



CITY OF BEND

# **Fire Local Option Levy Update**

Todd Riley – Fire Chief

February 1, 2023

# Topics Covered

- Status of Existing Local Option Levy and Current Funding Sources
- The Need for a Levy
- Overview of Levy Survey Results
- Next Steps

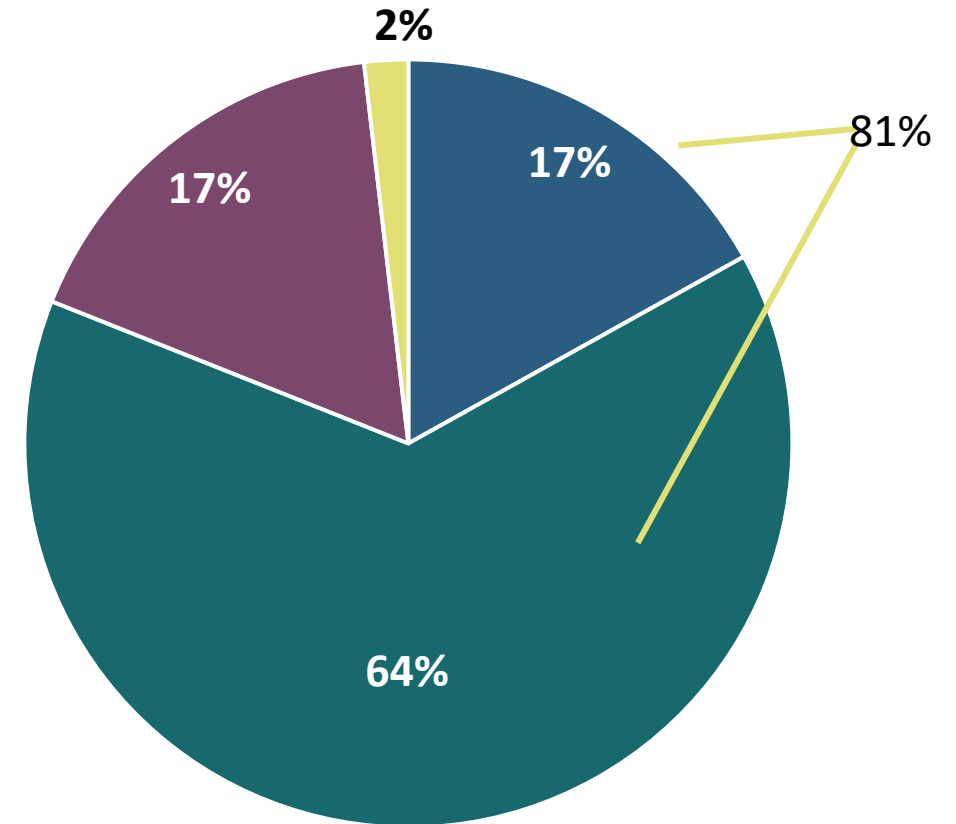
# Status of Existing Local Option Levy and Current Funding Sources

# Status of Current Fire Local Option Levy

- Current five-year levy is \$0.20/\$1,000 Taxable Assessed Value (TAV) and expires in June 2024
  - First five-year levy was adopted in 2014 and the rate was unchanged when it was renewed for a second five-year term
  - Increasing calls for service along with expense inflation pressures require an increase to the existing levy to maintain current staffing and service levels
  - Recommending an increase to the local option levy for the May 2023 ballot, a year ahead of the levy expiration date
  - Levy will be on the ballot as separate measures in the city and the district

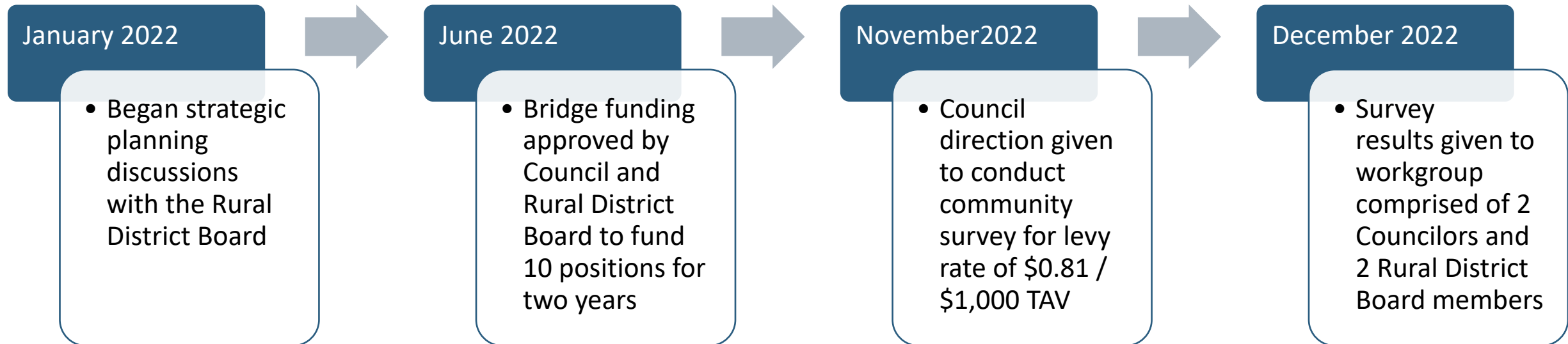
# Annual Operating Fire Funding Levels (FY20-29 Average)

