

# SUNRIVER SERVICE DISTRICT

## Mission Statement

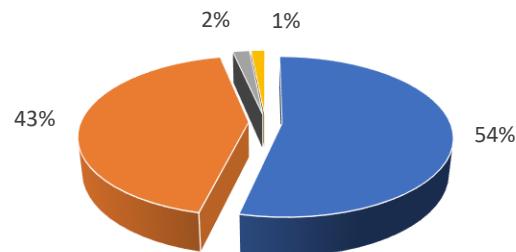
*Protecting life and property, fostering a sense of safety and security in the Sunriver community.*

## Overview

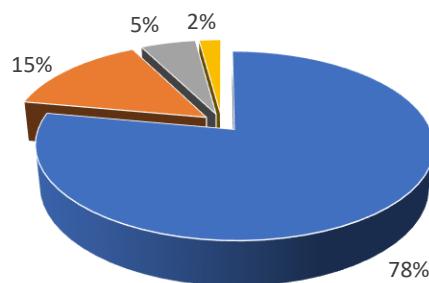
The Sunriver Service District was established in 2002 to oversee the Sunriver Fire and Police Departments for the unincorporated resort community in Deschutes County. The District provides Police, Fire, and EMS to the community and surrounding areas under the laws of the State of Oregon and a management agreement with Deschutes County. The District Managing Board meets monthly to conduct business, ensuring professional delivery of public safety services to the community of Sunriver.

A seven-member Board oversees the budget, sets policy for the District, and is responsible for hiring the Police and Fire Chiefs, and a Board Administrator, to manage day-to-day operations. The Board is also responsible for negotiating labor contracts for both departments.

RESOURCES - For FY22/23



REQUIREMENTS - For FY22/23



# **Successes and Challenges**

## **Success in the Past Year**

The Sunriver Police and Fire Departments continue to focus on Emergency Preparedness. Collaborators in Sunriver are separate, private entities that come together under the leadership of the District to be ready in case of an emergency. Partners, both internal and external, including Deschutes County Emergency Management, Sunriver Resort, Sunriver Homeowner's Association (SROA), Sunriver Village, U.S. Forest Service, Project Wildfire, ODOT and others, are important entities to include in this collaboration. Wildfires or railway incidents are the greatest threat to the community. Comprehensive messaging is done in partnership with SROA to ensure the residents and guests are prepared in the event of an emergency. An emergency operations drill is held annually to test the resources and cooperation of these entities. In 2021, the drill was canceled due to COVID restrictions, but internal training with staff continued as well as dialogue with partners.

Police Chief Cory Darling and Fire Chief Tim Moor both work diligently to provide professional public safety. As with everyone, COVID had a significant impact to how services were delivered in 2021. There were no gaps in the delivery of emergency services, but community outreach and connection opportunities were impacted. The volume of visitors to Sunriver was strong throughout the year. People did not travel far from home, which resulted in a high volume of vacationers from Oregon, Washington, and California to Sunriver.

The Sunriver Police, in conjunction with SROA, implemented a rental registry (non-mandatory) and established new rules outlining expected behavior for Sunriver guests. The registry gives Sunriver Police contact information for homeowners and rental agencies on an individual home basis. This gave officers the ability to inform rental agencies and non-resident homeowners about problems at their residence before it is designated a "nuisance property" and fined by SROA. The program has been a great success, as many issues are being resolved before the home is designated as a nuisance property.

The Sunriver Police Department was reaccredited by the Oregon Accreditation Alliance. In addition, Sergeant Stephen Lopez attended the FBI National Academy in Quantico, Virginia. This unique and prestigious program accepts approximately the top 1% of law enforcement leaders from the United States and allied foreign countries. Sergeant Lopez also brought back to Sunriver the coveted "yellow brick" award for his excellence in completing various physical tests, such as a 6-mile Marine Corps obstacle run. Lastly, in 2021, Sunriver Police Department was presented

with the 2020 Lexipol Gold Status for Excellence in Law Enforcement Policy Management award. To achieve this status a department must update and issue policies to members, read and answer daily training bulletins, and all members must acknowledge issued policies.

