

Budget Review 2024-25

Corbett RFPD 14



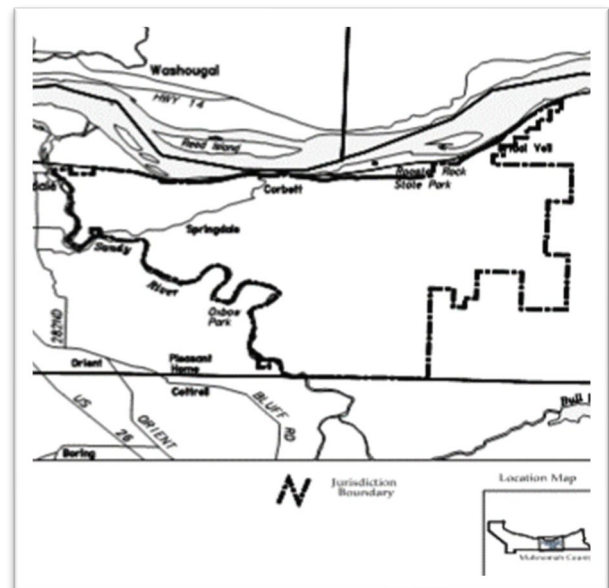
BUDGET HIGHLIGHTS

- The overall FY 2024-25 (FY25) budget is \$5.2 million, a 13% decrease from FY 2023-24 (FY24) as bond proceeds are spent on planned projects in the current fiscal year. Without the changes associated with the bond, the budget would have shown a slight increase from last fiscal year (4.4%).
- Voters approved a \$4.5 million general obligation bond in November 2022. FY25 is the second year of spending and capital outlay costs increase by 77% in this budget.
 - Planned projects (\$2.4 million) for FY25 include completion of the Springdale Station expansion, replacement of the ambulance style rescue apparatus, continued progress of the Corbett Station expansion, and beginning of cistern installations. The remaining bond proceeds will be carried over to future years for planned projects.
- The Capital Reserve fund budgets \$345,010. This will fund the final lease payment on Engine 62 (\$81,823) with the remainder reserved for planned future equipment spending.
- FY25 maintains current service levels with stable property tax revenues at a tax rate of \$1.2624 per thousand of assessed value for their permanent rate. The tax amount for the GO Bond was approved at \$285,770, sufficient to cover anticipated debt payments.

INTRODUCTION & BACKGROUND

Corbett Fire District #14 provides fire, rescue and emergency services to a 40 square mile service area covering the communities of Corbett, Springdale, Aims, Latourell, Bridal Veil, and surrounding areas. The district serves approximately 4,000 residents and is primarily staffed by volunteers, who respond from three volunteer fire stations located in Corbett, Springdale, and Aims.

Five board members elected to four-year terms serve without compensation. District volunteers work out of three stations providing fire and rescue services.



Multnomah RFPD 14	2020-21	2021-22	2022-23	2023-24
Assessed Value in Millions	\$398.1	\$408.4	\$423.5	\$437.8
Real Market Value (M-5) in Millions	\$613.8	\$692.6	\$813.4	\$833.1
Property Tax Rate Extended:				
Operations	\$1.2624	\$1.2624	\$1.2624	\$1.2624
Debt Service	\$0	\$0	\$0	\$0.6315
Total Property Tax Rate	\$1.2624	\$1.2624	\$1.2624	\$1.8939
Measure 5 Impact	\$-4	\$-4	\$-4	\$-5
Number of Employees (FTE's)	1	1	1	1

BUDGET OVERVIEW

The district's budget provides for fire protection services with an overall FY 24-25 budget of \$5.2 million, a reduction of \$0.8 million from the prior year and fund balance from bond proceeds is spent down. A \$4.5 million bond (and associated debt service costs) approved by voters in November 2022 has been implemented and projects are underway, resulting in a decrease to Ending Fund Balance as bond proceeds are spent. Capital Outlay requirements see a substantial increase (\$719,000) as spending for bond related projects increases in the FY 24025 budget.