- 81% of funding is from Property Taxes
- Current Levy @ \$0.20/\$1000 Taxable Assessed Value = \$3.5 million total annual funding
  - Rural District = \$0.7 million
  - City = \$2.8 million
- The “Other Funding” category includes room tax, grants, line sales, fire marshal plan review fees, medical memberships, etc.



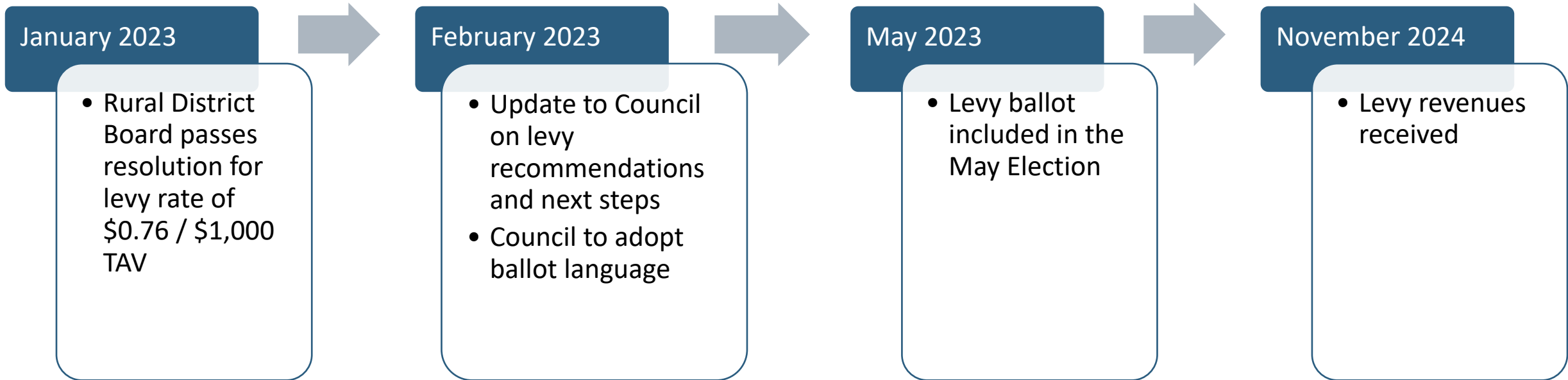
- Rural District Tax Funding
- City Property Tax Funding
- GEMT Program and Ambulance Billings
- Other Funding

