



## Revenue

Mosier Fire's revenues are principally from the Mosier Fire District property tax base. For most districts, this revenue source is assumed to grow at 3%/year. Due to new construction, we forecast a greater than usual increase in this source for the next few years.

However, even with this tax base increase, to finance construction of the Mosier Center, we are also proposing a tax **rate** increase to \$2.00/\$1000 as described below; that rate should net us approximately \$300,000 in tax revenue for 2022/23.

We do not anticipate receiving much interest or vehicle sales revenues this year. The district is always looking for available grant monies and will take advantage of opportunities as they arise such as the annual VFA grant from the Oregon Department of Forestry along with other grants to assist with wildland equipment.

## Spending

Mosier Fire **spending** can be separated into three major categories: Operations, Joint Use Facility (JUF) Finance, and Capital Equipment Replacement.

For normal Operations, the Chief has streamlined the General Fund budget with new categories. As in prior years, most actual expenses in the budget remain unchanged from year to year. However, there are a few allocations that have decreased while others increased. This is due to the increase of cost of a majority of items. The specific line item budget categories changed this year in order to make the process easier for this year and years to come.

For the past several fiscal years, MFD's budget process has been to maximize the allocations for the requirements in the General Fund, and we are following precedent with our proposed Fiscal Year 2022-2023 budget. A percentage of the fund is retained each year for the following budget year. This is acknowledged best practice by the Oregon Department of Revenue and Taxation. The balance of preparedness, and prudent utilization of the fund, allows for both planned and unplanned expansion and contraction of expenses.

This year we are looking at a low-interest (2.16%) 30-year loan from Business Oregon for the Joint Use Facility / Mosier Center. The loan is structured as a line of credit that can be drawn up to \$800,000. In order to finance the loan, the district is looking at increasing the tax rate from \$1.65 to \$2.00 per \$1,000 of assessed value. Approval of this tax rate increase is a condition for approval of the loan. Currently the district has no other outstanding loans.

In addition, Mosier Fire has committed to pay \$915,000 from existing reserves towards the JUF construction costs, including UPRR funds and other monies. This year's budget has a new Mosier Center

Fund LB10 that appropriates these monies. This fund will also be used for proceeds from the Business Oregon loan.

The Chief and Board have developed a Capital Equipment Plan. Due to purchases using the Union Pacific derailment settlement monies, Mosier Fire should not need to purchase another engine or tender for several more years. That allows us to begin saving for replacement apparatus now.

A majority of purchases and acquisition of equipment over the last year were for day-to-day operational items not capital items and was covered by allocated and grant funds rather than Capital Reserve funds.

### **Additional Accounts Considerations**

Generally, Oregon law expects the district to maintain a separate fund for monies that have specific uses. Mosier Fire has maintained a number of such funds over the years. Accounting rules require that we keep these funds in our budget for two years after they no longer have any funds. Several funds have been or will be zeroed out, including the UP Equipment Reimbursement Fund, the Dry Hydrant Fund, the UP JUF Fund.

The Grant Fund has been used as a catch-all fund for various grants. Mosier Fire does not have any active grants entering this budget cycle, but there has been significant activity and budget amendments with the FEMA SAFER grant.