	Expenses to Recover	0	10,000	0	0
0	52,252	46,500	5833-00	Expenses to Recover - COBRA	0	28,716	0	0
23,500	23,500	23,500	5835-00	Contracts - Medical Director	0	0	0	0
5,552	1,673	10,000	5840-00	Background Checks	0	5,900	0	0
76	0	750	5845-00	Safety Committee	0	750	0	0
0	0	0	5850-00	SDAO Matching Grant Project	0	5,000	0	0
6,000	0	0	5855-00	Chaplains Service	0	10,000	0	0
108,014	117,234	109,980	5939-00	IT Support	0	110,000	0	0
1,831,919	1,596,338	2,030,920		Administration Totals:	7.0	1,770,516	0	0



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TRAINING



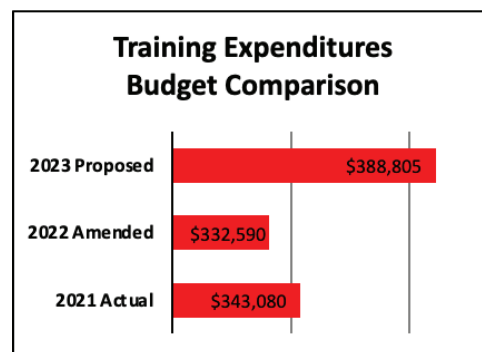
GENERAL FUND – TRAINING

Division Description

The Training Division is responsible for delivering a variety of training programs, developing proper safety techniques and procedures, maintaining accurate and complete training records, and fostering professional growth and development to all members of the organization. In addition, the Training Officer is responsible for the recruitment and retention programs of District Volunteers. Safety and career development are key elements in the design of all training programs; therefore, the district delivers an in-service training program that provides most of the necessary training for personnel to be safe, effective, and efficient. Training is a critical function of the district in that all members must constantly be prepared for a wide variety of overly complex and stressful fire, medical and/or rescue situations. For these reasons, all training is administered and delivered to meet or exceed standards set by Local, State, National, and/or any other governing institution.

Budget Summary

Expenditures	2020 Actual	2021 Actual	2022 Amended	2023 Proposed
Personnel Services	\$ 207,939	\$ 214,435	\$ 205,400	\$ 204,250
Materials & Services	\$ 95,524	\$ 128,645	\$ 127,190	\$ 184,555
	\$ 303,463	\$ 343,080	\$ 332,590	\$ 388,805



Personnel Summary

Training

Position	2022 Adopted	2023 Proposed
Training Captain	1.00	1.00
Total FTE	1.00	1.00

FY 2023 Proposed Significant Changes

- Quint Ladder Truck Training, including Aerial Operator Certifications
- Engagement of personnel to in person/physical drills
- Expansion of specialty training opportunities

FY 2022 Accomplishments

- Training of over 110 career and volunteer personnel
- Expansion of training program for Operations Support Volunteer
- Annual Wildland Firefighting Refresher Training
- On boarding on new Career Firefighter and EMS Personnel



TRAINING

Strategic Plan

Goal 1 Optimize Training Opportunities for Career and Volunteer Personnel		
Strategy 1.1	Provide training opportunities for career and volunteer personnel	Target Completion
Action 1.1.1	Conduct basic and multi-company training drills with career and volunteer personnel	2019, updated
Action 1.1.2	Report on progress of basic and multi-company training drills at respective officers' meetings	2018, updated
Action 1.1.3	Create scheduling opportunities for volunteers to respond as a full crew as well as augment career crews	2021, updated
Strategy 1.2	Formalize professional development program for personnel	
Action 1.2.1	Budget sufficient funds for personnel to attend professional development and higher education trainings	2018, updated
Goal 4 Build on Relationships with Community Partners		
Strategy 4.1	Continue and improve coordination with partner agencies to maximize use of shared resources	Target Completion
Action 4.1.2	Explore opportunities to train with emergency partners, reporting back at each bi-annual meeting (Action 4.1.2) of partner organizations	2022
Action 4.1.3	Expand emergency services partner training to include more involvement with law enforcement, for example training in self-defensive tactics, active shooter drills, or arson investigation	Q3 2022

Performance Measures

	Goal	2021 Actual	2022 Projection	2023 Projection
Career & Volunteer Training and Continuing Ed Hours	5,000	4,614	4,750	5,000
Number of Volunteer Recruit Academies	2	2	2	2
Number of large-scale training drills with career and volunteer personnel	4	1	1	2

TRAINING

2020 Actual	2021 Actual	2022 Amended	Account 10-40	Description Training Division	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
97,555	93,724	101,900	5200-00	Salaries & Wages	1.0	101,000	0	0
18,527	8,085	14,000	5240-00	Wages - Out of Shift Overtime	0	14,000	0	0
3,752	3,752	4,000	5250-00	Wages - Leave Sellback	0	3,880	0	0
9,259	8,012	9,300	5260-00	FICA & Medicare	0	9,225	0	0
43,500	39,427	41,800	5265-00	Retirement OPERS, 401A & 457	0	41,575	0	0
30,735	26,495	30,100	5270-00	Health, Dental & VEBA	0	29,900	0	0
846	795	900	5275-00	Life/AD&D/LTD	0	900	0	0
3,627	2,526	3,200	5280-00	Workers Compensation	0	3,500	0	0
138	113	200	5285-00	Workers Benefit Fund & UI	0	270	0	0
172	10,332	10,370	5425-00	Admin Expense	0	11,875	0	0
0	0	0	5330-00	MDT & Tablet Operations	0	500	0	0
0	0	0	5770-00	Office Equipment Leases	0	2,600	0	0
0	0	0	5775-00	Cell Phones	0	700	0	0
0	0	0	5780-00	Copies	0	500	0	0
0	0	0	5840-00	Background Checks	0	500	0	0
2,213	245	6,200	5867-00	Conferences & Seminars	0	15,400	0	0
78	376	3,400	5869-00	EMS Training Supplies	0	3,500	0	0
14,241	1,498	2,600	5871-00	Classroom Supplies	0	2,300	0	0
3,685	3,846	10,060	5873-00	Fire Training Supplies	0	16,405	0	0
86	1,208	2,650	5875-00	Training Rehab Supplies	0	1,450	0	0
3,786	4,008	6,110	5877-00	Fire Training Outsource	0	21,525	0	0
122	0	0	5879-00	EMS Training Expenses	0	12,000	0	0
6,512	14,603	25,000	5881-00	EMS Training Outsource	0	27,000	0	0
788	1,847	2,800	5883-00	Admin Training Outsource	0	5,300	0	0
63,841	27,241	58,000	5885-00	Professional Development	0	63,000	0	0
303,463	248,134	332,590		Training Totals:	1.0	388,805	0	0





PREVENTION



PREVENTION

GENERAL FUND – PREVENTION

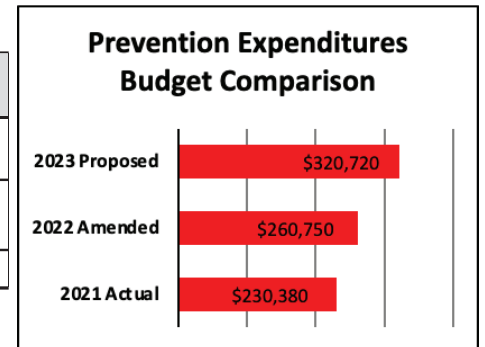
Division Description

The Prevention Division consists of a Division Chief-Fire Marshal and is responsible for increasing the public’s awareness of safety initiatives, fire prevention, safety education programs, and conducting fire investigations. In addition, this division provides building plans review, pre-construction advisement, as well as building and fire protection system inspection/certification.