# Local Option Levy Planning Timeline



*continued on next slide*

# Local Option Levy Planning Timeline – cont'd



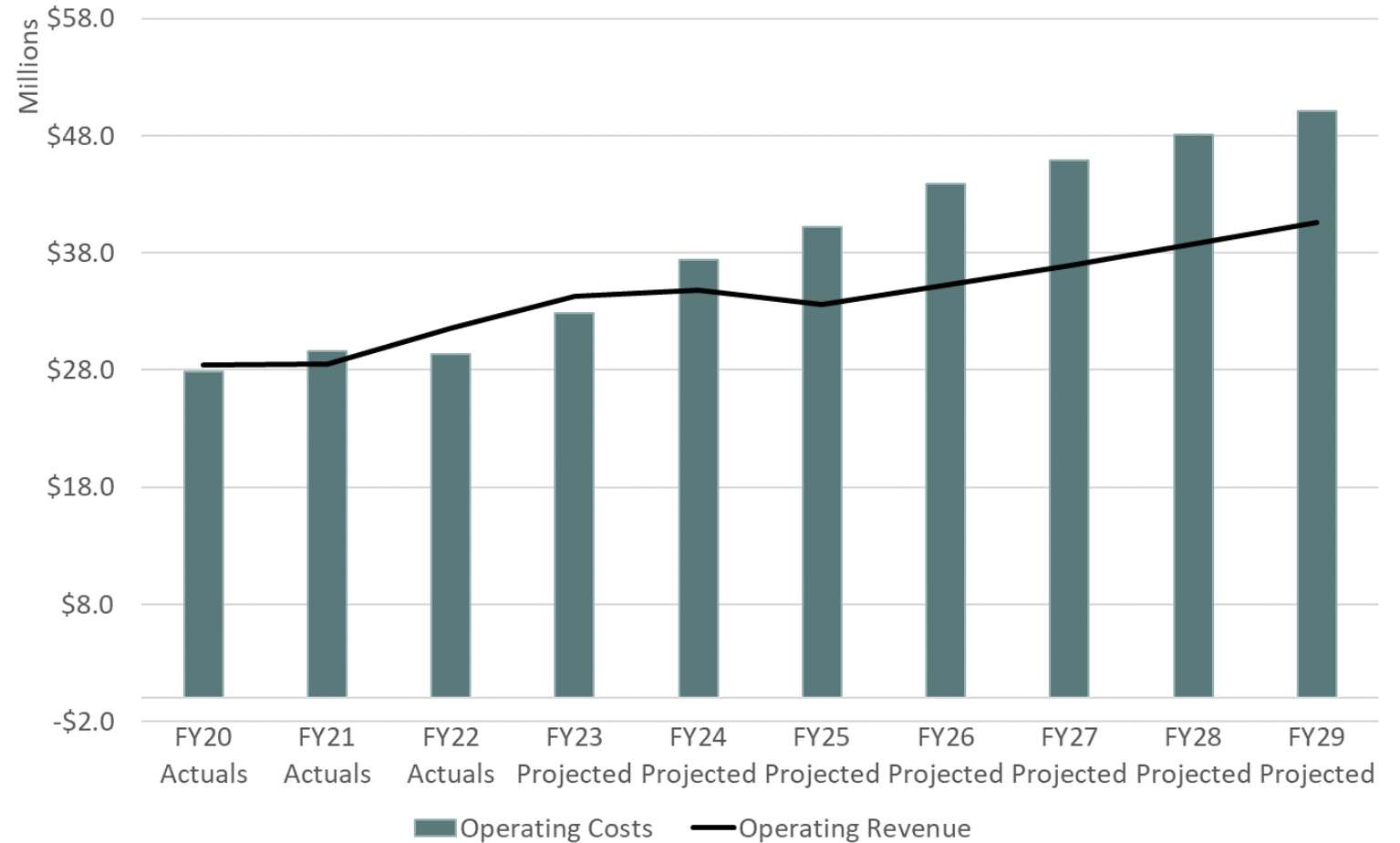