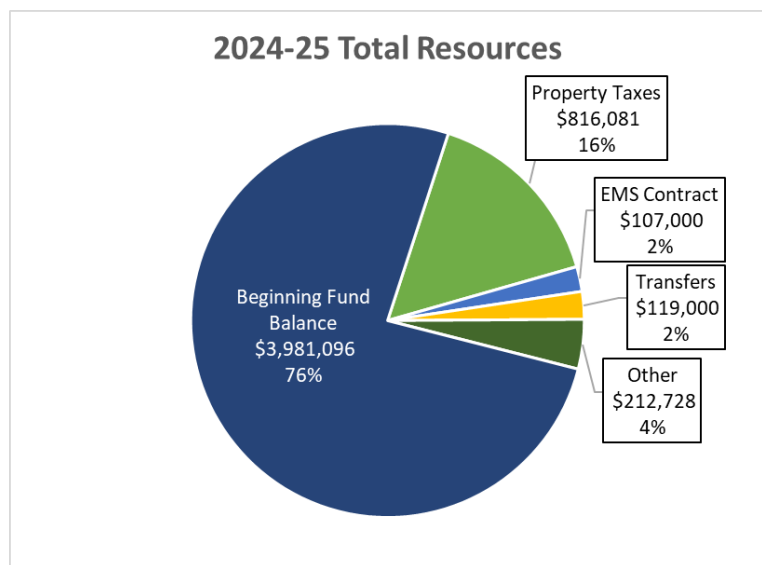
Without the changes associated with the bond, the budget would have shown a slight increase from last fiscal year (4.4%), primarily due to increases in the transfer to Capital Reserve fund and one-time capital purchases (tactical vests and two LifePak 15 defibrillators).

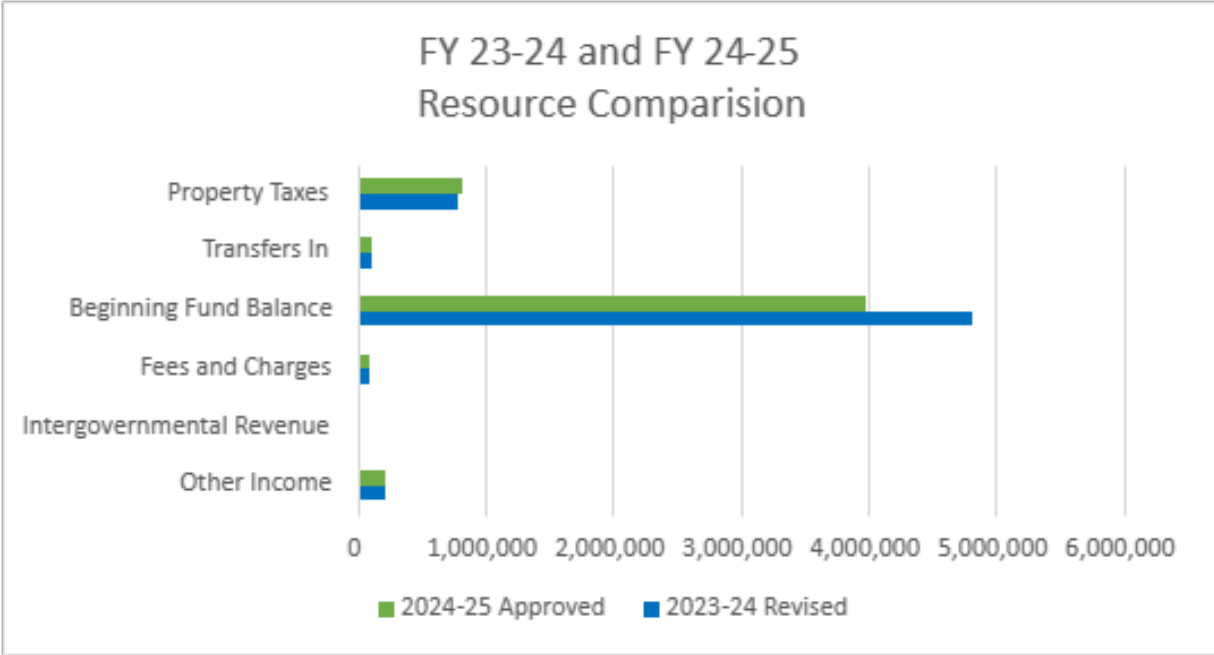
The regular transfer from the General Fund to the Capital Reserve fund increased by \$12,000 to \$119,000. This fund holds money for future capital needs such as equipment.

RESOURCES

As in years past, property taxes make up the majority of revenues for Corbett Fire and the permanent rate taxes are budgeted to increase in line with historical patterns.

Beginning fund balance decreases by \$834,000 dollars as bond proceeds are spent down in the current fiscal year. Other income decreases by \$11,000 as the reimbursements and grants were not budgeted as they only occur if they are contracted to assist with fires outside their service area. The current EMS Contract that provides \$107,000 in Revenue with Multnomah County EMS and State Parks is currently in negotiations.