The Division Chief reviews commercial construction plans for fire code compliance specific to fire safety systems. They also attend pre-application land development conferences to provide technical advice on fire service apparatus access and firefighting water supply requirements. The Division Chief also partners with inspectable occupancies and the public to help them meet the requirements imposed by State laws, fire codes, and other recognized national standards. Once new building construction is completed, fire and life safety construction maintenance codes are enforced for the safety of occupants and firefighters. Enforcement of laws relating to fire safety also includes investigating all fires to determine the origin, cause, circumstance, and responsibility that led to the ignition of hostile fires. The Prevention Division also provides fire investigation standby 24 hours a day, seven days a week.

Budget Summary

Expenditures	2020 Actual	2021 Actual	2022 Amended	2023 Proposed
Personnel Services	\$ 202,907	\$ 215,230	\$ 245,600	\$ 299,095
Materials & Services	\$ 5,592	\$ 15,150	\$ 15,150	\$ 21,625
	\$ 208,499	\$ 230,380	\$ 260,750	\$ 320,720



Personnel Summary

Position	2022 Adopted	2023 Proposed
Fire Marshal	1.00	1.00
Deputy Fire Marshal	0.00	0.50
Total FTE	1.00	1.50

FY 2023 Proposed Significant Changes

- Attempt to maintain current service levels
- Budget for 0.5 FTE to be hired January 1, 2023, to provide transition for fully retiring Division Chief/Fire Marshal



PREVENTION

FY 2022 Accomplishments

- Continuation to manage Divisional responsibilities with 1 FTE
- Expansion of the Fire Marshal cost recovery fees
- Increase in new construction plan reviews for access and water supply compliance
- Radio Coverage for Firefighter safety in buildings program

Strategic Plan

Goal 2 Improve Internal Communication and External Communication and Engagement		
Strategy 2.2	Gather and implement strategies to engage with the Latino community	
		Target Completion
Action 2.2.1	Develop a list of community organizations that specifically serve the Latino community	2021
Action 2.2.2	Meet with leaders of identified community groups to gather ideas about effective strategies for connecting with the Latino community	2021
Action 2.2.3	Implement strategies gathered from action item 2.2.2	2023

Performance Measures

	Goal	2021 Actual	2022 Projection	2023 Projection
Number of Completed Inspections	100	75	100	100
Number of Public Events	8	0	8	8
Number of Pre-Plans Completed	36	0	26	36

2020 Actual	2021 Actual	2022 Amended	Account 10-50	Description Prevention Division	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
117,405	116,192	122,900	5200-00	Salaries & Wages	1.5	161,100	0	0
2,481	1,241	3,500	5240-00	Wages - Out of Shift Overtime	0	3,500	0	0
4,339	4,411	27,500	5250-00	Wages - Leave Sellback	0	9,500	0	0
9,572	9,304	10,200	5260-00	FICA & Medicare	0	12,500	0	0
45,663	44,197	58,800	5265-00	Retirement OPERS, 401A & 457	0	60,850	0	0
18,595	17,326	18,100	5270-00	Health, Dental & VEBA	0	44,850	0	0
866	881	900	5275-00	Life/AD&D/LTD	0	1,250	0	0
3,847	3,195	3,500	5280-00	Workers Compensation	0	5,175	0	0
139	128	200	5285-00	Workers Benefit Fund & UI	0	370	0	0
0	0	250	5425-00	Admin Expense	0	250	0	0
1,756	1,711	4,000	5540-00	Dues & Subscriptions - FM	0	6,000	0	0
0	0	0	5775-00	Cell Phones	0	575	0	0
0	0	400	5893-00	Photography Supplies	0	1,400	0	0
562	0	2,000	5895-00	FM Operational Supplies	0	2,400	0	0
0	0	2,500	5897-00	Community Outreach Supplies	0	5,000	0	0
3,275	0	6,000	5899-00	Open House Supplies	0	6,000	0	0
208,499	198,585	260,750		Prevention Totals:	1.5	320,720	0	0



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FLEET & FACILITIES

FLEET & FACILITIES

GENERAL FUND – FLEET & FACILITIES

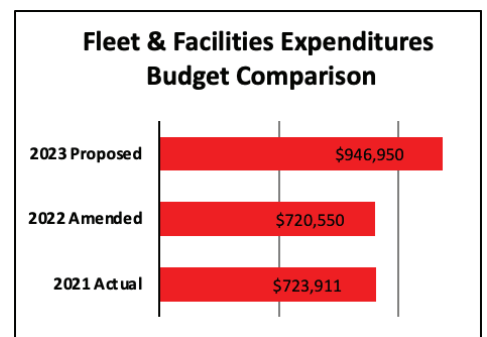
Division Description

The Fleet & Facilities Division is responsible for the coordination and oversight of the routine and preventive maintenance of all the district’s fleet and facilities. The main objective of the department is to maintain and protect the public’s investment with the district’s facilities, fleet and equipment to ensure operational effectiveness as well as uninterrupted response capabilities.

Secondary responsibilities include apparatus improvement projects and incident scene response for working incidents.

Budget Summary

Expenditures	2020 Actual	2021 Actual	2022 Amended	2023 Proposed
Personnel Services	\$ 167,400	\$ 185,385	\$ 177,200	\$ 176,125
Materials & Services	\$ 529,968	\$ 538,526	\$ 543,350	\$ 770,825
	\$ 697,367	\$ 723,911	\$ 720,550	\$ 946,950



Personnel Summary

Position	2022 Adopted	2023 Proposed
Facilities Maintenance/Engineer	1.00	1.00
Total FTE	1.00	1.00

FY 2023 Proposed Significant Changes

- Increase for apparatus repairs and contract labor based on historical trending, still cost effective in lieu of in-house servicing
- Major increase in fuel prices due to market conditions and increased call volume

FY 2022 Accomplishments

- Maintenance of aging fleet of apparatus
- Maintenance of aging facilities
- Evaluation of vendor service costs
- Numerous major repairs
- Purchase of 2 used medic units to be utilized as reserve and remounted for Single Role EMS Program



FLEET & FACILITIES

Strategic Plan

Goal 5 Maintain Financial Sustainability	
Strategy 5.5	Create goals and Performance Measures
	Target Completion
Action 5.5.3	Develop large capital outlay plan, replacement plan and funding mechanism
	Q4 2021