# The Need for a Levy



# Annual Fire Operating Costs

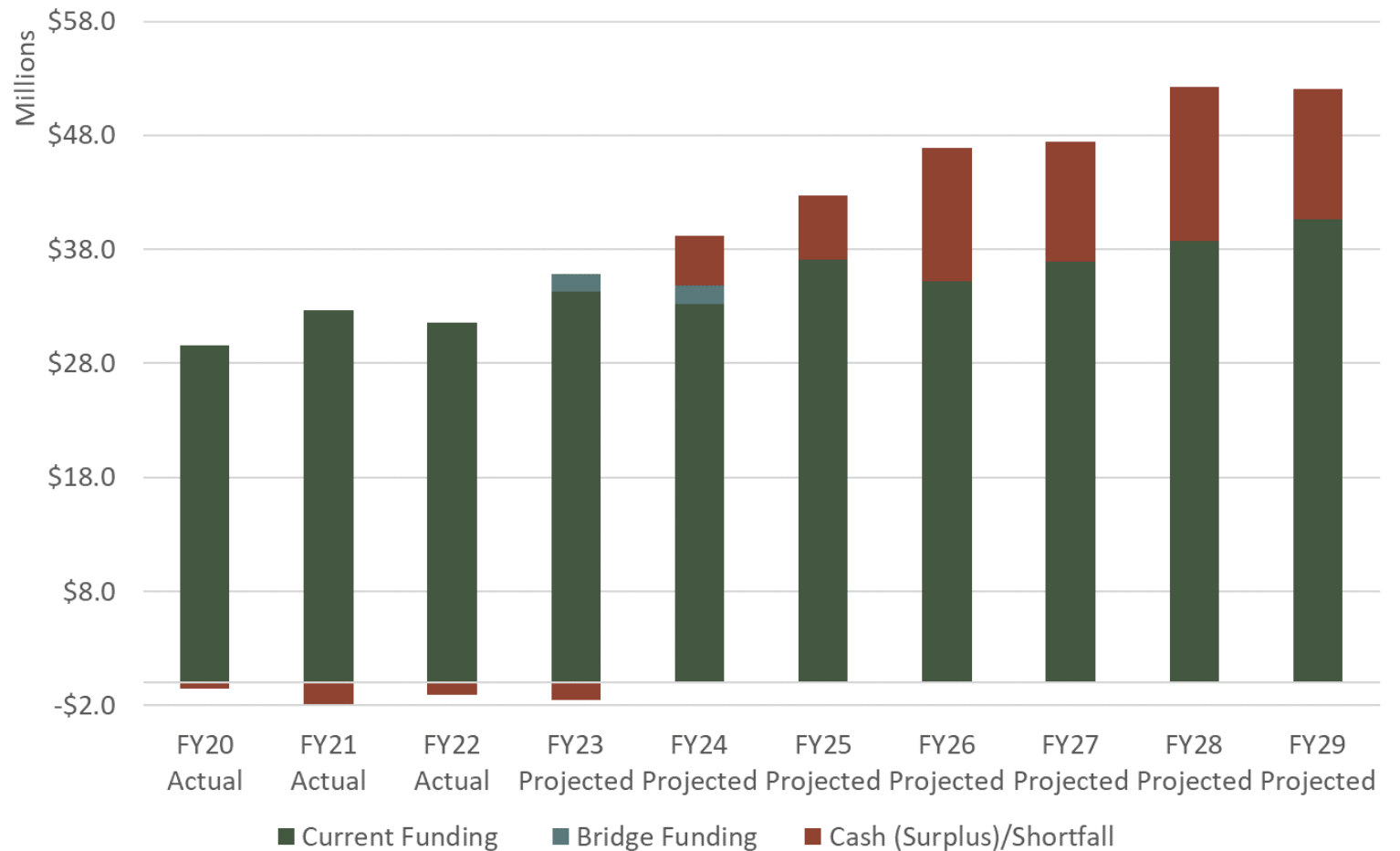
Costs are outpacing the increases in funding (FY25-FY29)