In 2021, Sunriver Firefighters participated in 3,866 hours of training, leading to over 35 professional training certificates being awarded to the department. These hours represented an average training of 168 hours per employee. In addition, Captain O'Keefe applied and received a grant on behalf of the tri-county area from Homeland Security. The grant was for the purchase of Personal Protective Equipment (PPE) as part of the regional preparedness to active threat incidents. The grant awarded \$37,000 for the purchase of ballistic vests for departments throughout the region. Additional medical equipment was also purchased through the grant for agencies in Deschutes, Jefferson, and Crook counties. Lastly, Engineer Robert Redden retired in October 2021 from the department, after nearly 22 years of service to the Sunriver community.

In FY 21/22, the Board approved funding for an additional Firefighter/Paramedic. Sunriver Fire Department uses a three-platoon system, and there was not enough FTE's to provide equal staff on each shift. Therefore, when someone was sick or on vacation the department used overtime to fill the vacancy. This additional Firefighter/Paramedic will balance out the three shifts and provide for efficiencies and cost savings.

Call volume for services from both the Sunriver Police and Fire remain consistent with previous years.

The District has begun the process of researching the construction of a new Public Safety Facility to house both Sunriver Police and Fire. An architectural firm was hired, and a new building concept was developed between police and fire personnel, administrative staff, members of the community, and the District Board. The cost of the new facility will not exceed \$18 million. The District also initiated a funding campaign, securing \$8 million in funds from the Deschutes County unallocated transient room tax (TRT) fund. The District will also contribute \$3 million from its existing operating fund working capital (Fund 715). Lastly, the District received approval to take a 10-year Capital Improvement Levy (\$0.47 per \$1,000 of tax assessed value) to Sunriver registered voters on May 17, 2022. This levy will repay a \$7 million, 10-year commercial bank loan for construction and will be funded upon an approved, certified vote. The fire station building, currently owned by SROA, will be transferred to the District at a nominal cost prior to the loan origination in June 2022. SROA will continue to hold ownership of the land occupied by the Public Safety Building.

## **Significant Issues in the Year Ahead**

The Sunriver Service District remains financially strong with operating working capital beginning FY21/22 at \$6.9 million and a projected year-end balance of \$6.2 million. During FY21/22, \$1.5 million was transferred from the operating working capital (Fund 715) to the capital reserves (Fund 716). This was done to supplement capital reserves due to the results of a reserve study concluded in FY20/21. Capital reserves are sufficient to meet the District's needs over the next 15+ years.

District personnel and the Board hope to be heavily involved in the construction of a new Public Safety Facility in FY22/23. This would house both the Sunriver Police and Fire Departments in one building, by remodeling and adding on to the current fire station. Fire/paramedic personnel and equipment will be relocated during the construction phase. Police services will experience only minor disruption as they are currently located in a separate facility. It is anticipated that construction will be completed in FY23/24, pending the hiring of a project manager and general contractor, and no major disruptions.

Tourism in Sunriver is anticipated to remain strong in FY22/23, resulting in challenges to provide public safety to the community during peak months. There are approximately 1,500 full-time residents, and the population can swell to 20,000+ during peak vacation times. It is expected the summer of 2022 will be as busy as last year.

Lastly, union contract negotiations for fire and police are on a 3-year cycle. This cycle fell during FY 21/22 and assumed financial impacts are incorporated in the FY 22/23 budget.

## Sunriver Service District Operating Fund (Fund 715)

\$(1000's)	Actual FY20/21	Budgeted FY21/22	PROP. BUDGET FY22/23	FY22/23 Budget vs FY21/22 Budget Amount - \$	% Change
Property Taxes	\$5,151	\$5,352	\$5,523	\$171	3.2%
Net Ambulance/GEMT	211	194	243	49	25.0%
Interest Income	57	62	40	(22)	-35.5%
All other	460	165	161	(4)	-2.4%
<b>Total Revenue</b>	<b>\$5,878</b>	<b>\$5,774</b>	<b>\$5,967</b>	<b>\$193</b>	<b>3.3%</b>
Personnel Costs	\$4,077	\$4,382	\$4,687	\$305	7.0%
Materials & Services	754	806	876	70	8.6%
Transfers to Reserves	339	1,500	325	(1,175)	-78.3%
<b>Total Expenditures</b>	<b>\$5,169</b>	<b>\$6,689</b>	<b>\$5,888</b>	<b>(\$800)</b>	<b>-12.0%</b>
Net Operating Income	\$709	(\$915)	\$78	\$994	
Contingency	500	75	(425)		
<b>Increase (Decrease) in WC</b>	<b>\$709</b>	<b>(\$1,415)</b>	<b>\$3</b>	<b>\$1,419</b>	
<b>Ending Net Working Capital</b>	<b>\$6,921</b>	<b>\$5,537</b>	<b>\$6,241</b>		