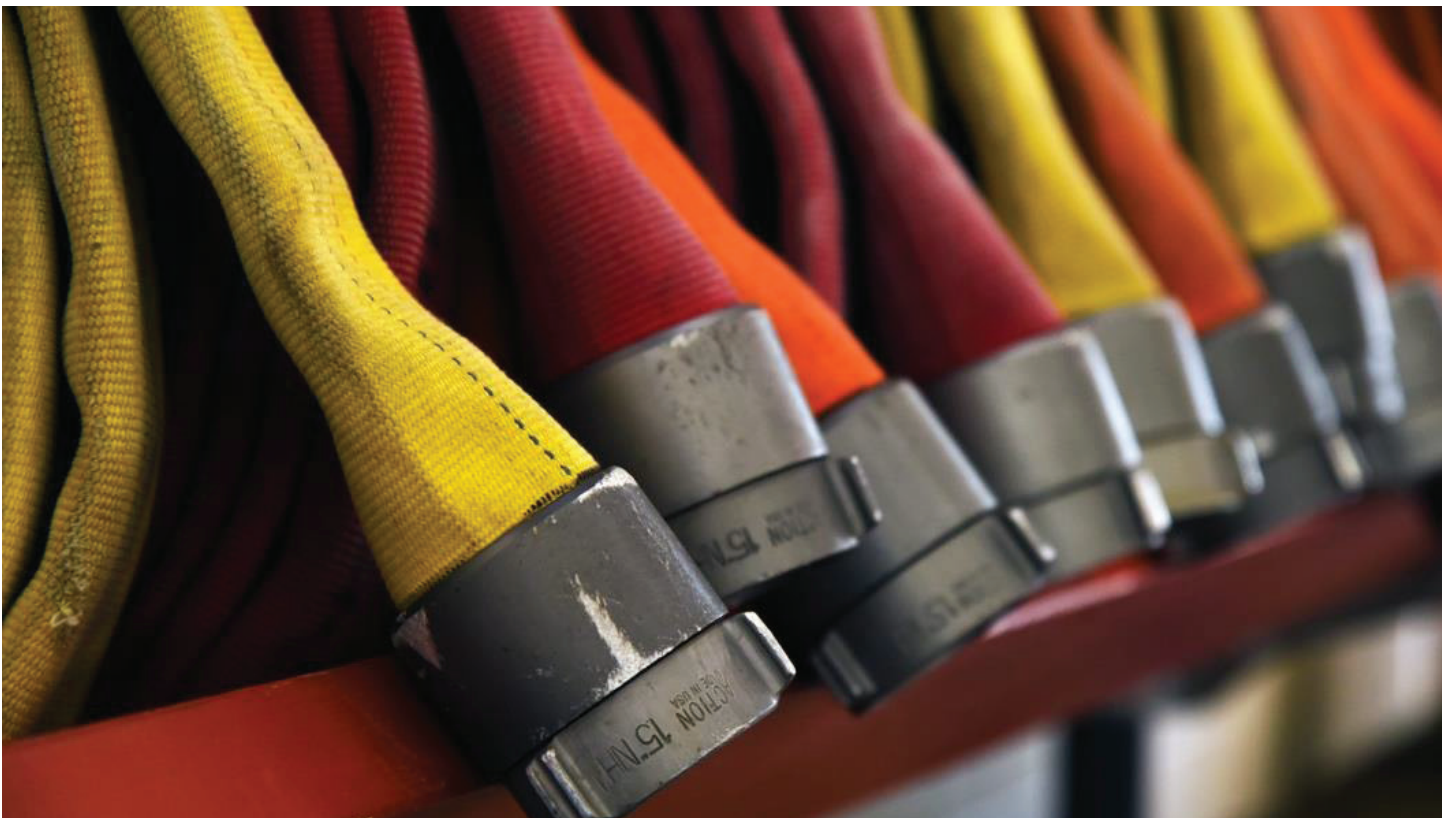


FLEET & FACILITIES

2020 Actual	2021 Actual	2022 Amended	Account 10-60	Description Fleet & Facilities Division	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
83,845	71,634	86,400	5200-00	Salaries & Wages	1.0	85,500	0	0
7,960	3,531	10,500	5240-00	Wages - Out of Shift Overtime	0	10,500	0	0
0	0	3,400	5250-00	Wages - Leave Sellback	0	3,300	0	0
7,066	5,473	7,800	5260-00	FICA & Medicare	0	7,800	0	0
34,211	32,363	35,300	5265-00	Retirement OPERS, 401A & 457	0	35,175	0	0
30,509	22,565	30,100	5270-00	Health, Dental & VEBA	0	29,900	0	0
726	574	800	5275-00	Life/AD&D/LTD	0	750	0	0
2,973	1,726	2,700	5280-00	Workers Compensation	0	2,950	0	0
111	82	200	5285-00	Workers Benefit Fund & UI	0	250	0	0
0	0	150	5425-00	Admin Expense	0	250	0	0
15,094	15,414	15,000	5775-00	Cell Phones	0	250	0	0
28,045	26,687	40,000	5903-00	Station Repair & Maintenance	0	62,000	0	0
12,730	14,453	13,250	5905-00	Grounds Repair & Maintenance	0	15,000	0	0
3,658	9,285	15,000	5907-00	Station Generator Repair/Maint	0	28,000	0	0
2,520	2,520	4,000	5909-00	Station Fire Alarm Monitoring	0	4,200	0	0
7,330	3,998	4,000	5911-00	Station Fire Alarm Testing	0	5,250	0	0
2,061	2,313	2,500	5913-00	Fire Extinguisher Repair/Maint	0	2,500	0	0
20,609	18,340	10,000	5915-00	Station Equipment/ Furnishings	0	38,700	0	0
1,927	3,689	2,300	5919-00	Cleaning Supplies	0	3,000	0	0
211	381	500	5921-00	Laundry Supplies	0	500	0	0
1,884	522	2,800	5923-00	Kitchen Supplies	0	2,800	0	0
4,793	3,128	5,300	5925-00	Paper Products	0	5,300	0	0
4,257	5,050	4,800	5927-00	Drinking Water	0	4,800	0	0
3,096	1,782	3,100	5929-00	Miscellaneous Supplies	0	3,100	0	0
25,417	23,729	20,000	5931-00	Land Line Phones	0	20,100	0	0
45,155	43,980	40,000	5933-00	Electricity	0	54,000	0	0
25,547	30,597	28,000	5935-00	Natural Gas	0	47,700	0	0
1,594	1,147	1,500	5937-00	Water & Sewer	0	2,000	0	0
4,474	4,725	5,300	5941-00	Garbage Service	0	6,785	0	0
28,112	24,563	28,500	5943-00	Cable & Internet	0	29,340	0	0
0	0	0	5330-00	MDT & Tablet Operations	0	500	0	0
67	86	750	5945-00	Fleet Tools and Equipment	0	750	0	0
92,943	37,216	70,000	5949-00	Apparatus Repairs	0	80,000	0	0
8,017	7,860	7,000	5951-00	Lube Oil Filter	0	19,200	0	0
12,541	11,160	25,000	5953-00	Fuel - Gasoline	0	48,000	0	0
54,547	44,006	85,000	5955-00	Fuel - Diesel	0	154,500	0	0
338	260	600	5957-00	Apparatus Cleaning Supplies	0	1,000	0	0
427	469	500	5959-00	Fleet Stock Supplies	0	500	0	0
13,908	931	5,000	5961-00	Body Work & Painting	0	5,000	0	0
17,753	17,481	18,000	5963-00	Electrical Repairs	0	18,000	0	0
0	0	500	5965-00	Apparatus Titling & Licensing	0	1,200	0	0
29,085	11,453	20,000	5967-00	Apparatus Tires	0	25,500	0	0
3,961	2,247	5,000	5969-00	Apparatus Batteries	0	6,100	0	0
57,866	49,234	60,000	5971-00	Contract Shop Labor	0	75,000	0	0
697,367	556,656	720,550		Fleet & Facilities Totals:	1.0	946,950	0	0



CAPITAL OUTLAY



CAPITAL OUTLAY

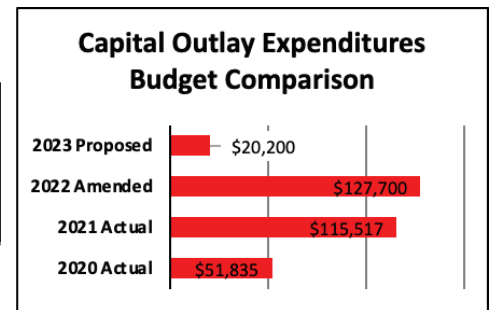
GENERAL FUND – CAPITAL OUTLAY

Division Description

The district classifies a purchase as capital outlay when the item costs at least \$5,000 and has a useful life of a year or more. This policy was established at the beginning of FY 2020. For prior fiscal years, the capital outlay history reflects a lower capital outlay threshold.

