

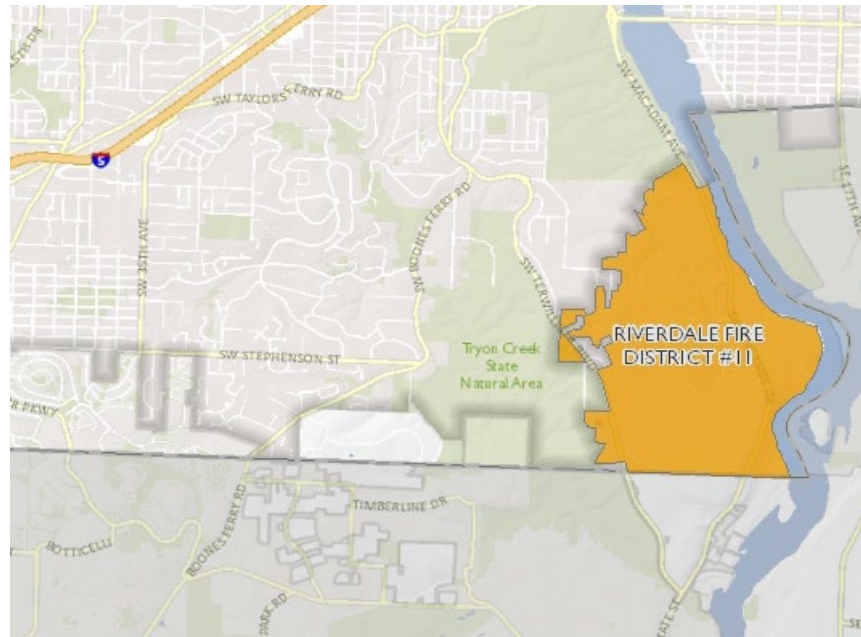
Budget Review 2022-23

Riverdale RFPD 11J



INTRODUCTION & BACKGROUND

Riverdale Fire District No. 11J serves an unincorporated area in southwest Multnomah County along the Willamette River between Portland and Lake Oswego and extends into Clackamas County.



The district is governed by five board members elected to four-year terms. Board members serve without compensation. The district owns no property or equipment. It contracts with Lake Oswego Fire Department for services and has no employees.

The district’s permanent property tax rate limit is not sufficient to pay for the fire service contract. As a result, the district has relied on a series of local option levies since 1999. The levy was last approved by voters in May 2019 for a five-year period (through FY 2023-24). The district has authority to levy up to \$0.50 per thousand but has historically levied \$0.25 per thousand and will do so again for the FY 22-24 budget.

Riverdale RFPD 11J	2018-19	2019-20	2020-21	2021-22
Assessed Value in Millions	\$765.0	\$792.6	\$818.2	\$844.4
Real Market Value (M-5) in Millions	\$1,145.7	\$1,175.9	\$1,140.1	\$1,240.3
Property Tax Rate Extended:				
Operations	\$1.2361	\$1.2361	\$1.2361	\$1.2361
Local Option for Operations	\$0.2500	\$0.2500	\$0.2500	\$0.2500
Total Property Tax Rate	\$1.4861	\$1.4861	\$1.4861	\$1.4861
Measure 5 Loss	\$-747	\$-758	\$-1,405	\$-1,618

BUDGET OVERVIEW

This district budgets on a biennial basis. The approved budget summary sheet at the end of this review splits the biennial budget into two fiscal years.

The district has only one fund, the General Fund. The total budget for the FY 2022-2024 period is \$3.9 million and \$2.6 million for the first year of the biennium (FY 22-23). The budget represents no major changes from typical spending to meet the district goals.

Riverdale Fire Approved Budget for FY 22-24

	1st Year 22-23	2nd Year 23-24	Total 2 Year Period 22-24
<u>Resources</u>			
Beginning Fund Balance	1,410,000	1,337,500	1,410,000
Property Taxes	1,224,000	1,260,720	2,484,720
Interest	10,000	10,000	20,000
Total Resources	2,644,000	2,608,220	3,914,720
<u>Requirements</u>			
Lake Oswego Fire Contract	1,219,000	1,264,000	2,483,000
Insurance and Bonds	5,000	5,000	10,000
Professional Services	5,000	5,000	10,000
Elections & Publications	1,500	1,500	3,000
Supplies	1,000	1,000	2,000
Contingencies	75,000	75,000	150,000
Ending Fund Balance	1,337,500	1,256,720	1,256,720
Total Requirements	2,644,000	2,608,220	3,914,720