- Annual operating cost increase – 5%
- Annual operating revenue increase – 4.1%
- Revenue is primarily property taxes which is constrained by TAV



# Total Projected Costs at Current Staffing

- Levy at current levels is not sufficient to cover current staffing
- To maintain current staffing
  - An increase of approximately \$0.53/\$1,000 TAV
  - Total levy of approximately \$0.73/\$1,000 TAV
  - Projections will continue to be refined during the City’s biennial budget development process
- Annual cost of inflation will likely require a renewal of levy after this next five-year term at an increased level to cover inflation for the subsequent levy period



# Projected Costs at Current Staffing – Key Assumptions

- Includes 2022 addition of 9 firefighter/paramedics at Pilot Butte Station 6 + 1 business manager
- Incorporates current association contract
- 5.5%/5% annual increase in TAV for City (FY24/FY25)
- 6.2%/5.7% annual increase in TAV for RFPD (FY24/FY25)
- \$0.01 / \$1,000 of TAV reserved for maintenance
- No ongoing Ground Emergency Medical Transportation (GEMT) funding from insurance companies (approx. \$755k)
- 4% annual increase for billings



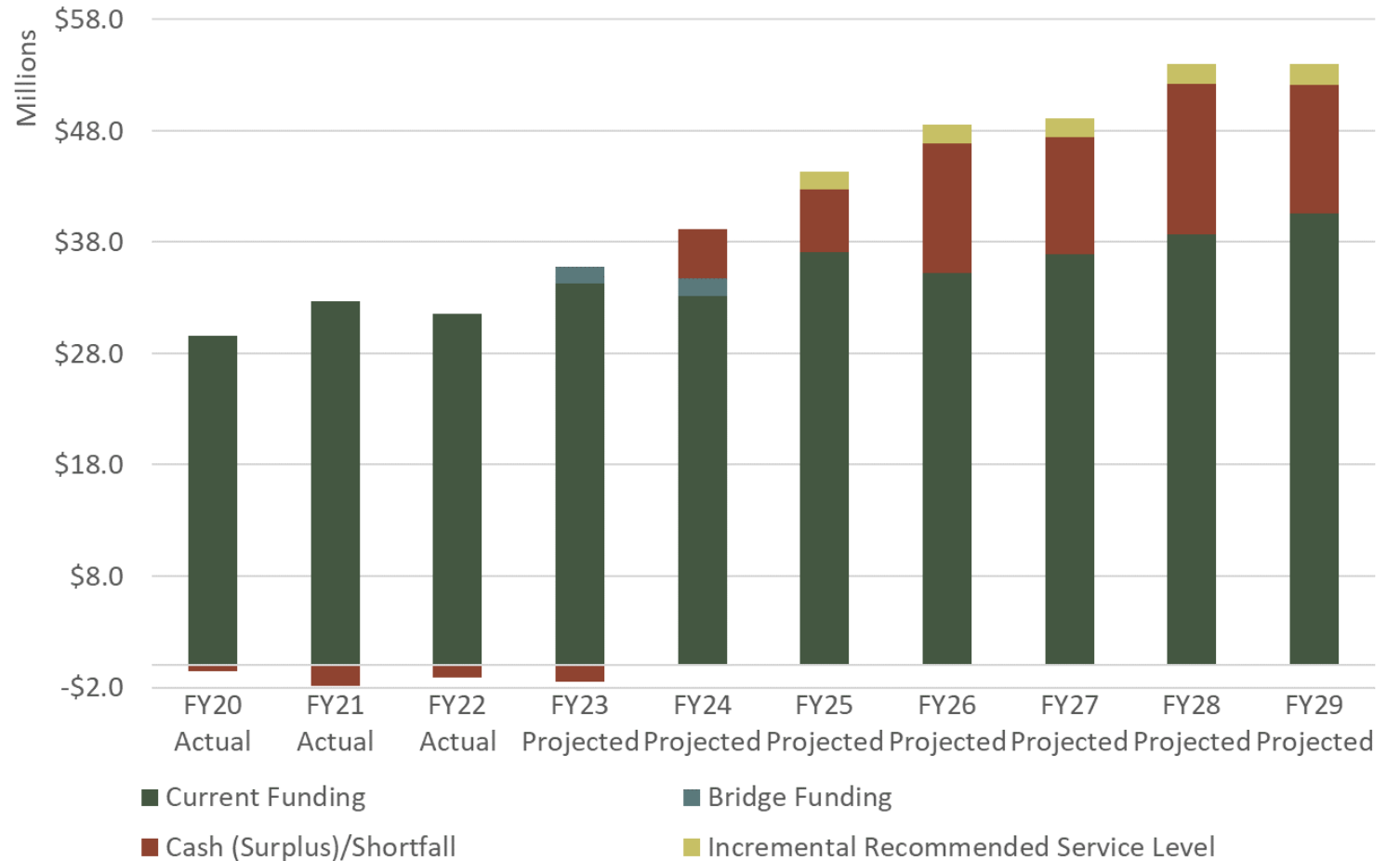
# Service Levels at Current Staffing

- Staffing Pilot Butte Station 6 with an Advance Life Support (ALS) engine.
- Cardiac resuscitation rate of 50%, which is well above the national average of 30%.
- Tiered EMS response system utilizing EMT-Basics for nonemergent calls for service.
- Service Response Vehicle staffed by a Deputy Fire Marshal.
- Emergency response time goals of 6 minutes in the City and 9 minutes in the Rural District are a key metric.

# Recommended Service Level and Levy Renewal

In addition to current staffing:

- Add 4<sup>th</sup> Advanced Life Support (ALS) ambulance
- Bring the Basic Life Support (BLS) system back to two 24-hour units
- Add one full time ambulance biller
- Additional annual costs of approximately \$1.5 million
- Additional Levy to cover = approximately \$0.03/\$1,000 TAV
- **Total 5-year Levy needed for Recommended Service Level = approximately \$0.76/\$1,000 TAV**