Budget Summary

Expenditures	2020 Actual	2021 Actual	2022 Amended	2023 Proposed
Capital Outlay	\$ 51,835	\$ 115,517	\$ 127,700	\$ 20,200
	\$ 51,835	\$ 115,517	\$ 127,700	\$ 20,200



FY 2023 Proposed Significant Changes

- Decrease from FY2022 due to Financing Agreement and personnel needs
- Severely underfunded to provide for replacement equipment

FY 2022 Accomplishments

- Transfer to Capital Outlay Reserve Fund for future expenses in-lieu of bond funding
- Brooks Radio Tower replacement and relocation
- Purchase of dual band radios and movement to 800MHz Radio System

Strategic Plan

Goal 5 Maintain Financial Sustainability		
Strategy 5.5	Create goals and Performance Measures	Target Completion
Action 5.5.3	Develop large capital outlay plan, replacement plan and funding mechanism	Q4 2021



CAPITAL OUTLAY

Performance Measures

	Goal	2021 Actual	2022 Projection	2023 Projection
Replaced or remounted apparatus	1	1	2	3

2020 Actual	2021 Actual	2022 Amended	Account 10-80	Description Capital Outlay	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
0	97,456	0	7005-00	CO - EMS Division	0	0	0	0
21,065	0	0	7015-00	CO - Breathing Air System	0	0	0	0
9,188	0	6,500	7020-00	CO - Fire Hose	0	6,500	0	0
0	0	0	7045-00	CO - Ladders	0	1,200	0	0
0	0	121,200	7050-00	CO - Radios	0	12,500	0	0
0	0	0	7055-00	CO - Fire Equipment	0	0	0	0
21,582	0	0	7058-00	CO - Extrication Equipment	0	0	0	0
0	5,849	0	7060-00	CO - Fitness Equipment	0	0	0	0
51,835	103,305	127,700		Capital Outlay Totals:	0	20,200	0	0



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GENERAL FUND – NOT ALLOCATED TO ORG UNIT

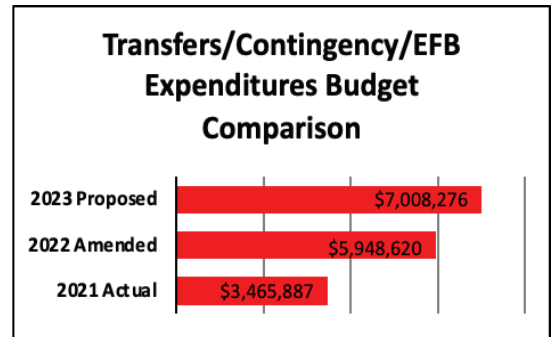
GENERAL FUND – NOT ALLOCATED TO ORGANIZATIONAL UNIT

Division Description

Starting with FY 2021, the District’s Transfer, Contingency, Reserve for Future Expenditures, & Unappropriated Ending Fund Balance accounts were classified into a newly created division titled, “Not Allocated to Organizational Unit”. This better aligns with Oregon Local Budget Law and allows better transparency, tracking and budget allocation to all budgeted departments.

Budget Summary

Expenditures	2020 Actual	2021 Actual	2022 Amended	2023 Proposed
Transfer Out	\$ 669,363	\$ 298,387	\$ 300,000	\$ 1,477,272
Contingency	\$ -	\$ 600,500	\$ 635,250	\$ 745,000
Ending Fund Balance	\$ 5,729,515	\$ 2,567,000	\$ 5,013,370	\$ 4,786,004
	\$ 6,398,878	\$ 3,465,887	\$ 5,948,620	\$ 7,008,276



2020 Actual	2021 Actual	2022 Amended	Account 10-99	Description	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
0	298,046	300,000	7999-00	Transfers to Other Fund	0	1,477,272	0	0
0	0	635,250	9998-00	Contingency	0	745,000	0	0
0	0	5,013,370	9999-00	Unapp End Fund Balance	0	4,786,004	0	0
0	298,046	5,948,620		Not Allocated to Org Unit Totals:	0	7,008,276	0	0



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DEBT SERVICE FUND

DEBT SERVICE FUND

DEBT SERVICE FUND – FUND 30

Fund Description

This fund was originally created to record and manage the payments on outstanding general obligation bonds from 2008. There are two sets of \$5,000,000 bond sales that are being re-paid, from 2009 & 2012. The bond rate to the taxpayers fluctuates between 0.30-0.33/\$1,000 of assessed value.

At the end of FY 2022, the district’s total outstanding debt is \$0, as the district has been able to pre-pay, retire bond debt service and save taxpayers interest payments.

The Bonds provided funds for capital construction and improvements along with bond costs. It funded replacement and equipping of public safety vehicles in the district’s fleet, including fire engines, emergency vehicles and vehicles for medical response and related vehicles. The bonds also provided funds for improvements, upgrades, and expansion to fire station facilities. This Bond issuance provided relief within the General Fund budget for recurring operational and personnel costs to maintain service levels. In addition, Oregon Law allows for additional tax assessment above the permanent rate and taxation limits for taxpayer approved bonds and levies, so funding for debt service payments comes from this collection, without impact to the General Fund tax collections.

The district secured a \$3.5 million Financing Agreement in May 2022 to pay for large Capital Projects, with a 15 repayment plan. This Fund will now be utilized to record and manage the payments for this Agreement. The funds for the payments will come from existing District Resources, and no taxpayer approved increased bonds or levies.

Bond Rating

The district enjoys an A2 rating from Moody’s Long-term Corporate Obligation Rating. Obligations rated A2 are considered upper-medium grade, are subject to low credit risk and the district has more than a sufficient financial ability to pay off the loan.

Debt Limits

Debt limits in the State of Oregon for public entities is limited to a maximum of 1.25% of the Real Market Value of the District. For FY 2023, the district remains well below the debt limits.