REVENUES

Property taxes (a total of \$2.48 million for the biennium) and earned interest (\$10,000 per year, total of \$20,000 for the biennium) are the district's sole source of revenue. The voter approved local option levy makes up roughly 15 to 16% of total property tax revenue. The district maintains a high beginning fund balance, so even in the event of the voters choosing not to renew the levy, the district would be able to meet obligations for a number of years by spending down the fund balance. Total property taxes budgeted for FY 22-23 represent a slight decrease over last year's budgeted property taxes and as budgeted are just shy of covering contracted fire services and administrative costs. The difference is easily covered by the beginning fund balance.

EXPENDITURES

Expenditures are confined to payments for professional administrative services and the intergovernmental agreement with the City of Lake Oswego for fire service. Expenditures for FY 23

increased 4% from last year due to rising costs for these fire services as outlined in the contract agreement. Contracted fire services are also budgeted to increase by 4% between FY 23 and FY 24.

DEBT STATUS

The district has no debt.

BUDGET/STRATEGIC PLAN ALIGNMENT

District does not have a strategic plan, but the budget achieves the district's primary objective of paying for the fire services contract.

HIGHLIGHTS

- The district budgets on a biennial basis, and the total budget for the FY 2022-24 period is \$3.9 million, a 5% increase over the current budget of \$3.7 million.
- The majority of the budget funds contracted services with the City of Lake Oswego for fire services. The current contract was approved in 2019 and expires in 2024.
- Budget increases are primarily due to planned increases in City of Lake Oswego contracted service costs.
- The district will levy its full permanent rate of \$1.2361 and half of its \$0.5000 local option levy (\$0.2500).

BUDGET PROCESS & COMPLIANCE

Yes	No	Compliance Issue
X		Did the district meet publication requirements?
X		Do resources equal requirements in every fund?
N/A		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 2022-24 Budget is in compliance with local budget law. Estimates were judged to be reasonable for the purpose shown.

The district completes audits on an annual basis. The FY 2020-21 audit does not note any budget law violations.

CERTIFICATION LETTER RECOMMENDATIONS & OBJECTIONS

TSCC staff notes no deficiencies in the district's FY 2022-24 budget development process, and we suggest the certification letter contain no recommendations or objections.

Riverdale RFPD District 11J

Approved Budget Summary Sheet

	2019-20 Actual	2020-21 Actual	2021-22 Rev Bud	2022-23 App Bud	Budget % Change
SUMMARY OF ALL FUNDS					
Property Tax Breakdown:					
Permanent Rate Property Taxes	928,465	966,093	996,000	1,018,000	2%
Local Option Levy Property Taxes	188,000	192,000	216,000	206,000	-5%
Prior Years Property Taxes	22,000	22,000	20,000	0	-100%
Total Property Taxes	1,138,465	1,180,093	1,232,000	1,224,000	-1%
Resources:					
Beginning Fund Balance	1,286,453	1,349,574	1,279,500	1,410,000	10%
Property Taxes	1,138,465	1,180,093	1,232,000	1,224,000	-1%
Other Income	30,995	12,677	10,000	10,000	0%
TOTAL RESOURCES	2,455,913	2,542,344	2,521,500	2,644,000	5%
Requirements by Function:					
Public Safety	1,106,339	1,144,854	1,188,500	1,231,500	4%
Contingencies	0	0	75,000	75,000	0%
Ending Fund Balance	1,349,574	1,397,490	1,258,000	1,337,500	6%
TOTAL REQUIREMENTS	2,455,913	2,542,344	2,521,500	2,644,000	5%
Requirements by Object:					
Materials & Services	1,106,339	1,144,854	1,188,500	1,231,500	4%
Contingencies	0	0	75,000	75,000	0%
Ending Fund Balance	1,349,574	0	1,258,000	1,337,500	6%
TOTAL REQUIREMENTS	2,455,913	1,144,854	2,521,500	2,644,000	5%
SUMMARY OF BUDGET - BY FUND					
General Fund	2,455,913	2,542,344	2,521,500	2,644,000	5%
GRAND TOTAL ALL FUNDS	2,455,913	2,542,344	2,521,500	2,644,000	5%