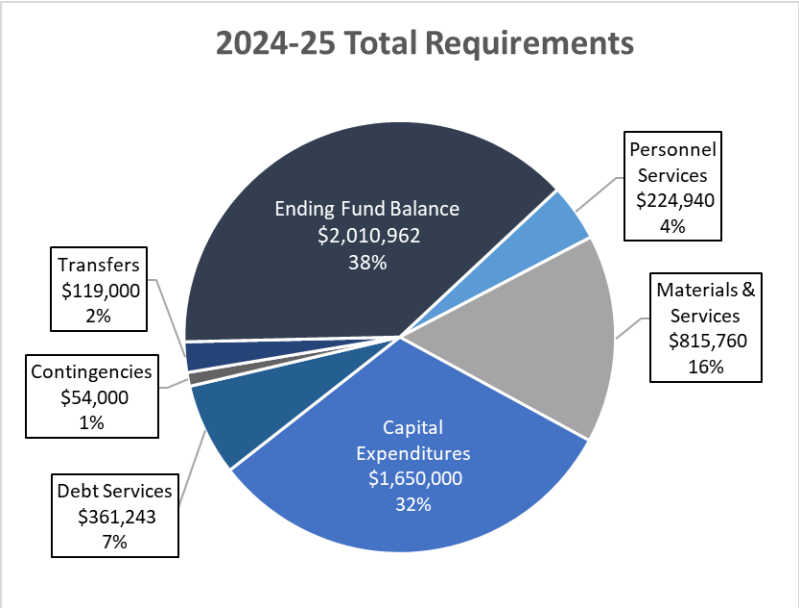




REQUIREMENTS

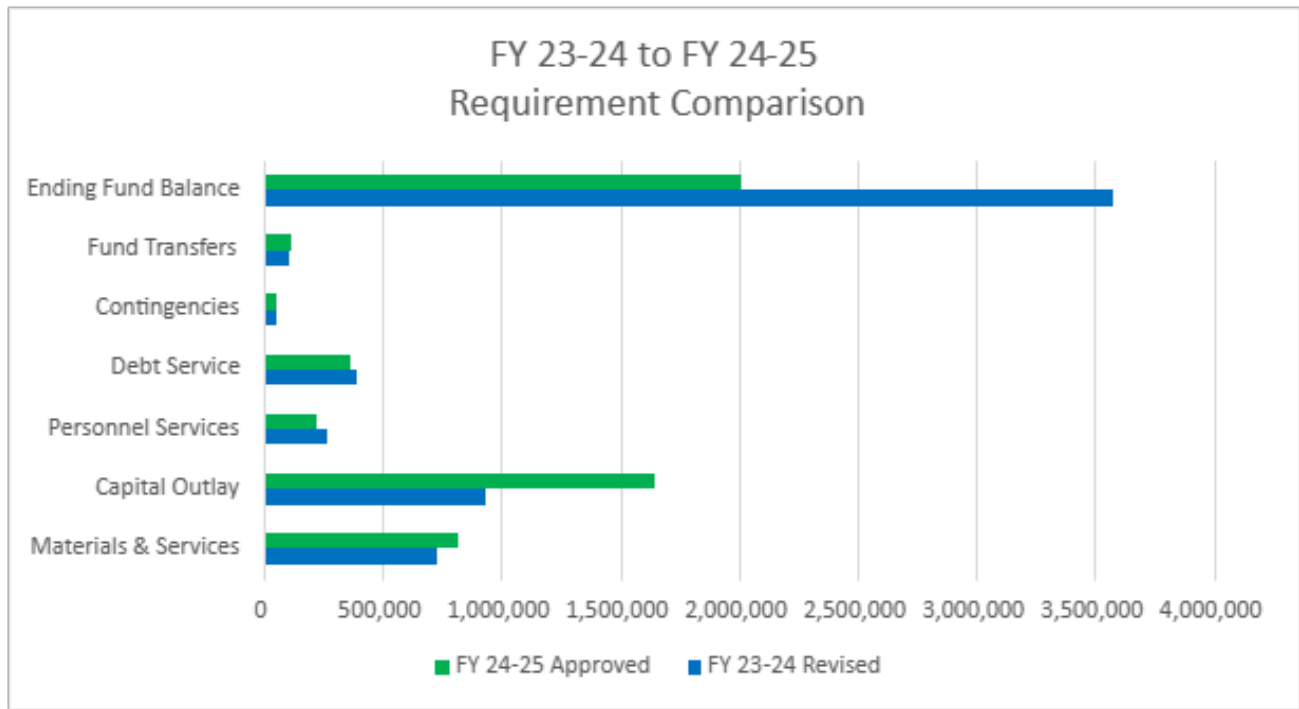
Personnel services see a slight decrease from revised. Personnel costs fluctuate from year to year since temporary hires for fire fighters are added to the budget only as needed.