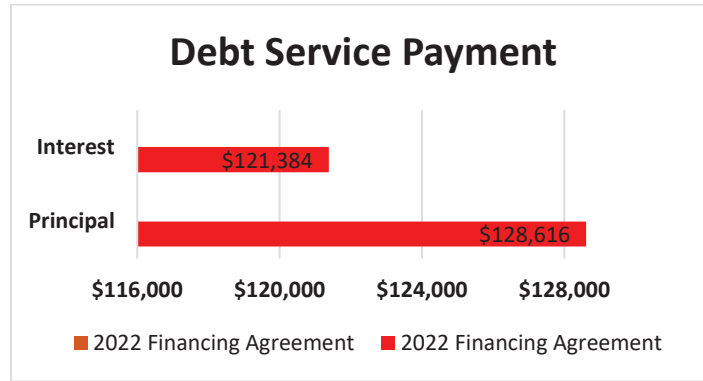
FY 2023 Real Market Value of District

\$ 6,579,255,198

FY 2023 Debt Limit

\$ 82,240,690

DEBT SERVICE FUND



	Date of Issue	Date of Maturity	Amount of Issue	Rate of Interest	Outstanding 6/30/2022	Maturing 2022-2023 Principal	Maturing 2022-2023 Interest
Financing Agreement							
2022 Financing Agreement	4/27/2022	4/27/2037	\$ 3,500,000	3.5% Fixed	\$ 3,500,000	\$ 128,616	\$ 121,384
TOTAL - Debt			\$ 3,500,000		\$ 3,500,000	\$ 128,616	\$ 121,384

2020 Actual	2021 Actual	2022 Adopted	Account 30	Description Debt Service Fund	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
278,633	280,592	103,500	4000-00	Beginning Fund Balance	0	20,000	0	0
24,386	21,925	25,000	4015-00	Property Taxes - Delinquent Yr	0	0	0	0
917,710	1,020,551	1,105,307	4020-00	Property Taxes - Current Year	0	0	0	0
			4035-00	Transfer from other fund		250,000	0	0
1,220,729	1,323,068	1,233,807		Fund Resources Totals:		270,000	0	0
845,000	1,145,000	1,175,000	6900-00	Debt Service - Principal	0	128,616	0	0
95,137	65,427	58,807	6905-00	Debt Service - Interest	0	121,384	0	0
0	0	0	9999-00	DS Unapp End Fund Balance	0	20,000	0	0
940,137	1,210,427	1,233,807		Fund Resources Totals:		270,000	0	0



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CAPITAL PROJECTS FUND

CAPITAL PROJECTS FUND

CAPITAL PROJECTS FUND – FUND 70

Fund Description

The Capital Projects (Bond) Fund was created to account for the proceeds of the 2009 & 2012 Bond Sale of \$10,000,000, approved by voters in 2008. This fund was completely expended at the end of FY 2017. Beginning in FY 2020, this fund is being utilized again to account for proceeds from the Rockdale property sale. The Rockdale property was originally purchased from bond proceeds for the purpose of a fire station; thus, the property sale proceeds are being tracked separately in this fund. This fund was completely exhausted at the end of FY 2021.

With the District securing the 2022 Financing Agreement in the amount of \$3.5 million for Capital Projects, this Fund will again be used to track these large purchases, separately from other Funds. The Financing Agreement funds are to meet large capital needs such as Quint Ladder Truck, remodeling the Middle Grove Fire Station, Pumper, Extrication Equipment, Self-Contained Breathing Apparatus (SCBA) and ambulance re-mounting on new chassis to provide extended life and safe, reliable apparatus into the future.

The \$727, 272 transfer into this fund is the FEMA reimbursement for a portion of the Quint Ladder Truck, that the outlay, then be reimbursed.

2020 Actual	2021 Actual	2022 Adopted	Account 70	Description Capital Projects Fund	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
0	325,818	0	4000-00	Beginning Fund Balance	0	3,400,000	0	0
2,406	1,817	0	4050-00	Interest on Investments	0	5,000	0	0
572,688	0	0	4035-00	Transfer from other fund	0	727,272	0	0
575,094	327,635	0		Fund Resources Totals:		4,132,272	0	0
249,276	326,318	0	7160-00	CO - Apparatus Replacement	0	4,132,272	0	0
0	1,317	0	7999-00	Transfer to Other Fund	0	0	0	0
249,276	327,635	0		Fund Requirements Totals:		4,132,272	0	0



CAPITAL OUTLAY RESERVE FUND

CAPITAL OUTLAY RESERVE FUND

CAPITAL OUTLAY RESERVE FUND – FUND 80

Fund Description

The Capital Outlay Reserve Fund was created to save and to be used for funding larger capital outlay purchases due to the depletion of the 2008 Bond Funds. This fund is budgeted at \$675,000 for FY 2023. Transfers come from the General Fund through Ground Emergency Management Transport (GEMT) funds, equipment sale proceeds, and conflagration reimbursements for deployed apparatus.

Presently, the District’s intention is to continue utilizing a capital outlay vehicle/equipment plan and anticipate larger, long term capital outlay needs and necessary funding needed. Process for identification of projects includes National Fire Protection Association (NFPA) Standards for useful life of equipment and apparatus, funding resources and District Maintenance Records as well as anticipated future needs. Through the use of the Capital Outlay Reserve Fund, the goal is to limit the impact to the General Fund budget to smaller yearly transfers, without impact to necessary resources that are needed to provide essential personnel and budgetary means to accomplish the mission of the District. Setting aside funds each year allows the District to plan and budget for necessary expenditures to maintain efficient operations and control ongoing maintenance costs that could affect the General Fund budget, as well as plan for future financing and bonding needs through voter approved indebtedness.

Anticipated transfers into this fund, of \$500,000, include the following:

- \$50,000 Conflagration Recovery Costs
- \$450,000 GEMT Transfer

2020 Actual	2021 Actual	2022 Amended	Account 80	Description Capital Outlay Reserve Fund	2023 FTE	2023 Proposed	2023 Approved	2023 Adopted
43,678	140,353	352,500	4000-00	Beginning Fund Balance	0	175,000	0	0
96,675	298,046	300,000	4035-00	Transfer from other fund	0	500,000	0	0
140,353	438,399	652,500		Fund Resources Totals:		675,000	0	0
0	63,155	652,500	7055-00	App & Equipment Replacement	0	675,000	0	0
0	63,155	652,500		Fund Requirements Totals:		675,000	0	0

CAPITAL OUTLAY RESERVE FUND

Capital Replacement Schedule – For Large Capital Items

(Subject to Revision)