The Operating Fund (Fund 715) is used to support operations. The District's main source of revenue is property taxes. The District has maintained the same tax rate of \$3.31 per \$1,000 tax assessed valuation since 2010 and will continue the same rate in FY22/23. The maximum allowed rate is \$3.45 per \$1,000 of tax assessed valuation for all Sunriver properties. The remainder of the District's revenue is generated from medical/ambulance charges, court fines, fees, and interest earnings. A reserve study was conducted in FY20/21 and it was determined the District was under-reserved, resulting in a one-time transfer of \$1.5 million from the operating working capital (Fund 715) to the capital reserves (Fund 716).

## Sunriver Service District Reserve Fund (Fund 716)

\$ (1,000's)	Actual	Budgeted	Prop. Budget	FY22/23 Budget vs FY21/22 Budget	
	FY20/21	FY21/22	FY22/23	Amount - \$	% Change
Interest Revenue	\$6,205	\$6,500	\$10,000	\$3,500	53.8%
Interfund Transfers	\$338,750	\$1,500,000	\$325,000	-\$1,175,000	-78.3%
Sales of Assets, Land or Equip	\$10,000	\$7,500	\$24,000	\$16,500	220.0%
<b>Total Revenue</b>	<b>\$354,955</b>	<b>\$1,514,000</b>	<b>\$359,000</b>	<b>-\$1,155,000</b>	<b>-76.3%</b>
Capital Outlay	\$185,487	\$396,302	\$138,253	-\$258,049	-65.1%
<b>New Reserves</b>	<b>\$169,468</b>	<b>\$1,117,698</b>	<b>\$220,747</b>	<b>-\$896,951</b>	<b>-80.2%</b>
Contingency	\$0	\$250,000	\$75,000	-\$175,000	-70.0%
<b>Increase in Working Capital</b>	<b>\$169,468</b>	<b>\$867,698</b>	<b>\$145,747</b>	<b>-\$721,951</b>	<b>-83.2%</b>
<b>Ending Net Working Capital</b>	<b>\$1,079,676</b>	<b>\$1,910,179</b>	<b>\$2,549,626</b>	<b>\$639,447</b>	<b>33%</b>

The Reserve Fund (Fund 716) is used to support capital asset replacement and new acquisitions, such as vehicles, operating equipment, and facility assets with a lifetime of less than 30-years.

The District conducted a reserve analysis in FY20/21, which indicated reserves were not adequate to meet the District's future needs, based entirely on replacing existing assets when they reached their expected end-of-life. This resulted in a \$1.5 million contribution to the fund in FY21/22 from the operating working capital (Fund 715). Current analysis indicates the fund balance, with a \$325,000 annual investment (increased by 3%/year), will meet the District's capital reserve needs for the next 15+ years.

## Sunriver Public Safety Facility Fund (Fund 717)

	Prop. Budget FY22/23
<b>Beginning Working Capital</b>	<b>\$0</b>
Deschutes County TRT Funds	\$4,000,000
Loan Receipt	\$7,000,000
Interest Income	\$110,000
Levy Proceeds	\$799,018
<b>Total Proceeds</b>	<b>\$11,909,018</b>
Planning / Design	\$1,069,469
Construction	\$2,552,730
Soft Cost	\$1,538,912
Loan Payment	\$783,333
Contingency	\$500,000
<b>Total Expenses</b>	<b>\$6,444,444</b>
<b>Net Change in Resources</b>	<b>\$5,464,574</b>
<b>Ending Working Capital</b>	<b>\$5,464,574</b>

The Public Safety Building Fund (Fund 717) will be used to track all revenue and expenses associated with the design, construction, and outfitting of the new Sunriver Public Safety Building. Construction activity will continue in FY23/24, with completion expected in early 2024.

**Bill Hepburn, Chair**

**Sunriver Service District Managing Board**