Capital outlay increases over last year by \$719,000 to a total of \$1.65 million as the district continues to spend bond proceeds on capital projects. New LifePack 15s are purchased from the General Fund (\$50,000), resulting in an increase to materials and services over last year.



The district enters into the second year of bond payments per the debt schedule (\$279,420) and makes the final lease payment on Engine 62 (\$81,823) for a total of \$361,243 in debt service.

Ending fund balance is \$2.01 million, primarily due to a budgeted ending fund balance of \$1.5 million in the GO Bond Capital Projects Fund that reflects bond proceeds planned for future spending. This is a decrease from last fiscal year, as more bond related spending is planned for FY 24-25.



SIGNIFICANT BUDGET AREAS

The district has four active funds. The General Fund covers operating expenses, the Capital Reserve fund tracks non-bond related capital, primarily capital outlay for equipment, and the GO Bond Debt and GO Bond Capital funds track debt and bond spending.

GENERAL FUND – \$963,700 (18% of total budget)

All district operating expenses are budgeted in the General Fund. The General Fund increased by 3.6% (\$33,000), primarily due to an increase in beginning fund balance. The additional resource is budgeted through a combination of increases to the Capital Reserve fund supporting transfer, an 11% increase from last fiscal year, and Public Safety operating costs, including tactical vests and LifePack 15s. Grants support from the Wildfire Season (WFS) Staffing Grant funds \$22,000 in wildfire prevention activities and the Community Wildfire Risk Reduction (CWRR) Program grant funds \$23,000 in FY25.

CAPITAL RESERVE FUND - \$345,010 (7% of total budget)

The Capital Reserve Fund is used to accumulate resources to pay for capital expenses such as buildings, land, equipment, and vehicles. Resources are transfers from the General Fund for the sale/lease of equipment. The fund sees a slight (\$3,000) increase for FY25. For FY25, the

district will transfer \$119,000 into this fund. The Capital Reserve fund budgets \$345,010; included is the final payment on a 4-year lease for Engine 62 (\$81,823) and reserve for future equipment and apparatus replacement expenditures (\$263,487) as an anticipated replacement of Engine 63 is slated for 2029.

GO BOND CAPITAL PROJECT FUND - \$3.5 million (68% of total budget)

The Corbett Fire board wants to maintain transparency with the taxpayers on bond related projects and created this fund to specifically track work related to the bond, which will finance capital costs for equipment, facilities, and five water cisterns (underground water storage tanks). Planned projects for the upcoming fiscal year include completion of the Springdale Station expansion, replacement of the ambulance style rescue apparatus, continued progress of the Corbett Station expansion and beginning of cistern installations. Budget for these projects and supporting materials and services results in \$2.4 million budgeted. The remaining bond proceeds will be carried over to future years for planned projects.

GO BOND DEBT SERVICE FUND - \$385,005 (7% of total budget)

As required by budget law, the district has created a separate fund to track debt service payments for the general obligation bond debt. FY25 assumes interest of \$113,524 and property tax revenue of \$271,481. This will support the debt service payment of \$279,420 per the debt schedule. The district will be reserving some money as ending fund balance to cover their December 2025 debt service payment in FY 25-26 in the event property tax collections come in lower than expected or come in late.

DEBT STATUS

The debt payments for FY 24-25 are budgeted at \$279,420 for General Obligation debt and are in line with estimates provided by the district’s financial advisor. The district will also collect sufficient property tax resources for an ending fund balance to make debt payments prior to full tax proceeds being received in FY 25.

The district will be making its final debt service payment on a capital lease for the fire engine (E63).

BUDGET PROCESS & COMPLIANCE

Yes	No	Compliance Issue
X		Did the district meet publication requirements?
X		Do resources equal requirements in every fund?
X		Does the G.O. Debt Service Fund show only principal and interest payments?
X		Are contingencies shown only in operating funds?
X		Did the budget committee approve the budget?
X		Did the budget committee set the levy?
X		Does the audit show the district was in compliance with budget law?