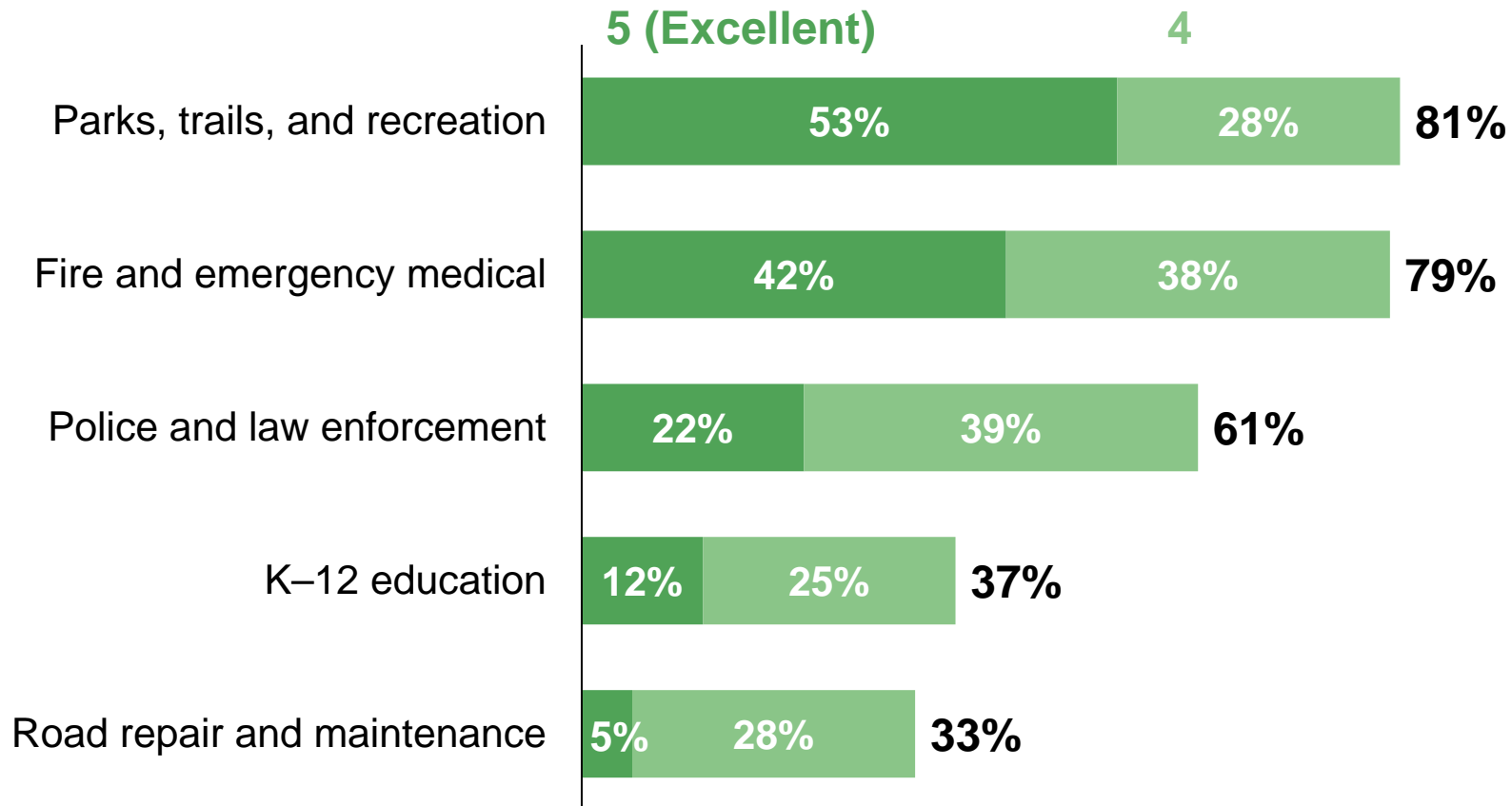


# Overview of Levy Survey Results

# DHM Levy Survey Overview

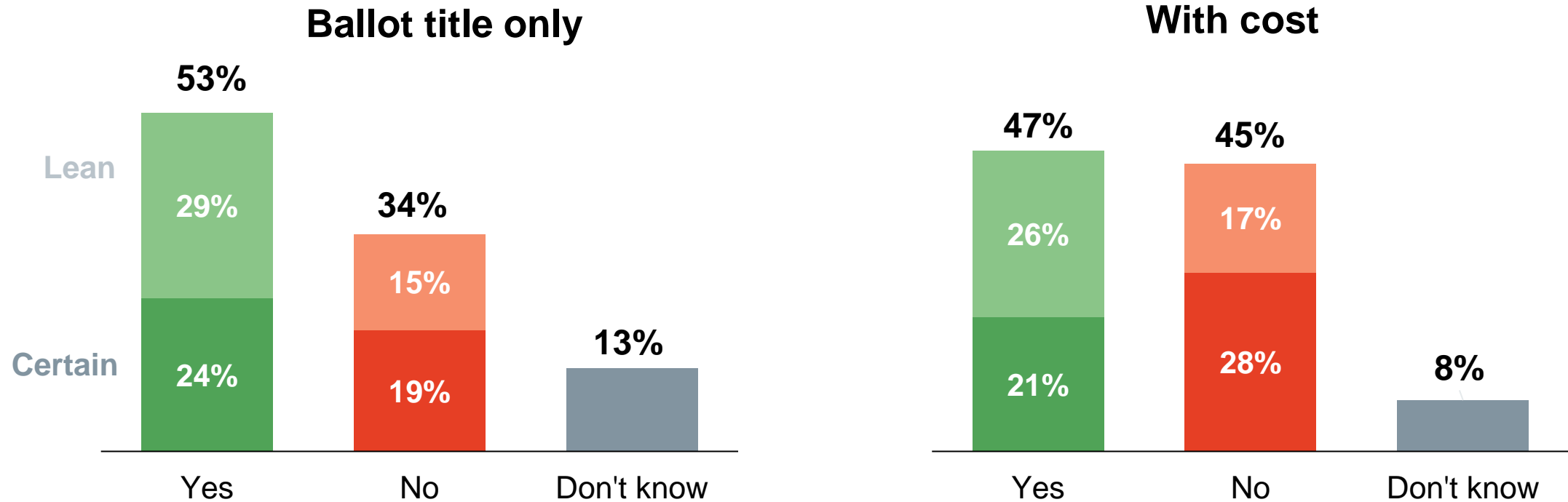
- Assess voter support for potential levy to fund fire and emergency services at a rate of \$0.81/\$1,000 TAV
- Surveyed 400 voters in the Bend and Deschutes County Rural Fire Protection District #2
- Margin of error  $\pm 4.9\%$