**Numbers Represented in Thousands

**Numbers Represented in Thousands												
PROJECT			TIMELINE									
	Current	Proposed	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Station #1	2014	Paint/Lighting	TBD									
E315	2008 PUC	Quint	\$1,400									
E317	2010 PUC	Engine								\$715		
BR318	2001 BR	Upgrade (Lighting & pump unit)										
M31	2014 Int'l	FL Remount		\$350								
M30	2014 Int'l	FL Remount									\$465.5	
M34	2014 Int'l	FL Remount		\$350								
T319	2002 FL	KEEP										
Station #2	2001	Replace/Remodel Interior	\$600									
M32	2014 Int'l	FL Remount									\$465.5	
BC32	2016 Subr	Suburban/Pickup				\$94.4						
BC34	2009 P/U	BC32 Suburban										
R323	1999 Spartan	KEEP										
T329	1995 GMC	FL Remount										
SQ324	2010 Tahoe	KEEP										
Station #3	2000	Paint/Lighting	TBD									
E335	2014 KME	Type 3 Engine										
T339	1995 GMC	FL Remount										
Station #4	2000		Closed									
E345	2014 KME	Type 3 Engine										
BR348	2011 BR	KEEP										
Station #5		Paint/Lighting	TBD									
E715	2014 KME	Type 3 Engine										
G718	1999 BR	Upgrade (Lighting & pump unit)										
T719	1995 GMC	FL Remount										
Station #6	2000/remodel	Relocate						\$5,000				
E725	2008 PUC	Engine						\$682				
M33	2014 Int'l	FL Remount		\$350								
SQ724	2010 P/U	KEEP										
Station #7	2000											
E735	2010 PUC	Type 3 Engine								\$715		
Station #8												
E305	2010 PUC	Reg Engine		\$600								
Staff/Support Vehicles												
C301	2019 P/U	FY 2039										
C302	2014 Tahoe	FY 2034										
Facilities	2006 P/U	FY 2026				\$63						
FM31	2009 P/U	FY2029							\$70			
SQ311	2009 Tahoe	KEEP										
TO31	2011 Tahoe	FY 2031									\$70	
VAN	1999 Ford	Cargo Van		\$45								
Administration	1968/1989	Replacement		\$2,000								
Equipment												
SCBA's	2007		\$800									
Portable Radios		FY 2026				\$562.5						
Station Generators		TBD-Funding		\$400								
Defibrillators		TBD-Funding										
Ambulance Gurneys		TBD-Funding										
Logistics Bld (St#1)		TBD-Funding		\$500								



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FINANCIAL POLICIES

FINANCIAL POLICIES

Originally Adopted: 7/16/2020
Recent Revision Adopted: 6/17/2021

SUMMARY OF POLICIES

1. The district will adopt and maintain a balanced budget in which total resources of beginning fund balance, revenues, and other financing sources are equal to the total of expenditures, other financing uses, and ending fund balance. The district will use one-time revenues to fund one-time expenditures in order to prevent potential shortfalls.
2. The district will avoid adopting budgetary procedures that result in balancing current operational costs at the expense of future years' operations.
3. The district will maintain a budgetary control system to ensure compliance with the adopted budget, State of Oregon Budget Law, and generally accepted accounting principles. The Board of Directors will receive monthly "budget to actual" financial statements comparing actual revenues and expenditures to budgeted amounts on all funds and programs.
4. The district will budget revenues based on historical trends and assessor's office advisement that are realistic and conservative.
5. The district will pursue revenue diversification by actively pursuing Local, State, and Federal grants and/or partnerships with other agencies and jurisdictions to improve funding opportunities and promote cost effectiveness.
6. The district will maintain an ending fund balance account for the General Fund equal to the amount of 3 months of Personnel Services costs to minimize the potential need of short-term borrowing in dry cash flow periods of July through November.
7. The district will budget Operating Contingency in the General Fund of no less than five percent of budgeted Personnel Services and Materials & Services for unforeseen circumstances. Operating Contingency expenditures will only be made by a transfer to the appropriate line-item account(s) through Board Resolution.
8. The district will budget for debt service payments until all debt is obligated and will remain within legal debt limit requirements.
9. The district will continue long term financial planning by reviewing and updating the 5-year & 10-year Financial Forecasts and the Capital Outlay Replacement Schedule annually, adjusting for economic, social, demographic, operational, and/or legislative changes that may affect financial stability.
10. The district will invest available funds in the Local Government Investment Pool (LGIP).
11. The District will present the Financial Policies annually at the June or July Board of Directors meeting for review and adoption.

FINANCIAL POLICIES

Marion County Fire District #1 functions under Oregon Revised Statutes, Chapter 478, as a special district and provides many services to the citizens of the district surrounding Salem and Keizer, in Marion County, Oregon. Services provided include Emergency Medical Services (basic and advanced life support), fire suppression, fire prevention, public education, and rescue.

The FY 2023 budget has been prepared after analyzing, evaluating, and justifying requests from all divisions and represents the requested financial support for the operation of the functions of Marion County Fire District #1.

The Board of Directors' resolution adopting the balanced budget and authorizing appropriations for each fund sets the level by which disbursements cannot legally exceed appropriations. A budget is considered balanced when the funds' total resources of beginning fund balance, revenues, and other financing sources are equal to the total of expenditures, other financing uses, and ending fund balance.

The budget is presented by division and legal appropriation control will be identified and proposed by this organizational unit. There is flexibility in the use of various line items within a division, so long as the total division's appropriation control is maintained.

The district manages its finances according to generally accepted accounting principles (GAAP). During the year, expenditures and revenues are closely monitored to ensure compliance with the proposed budget and state law. Monthly budget comparisons are distributed to management and the Board of Directors. Annually, an audit is performed and filed with the State of Oregon by an independent certified public accountant.

The district strives to prepare its annual budget in a manner that provides readers an understanding of all the facets of the District's operations. The budget is designed to be a policy document, operations guide, financial plan, and a communications guide.

Financial Policies are reviewed and proposed annually by the Board of Directors at the June meeting, prior to the start of the new fiscal year upon advisement of finance staff.

Fund Accounting

Fund Accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain functions. Marion County Fire District #1 uses funds to report its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts that comprises its assets, liabilities, reserves, fund equity, revenues, and expenditures.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Governmental funds are used to account for tax-supported activities. Proprietary funds are used to account for a government's business-type activities supported by fees or charges. Fiduciary funds are used to account for resources held by the government as a trustee or agent for others and cannot be used to support the government's own programs.

Marion County Fire District #1 has appropriated and proposed four funds, all of which are considered "governmental" and include the General Fund, Debt Service Fund, Capital (Bond) Fund, and the Capital Outlay Reserve Fund.

FINANCIAL POLICIES

The General Fund's primary purpose is to account for revenues and expenditures needed to run the daily operations of the district. It includes categories like personnel services, materials and services, capital outlay, operating contingency, and inter-fund operating transfers. Within the fund the district has allocated six divisions that each depict their own unique set of accounts under the personal services and materials and services classifications. There is a Capital Outlay & Not Allocated to Organizational Unit Division. Capital outlays are items that are considered fixed assets or tangible goods that are expected to last more than one year and cost over \$5,000. The General Fund is always considered a major fund, in which revenues and expenditures are at least ten percent of the corresponding totals for all governmental funds. The primary revenue source that sustains the General Fund is derived from property taxes.

The Debt Service Fund accounts for all of the district's debt service revenues and expenditures. These are for two sets of voter approved bonds, approved in 2008, and sold in 2009 and 2012.

The Capital (Bond) Fund was created to account for the proceeds of the 2009 & 2012 Bond sale, approved by voters in 2008. This fund was completely expended at the end of FY 2017. Beginning in FY 2020, this fund is being utilized again to account for monies from the Rockdale property sale. The Rockdale property was originally purchased from bond proceeds for the purpose of a fire station; thus, the property sale proceeds are being tracked separately in this fund. The purpose with these funds is to meet large capital needs.

The Capital Outlay Reserve Fund accounts for some of the district's capital outlay expenditures and reserves for larger purchases. The primary revenue source to the Capital Outlay Reserve Fund are transfers from the General Fund. At times, loan proceeds, conflagration reimbursement or special purpose grant revenue may be received. Expenditures are made directly out of the Capital Outlay Reserve Fund and are limited to major departmental equipment items, capital improvements, building construction and apparatus replacement.