LOCAL BUDGET LAW COMPLIANCE

The FY 24-25 Budget will be in substantial compliance with local budget law. Estimates were judged to be reasonable for the purposes shown.

The audit report for FY 2023-24 notes no exceptions.

CERTIFICATION LETTER RECOMMENDATIONS & OBJECTIONS

TSCC staff notes no deficiencies in the district's FY 2024-25 budget development process and recommends that the Certification Letter contain no recommendations or objections.

Corbett RFPD District 14					
Budget Summary					
	2021 - 2022	2022 - 2023	2023 - 2024	2024 - 2025	%
<u>SUMMARY OF ALL FUNDS</u>	Actual	Actual	Revised	Approved	Change
PROPERTY TAX BREAKDOWN:					
Permanent Rate Property Taxes	494,621	512,408	528,000	540,000	2.3%
GO Debt Property Taxes	0	0	262,656	271,481	3.4%
Prior Years Property Taxes	7,654	5,050	3,900	4,600	17.9%
TOTAL PROPERTY TAX	502,275	517,458	794,556	816,081	2.7%
RESOURCES:					
Beginning Fund Balance	460,854	445,651	4,815,000	3,981,096	-17.3%
Property Taxes	502,275	517,458	794,556	816,081	2.7%
Intergovernmental Revenue	7,000	7,000	7,000	7,000	0.0%
Fees and Charges	70,000	100,000	100,000	100,000	0.0%
Other Income	189,866	111,140	224,041	212,728	-5.0%
Transfers In	230,000	201,000	107,000	119,000	11.2%
TOTAL RESOURCES	1,459,995	1,382,249	6,047,597	5,235,905	-13.4%
REQUIREMENTS BY OBJECT:					
Personnel Services	266,609	236,694	263,731	224,940	-14.7%
Materials & Services	231,258	231,422	725,617	815,760	12.4%
Capital Outlay	211,477	32,254	931,000	1,650,000	77.2%
Debt Service	75,000	125,000	392,946	361,243	-8.1%
Fund Transfers	230,000	201,000	107,000	119,000	11.2%
Contingencies	0	0	53,000	54,000	1.9%
Ending Fund Balance	445,651	555,879	3,574,303	2,010,962	-43.7%
TOTAL REQUIREMENTS BY OBJECT	1,459,995	1,382,249	6,047,597	5,235,905	-13.4%
<u>SUMMARY OF BUDGET - BY FUND</u>					

General Fund	1,097,906	1,025,419	930,348	963,700	3.6%
Capital Reserve Fund	362,089	356,830	342,093	345,010	0.9%
GO Bond Capital Fund	0	0	4,400,000	3,542,190	-19.5%
GO Bond Debt Service Fund	0	0	375,156	385,005	2.6%
GRAND TOTAL ALL FUNDS	1,459,995	1,382,249	6,047,597	5,235,905	-13.4%

DETAIL OF GENERAL FUND

RESOURCES:

Beginning Fund Balance	359,065	307,363	196,000	300,100	53.1%
Property Tax	502,275	517,458	531,900	544,600	2.4%
State Revenue	7,000	7,000	7,000	7,000	0.0%
Fees and Charges	70,000	100,000	100,000	100,000	0.0%
Other Income	159,566	93,598	95,448	12,000	-87.4%
Transfers In	0	0	0	0	0.0%
TOTAL FUND RESOURCES	1,097,906	1,025,419	930,348	963,700	3.6%

REQUIREMENTS:

Public Safety	560,543	490,168	670,348	690,700	3.0%
Transfers Out	230,000	201,000	107,000	119,000	11.2%
Contingencies	0	0	53,000	54,000	1.9%
Ending Fund Balance	307,363	334,251	100,000	100,000	0.0%
TOTAL FUND REQUIREMENTS	1,097,906	1,025,419	930,348	963,700	3.6%

DETAIL OF GENERAL OBLIGATION DEBT SERVICE FUND

RESOURCES:

GO Debt Property Taxes	0	0	262,656	271,481	3.4%
Interest on Investments	0	0	112,500	113,524	0.9%
TOTAL FUND RESOURCES	0	0	375,156	385,005	2.6%

REQUIREMENTS:

Debt Services	0	0	267,946	279,420	4.3%
Ending Fund Balance	0	0	107,210	105,585	-1.5%
TOTAL FUND RESOURCES	0	0	375,156	385,005	2.6%