# Residents are highly satisfied with fire and emergency medical services in the community, second only to the area's world-class parks, trails, and recreation.

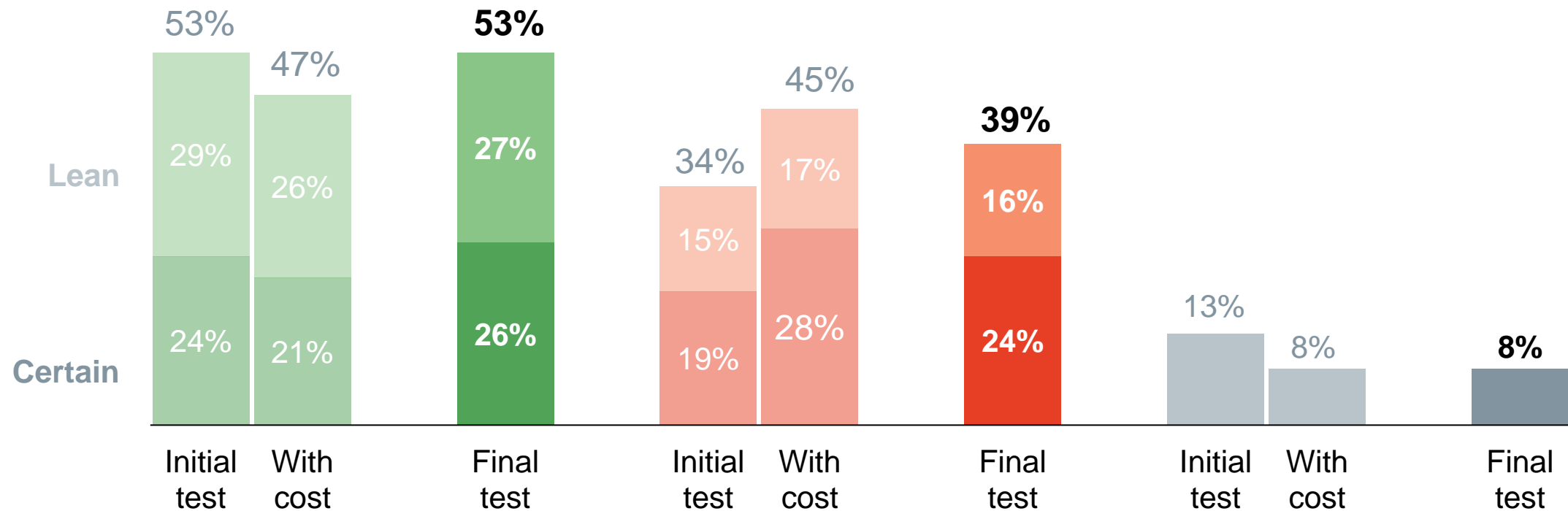




# Just over half of voters initially support the levy proposal, but support dips below 50% when they learn the cost.

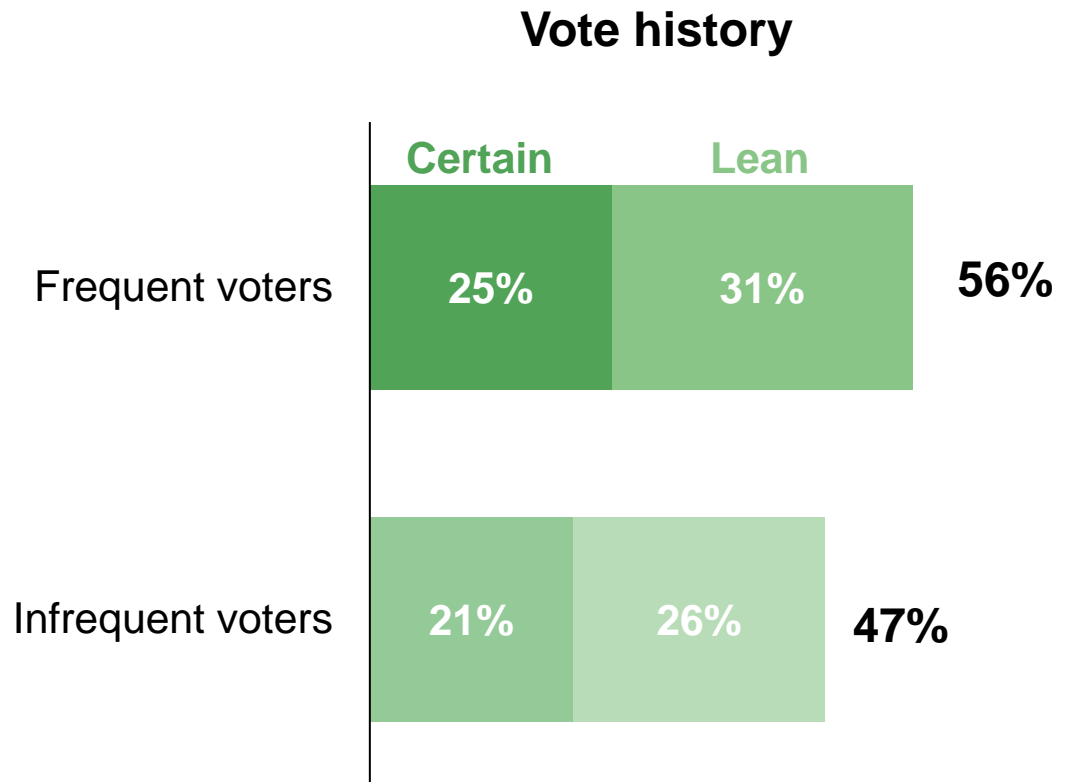
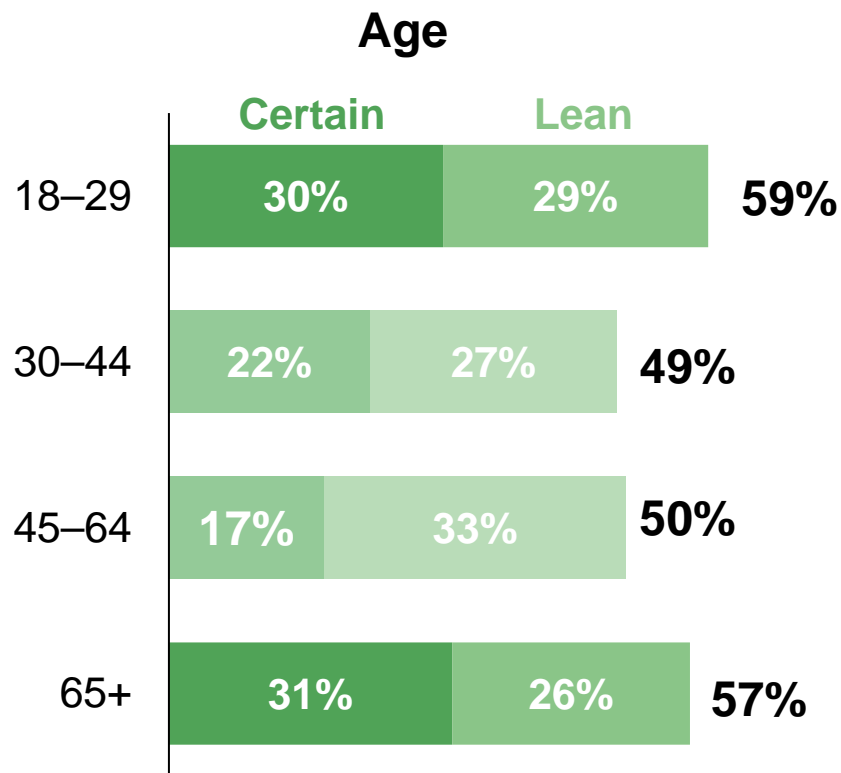


# Survey results indicate that with additional messaging, voter support rebounds to initial levels.



Source: DHM Research survey results ■ Yes ■ No ■ Don't Know

# Greater proportions of the youngest and oldest voters initially support the levy, along with frequent voters.



# DHM Levy Survey Key Takeaways

- Bend area voters are highly satisfied with their fire and emergency medical service.
- Initially, just over half of voters support the proposed levy, but support falls when they learn the annual cost.
- Support for the levy rises back up after voters hear messages for and against the measure.
- Frequent voters are more supportive of the levy and more persuaded by messages.

# Next Steps

# Next Steps

- City of Bend resolution to place local option levy on the May ballot on **February 15**
- Rural District Board resolution to place local option levy on the May ballot in **February 2023**
- Local Option Levy vote on **May 16, 2023**
- Funding at new levy amount will be collected and received in **Fiscal Year 2025**

# Accommodation Information for People with Disabilities



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