Basis of Accounting and Budgeting

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

This budget is prepared using the cash basis of accounting and budgeting for all governmental fund types in accordance with generally accepted accounting principles. The basis of accounting and basis of budgeting are the same under the district's practices and policy. Under the cash basis, expenditures are recorded when the invoices are paid rather than when the goods or services are received. Revenues are recorded in the accounting period in which they are received and available.

FINANCIAL POLICIES

Revenue

Property taxes account for 49.8 percent of the district's total General Fund revenue, which includes beginning fund balance. Not considering beginning fund balance, current and prior year property taxes combined account for 73.7 percent of the General Fund revenue. Past estimates have been based on multi-year historical trends with consideration given to the economic climate of our District, population, and assessed valuation increases. The district is projecting an assessed value increase of 2.5 percent for FY 2023. Although budgets are developed each year during April and May and adopted in June, the actual certification of property tax to be received by the County Treasurer for all taxing entities is not finalized until late October, well into the new fiscal year. Therefore, the District estimates growth conservatively and thus develops budgets accordingly.

This budget maintains effective operations within the existing financial capabilities of the district and tax revenues generated at our permanent tax rate of \$1.9045 per \$1,000 of assessed value along with a local option levy of \$0.59 per \$1,000 of assessed value. The projected assessed valuation of the District for FY 2023 is \$3,569,680,933.

Operating Contingency

As a policy, Marion County Fire District #1 will provide for an operating contingency in the General Fund of no less than five percent of budgeted personnel and materials and services expenditures. Occasionally expenditures will become necessary which cannot be foreseen and planned for in the budget process because of the occurrence of some unusual or extraordinary event. Operating contingency gives the district the flexibility to transfer funds to line-item accounts within a department should the need arise, with the approval from the Board of Directors via a Resolution. Expenditures which are known to be necessary and can be reasonably ascertained and anticipated, but which are too small in amount to list separately, are not to be funded by operating contingencies, but rather absorbed within the department. Operating contingency should not be used to cover up improper or poor estimating practices in the preparation of the budget.

The General Fund budget has operating contingency at five percent of Personnel Services and Materials & Services, at \$635,250. Oregon Local Budget Law has no statutory limit of the amount which may be appropriated for operating contingency. Unexpended contingency is included in the beginning fund balance for the ensuing fiscal year and re-allocated for appropriation.

In addition to general operating contingency, the district is committed to allocating funds to provide for the district's liability for compensated absences, specifically vacation payouts upon retirement or separation from service. If the District has advance notification of intended retirements in the ensuing fiscal year, then the district will budget for the compensated leave payout from the division where the employee is budgeted. Currently, the District budgets for one upper-management retirement a year as a base amount.

FINANCIAL POLICIES

Ending Fund Balances

As a policy, Marion County Fire District #1 will provide for an ending fund balance in the General Fund of three months of budgeted personnel expenditures in order to ensure fiscal sustainability in meeting operating requirements before the receipt of property taxes from the County Treasurer. For FY 2023, the General Fund's unappropriated ending fund balance is budgeted at \$4,572,180. The potential use of short-term borrowing may be needed to cover cash flow needs until tax collection turnover is received in November, which generally occurs the second week of November. The County Treasurer starts collecting current year property taxes in November and disperses the funds to all taxing entities. This policy statement and financial objective is within the GFOA's recommended practice of unreserved fund balance of no less than 5 to 15 percent of regular general fund operating revenues.

While not an "appropriated" item in the budget, the Unappropriated Ending Fund Balance (UEFB) are funds set aside to become cash carryover/beginning fund balance in the next fiscal year and are not accessible to use in the fiscal year, except in certain emergency situations, as defined by Oregon Revised Statutes.

Debt Administration

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 2020-2021 was \$6,579,255,198. Marion County Fire District #1's current legal debt limit is approximately \$82,240,690. The district's municipal long-term bond rating from Moody's is an A2, which describes that obligations are judged upper-medium grade and are subject to low credit risk.

Debt financing for long-term capital projects is evaluated based on several factors such as cost of the project, ability to sustain the debt repayment, growth and property tax projections, cash flow demands, and funds available in reserve that have been set aside in the Capital Outlay Reserve Fund for future capital expenditures. The Board supports long-term debt issuance as a viable tool in achieving some of the district's strategic goals in regard to capital expansion, but only in that it is used prudently and benefits that objectives identified under the Strategic Plan. The district will continue to reserve funds and pay cash for capital projects identified in the Capital Replacement Schedule as primary before debt is explored as a financing option.

The current 2009 and 2012 series bonds have an outstanding balance of \$1,234,007 as of June 30, 2021. This debt is backed by the full faith and credit of the organization. The debt service classification has identified \$1,234,007 for payments towards bond repayment in the FY 2022, which includes prepayment of one of the 2009 series bond notes. The last date of maturity for these issuances is 12/15/2023 without prepayment.

FINANCIAL POLICIES

Cash Management and Investing

The County Treasurer acts as the fiscal agent for the district in collection of real property taxes. The district recognizes tax receipts after notification by the County Treasurer of deposit. Property tax revenue is deposited by the Treasurer and invested in the Oregon State Treasury in a pooled account in the Local Government Investment Pool (LGIP), which is exempt from statutes requiring insurance. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council. Funds held in the LGIP are stated at fair market value.

The district transfers funds as needed to the district's checking account via electronic transfers, which access is password protected and IP authentication secured. ORS 295 governs the collateralization of Oregon public funds. Bank depositories are required to pledge collateral against any public funds deposited more than the federal deposit insurance amounts. Public officials are required to verify that deposit accounts in excess of deposit insurance limits are only maintained at financial institutions included on the list of qualified depositories approved by the Oregon State Treasurer. The district also participates in ACH, two-user authentication for ACH approvals and utilization of debit filters with its financial institution.

Capital Program

The district's capital policies encompass the entire area of capital purchasing. Capital expenditures are fixed assets that are expected to last more than one year and cost more than \$5,000. Typically, fixed assets are replacement items as well as new capital items to provide District personnel with the tools they need to operate in the most efficient and productive manner. In addition, major renovations to existing buildings or construction of new facilities are budgeted and tracked under their respective accounts under this fund. The district is committed to transferring at least \$50,000 from the General Fund per fiscal year to support the Capital Outlay Reserve Fund. If shortfalls are identified, management would re-evaluate the projects or explore other options to support funding. Within the fund, the district has set aside reserves for these future projects. The FY 2023 budget identifies \$662,700 in total capital expenditures.



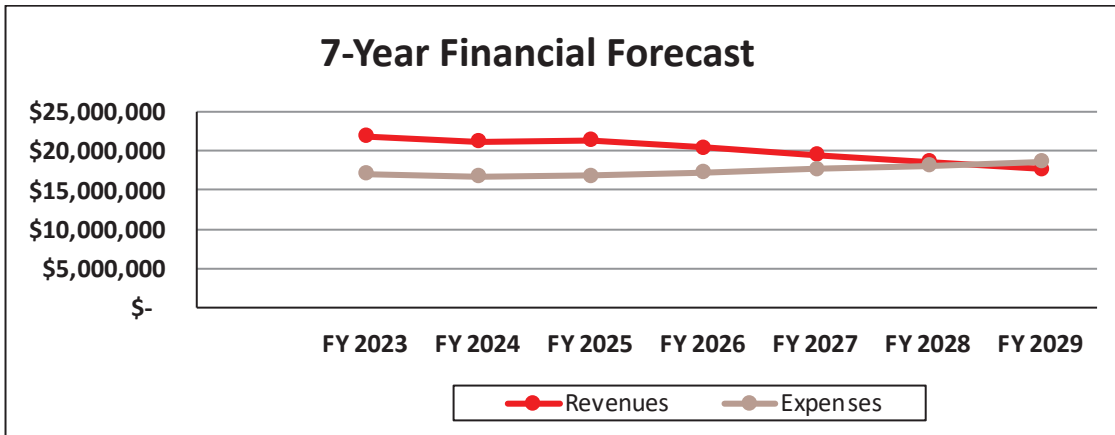
LONG-RANGE FINANCIAL PLANNING

LONG-RANGE FINANCIAL PLANNING

The district prepares a 10-year financial forecast model to help guide policy, operational and financial decision making in the coming years. There is targeted focus on a shorter 5-year term financial modeling that aligns with potential Local Option Levy cycles. The goal of these plans, along with a Strategic Plan, is to provide short term and long-term stability, survivability and sustainability for the district. As part of the budgeting process, this financial forecast will be updated each year and adjustments made as necessary.

The district continues to model conservatively on revenue/resources and realistic on expenditures. As identified through the long-range financial planning several years ago, the rate of usage of the ending funding balance remains a serious concern of the district. With little to no new growth/development within the Fire District, new revenue continues to lag behind the needed resources to provide services to the citizens and businesses of the district each year, leading to imbalance in 4-5 years and requiring strategic planning to identify opportunities for long term financial and District sustainability.

Long-term the District carries unfunded liabilities, such as vacation and sick leave accruals, capital replacement and retirement benefits. Retirement benefits as well as costs to the district are set by the PERS Board and there currently exists a large Unfunded Liability Actuarial (UAL) that continues to impact the district budget for many years to come. The district needs to proceed with caution and ensure future spending is aligned with revenue growth both short and long term to ensure sustainability past the FY 2025 Budget Year. A funding mechanism for capital replacement liabilities needs to be identified as well and secured to ensure minimal impact on the general operating budget and impacting service delivery models.



Key Long-Range Financial Planning Assumptions

Year	FY23 1	FY24 2	FY25 3	FY26 4	FY27 5	FY28 6	FY29 7	FY30 8	FY31 9	FY32 10
Current Property Tax	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Ambulance Transports	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Salaries/Wages & Taxes	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Medical Insurance	0%	5%	10%	10%	10%	10%	10%	10%	10%	10%
Materials & Services	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%



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GLOSSARY

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.

Advanced Life Support (ALS)

Emergency medical treatment requiring an advanced level of skill to administer life support procedures including intravenous drug therapy, cardiac monitoring, and defibrillation.

Alarm

A call received by a dispatch center, which is then relayed to the appropriate fire station for emergency response.

Appropriation

An act by a legislative body authorizing the expenditure of a designated amount of funds or to incur obligations for specific purposes.

Assessed Valuation (AV)

The total taxable value placed on real estate and other property as a basis for levying taxes.

Assets

Property owned by the district that has monetary value.

Balanced Budget

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

Basic Life Support (BLS)

Emergency medical care generally limited to non-invasive procedures such as CPR, hemorrhage control, splinting, and breathing support.

Board of Directors (BOD)

Elected body of officials that governs the district.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for a given period (typically a fiscal year) and the proposed means of financing them (revenue estimates) for the same fiscal year.

Budget Message

A general discussion of the proposed and/or adopted budget as presented in writing by the budget officer to the legislative body.

Capital Outlay

Expenditures for the acquisition of capital assets.

Current Year Property Taxes

Taxes levied and becoming due during the current fiscal period, from the time the amount of the tax levy is first established, to the date on which a penalty for nonpayment is attached.

Debt

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

Debt Limit

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

Emergency Medical Services (EMS)

A service that provides emergency medical treatment for the unexpected, sudden occurrence of a serious and urgent nature that demands immediate attention.

Emergency Medical Technician (EMT)

One who is trained and skilled in different levels of medical procedures. There are four (4) different levels of EMT's in the state of Oregon; EMT (Basic), EMT-I (Intermediate), AEMT (Advanced), and EMT-P (Paramedic).

Engine

Various apparatus used to transport and pump water; carries ladders, hoses, other equipment and supplies for fighting fires.

Expenses

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

Fiscal Year (FY)

The time period used for the accounting year. The district's fiscal year begins July 1st and ends on June 30th.

Full Time Equivalent (FTE)

Staffing levels are measured in FTEs to give a consistent comparison from year to year.

Fund

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

Fund Balance

The difference between assets and liabilities reported in a governmental fund.

Generally Accepted Accounting Principles (GAAP)

The conventions, rules, and procedures that serve as the norm for the fair presentation of financial statements.

General Fund

A governmental fund type that serves as the chief operating fund of the district. It is used to account for all financial resources, except those required to be accounted for in another fund.

Ground Emergency Medical Transportation (GEMT)

A supplemental reimbursement program which provides additional funding to eligible governmental entities that provide GEMT services to Medicaid beneficiaries. This voluntary program allocates federal share of the supplemental reimbursement payments based on uncompensated costs for Medicaid fee-for-service transports.

Health Reimbursement Arrangement Voluntary Employees' Beneficiary Association (HRA VEBA)

The HRA is a type of health plan that reimburses qualified health care costs and insurance premiums for the employee, employee's spouse, and qualified dependents. The VEBA is the tax-exempt instrument through which the employee benefits are provided.

Local Option Levy

Tax imposed/collected for the support of District activities, approved by voters.

Local Government Investment Pool (LGIP)

A pooled account where the County Treasurer deposits tax receipts, District deposits/holds funds.

Performance Measures

Specific quantitative measures of work performed within an activity or program.

Personal Protective Equipment (PPE)

Equipment firefighters wear when responding to emergencies such as turnouts, boots, helmets, etc.

Public Employees Retirement System (PERS)

The retirement system in Oregon for all local and state government workers.

Prior Year Tax Levies

Taxes levied for fiscal periods preceding the current one.

Property Taxes

Mandatory tax charged for the purpose of financing emergency services provided to 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.

Reserve for Future Expenditure

Identifies funds to be “saved” for use in future fiscal years.

Resources

The actual assets of the district, such as cash, taxes receivable, land, building, etc.

Response

Actions taken by the district during an emergency or citizen’s request.

Revenue

The income of the district from sources for the payment of District expenses.

SCBA

Self-Contained Breathing Apparatus.

Strategic Plan

A systematic process of envisioning a desired future and translating that vision into broadly defined goals or objectives.

Supplemental Budget

The process that modifies the adopted budget during a fiscal year. Typically, supplemental budgets are used to create new appropriations to spend increased resources.

Tax Base

In Oregon, a designated amount of property tax, that can be levied for operating expenses without annual voter approval.

Tax Levy

The total amount to be raised by general property taxes.

Tax Rate

The amount of tax levied for each \$1,000 of assessed property value.

Tender

An apparatus that carries water to supply and engine in rural areas.

Unappropriated Ending Fund Balance (UEFB)

A fund balance at the close of the preceding fiscal year that is not appropriated in the current budget.



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