

# ANNUAL BUDGET

Fiscal Year 2024



Harris County  
Emergency Services  
District 9



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Cy-Fair Fire Department  
Texas**

For the Fiscal Year Beginning

**January 01, 2024**

*Christopher P. Morill*

**Executive Director**

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# Executive Summary

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**To:** HCESD9 Commissioners, Cy-Fair Community, and Members of the Cy-Fair Fire Department

**From:** Fire Chief Amy Ramon

**RE:** **Annual Budget for 2024 Executive Summary**

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The mission of the Cy-Fair Fire Department is to *“Make a positive impact through professionalism and dedication in order to deliver a service that is second to none to the Cy-Fair Fire Department Community we serve.”*

Through good stewardship of community resources, HCESD9 has built an award-winning department that is one of the fastest-growing in the nation. The department has evolved with the growing needs of our Cy-Fair Community. Our EMS division is repeatedly awarded the highest customer service scores in the country. Our dispatch center is one of only two centers in the state accredited for fire and EMS dispatching. We are the employer of choice for firefighters and paramedics in the Houston Metro market. Our fleet, facilities, and administration teams experience minimal turnover. With cutting-edge IT and radio networks, our department is prepared for any ‘all hazards’ response. The service our members deliver is genuinely second to none.

In alignment with this mission, we are pleased to present the Annual Budget for Fiscal Year 2024 (FY24) for Harris County Emergency Service District No. 9 (HCESD9), the Cy-Fair Fire Department. The Annual Budget for FY24 is prepared per the Government Finance Officers Association’s (GFOA) budgeting best practices specifications. This budget document conveys to the public, members, and elected officials the department’s continued commitment to fiscal responsibility and transparency.

## **Performance Audit and Deployment Study**

In 2022, the Commissioners of HCESD9 requested a study of the department by a third-party independent firm, and a bid for services was solicited. After thoroughly evaluating the responses, the Commissioners selected Citygate & Associates (Citygate). Citygate evaluated all facets of the organization, including but not limited to administration, finance, operations, and logistics. Citygate also conducted a detailed Statistical Analysis, Standard of Cover (Deployment), and a comprehensive Risk Assessment.

Citygate's complete draft analysis and report was distributed to the Commissioners on September 19th at a public workshop. The Annual Budget for FY24 was created to take action on critical findings in the Citygate report.

## **Key Strategic Goals and Objectives for the Annual Budget for FY24**

In 2024, the District will focus on the following goals and objectives based on Citygate's Strategic Plan.

### **Goal 1: A Deployment Model Providing Equity of Access and Response Performance for all Developed Areas of the District**

Strategy 1A—Adopt Formal Response Performance Measures

*Objective 1A-1: Adopt comprehensive performance measures in conformance with recognized best practices to aid deployment expansion and to monitor equity of response performance across the District.*

*Objective 1A-2: Monitor response performance against established measures at least quarterly.*

Strategy 1B—Provide Additional Stations to Serve Underserved Developed Areas of District

*Objective 1B-1: Fund, construct, and staff at least three additional stations in the central developed areas of the District as outlined in Scenario #1 of Volume 2 (Map Atlas) of the 2023 Fire Services Master Plan, Community Risk Assessment, Standard of Cover, and Compliance Audit study.*

Strategy 1C—Plan to Provide Additional Stations to Serve Emerging Growth Areas of the District

*Objective 1C-1: Establish trigger points to plan, fund, construct, and staff at least five additional stations in the emerging growth areas of the District, principally in the western and the northern regions as outlined in Scenario #1 of Volume 2 (Map Atlas) of the 2023 Fire Services Master Plan, Community Risk Assessment, Standard of Cover, and Compliance Audit study.*

Strategy 1D—Add Peak Hour Ambulances

*Objective 1D-1: Fund and staff up to three (3) 12-hour ambulance units daily during peak demand hours and an additional 24-hour ambulance.*

### **Goal 2: Headquarters Staffing Capacity to Appropriately Support the Response Organization**

Strategy 2A—Additional Headquarters Staffing

*Objective 2A-1: Fund and hire additional headquarters personnel to provide additional needed support capacity as outlined in Section 3 of Citygate's 2023 Fire Services Master Plan, Community Risk Assessment, Standard of Cover, and Compliance Audit study.*

Strategy 2B—Employment Agreements for Department Executive Staff

Objective 2B-1: Negotiate employment agreements for the Department's executive chiefs to facilitate employment security and retention.

**Goal 3: Fiscal Planning, Policies, and Transparency**

Strategy 3A—Fiscal Policies and Procedures

Objective 3A-1: Develop and maintain a comprehensive set of fiscal policies and accounting procedures in conformance with the recommended best practices of the Government Finance Officers Association.

Strategy 3B—Long-Range Fiscal Planning

Objective 3B-1: Develop and maintain a long-term fiscal projection and planning model to focus on fiscal health and stability.

Strategy 3C—Fiscal Reserve Policy

Objective 3C-1: Adopt a fiscal reserve policy establishing fund balance or reserve fund designations with related use policies in conformance with recommended best fiscal practices for public agencies.

Strategy 3D—Fraud Prevention

Objective 3D-1: Establish a toll-free fraud prevention hotline to report suspected fiscal fraud.

Objective 3D-2: Establish procedures to investigate and report findings of suspected fiscal fraud.

**Goal 4: Improved Organizational Systems and Processes**

Strategy 4A—Improve Internal Communications, Coordination, and Collaboration

Objective 4A-1: Develop and implement an organizational Communications Plan to enhance effective collaboration, coordination, and communication among and between all divisions.

## **Growth**

Accelerated growth and the continued development of our community continue to be the dominant force driving the Department's strategy. The financial impact of these protracted growth trends cannot be diminished. Growth is the number one factor affecting this budget. The growth challenge is two-fold. The first challenge is the continued increase in Operations and Maintenance (O&M) costs, including personnel costs. The second is long-term capital expenditures. Citygate has recommended to the District to build at least eight (8) additional fire stations in the next eight (8) years, in addition to moving Station 10 and finishing the construction of Stations 1 and 6.

With this projected expansion, it is imperative to fully communicate the cost of both O&M and capital expenses that the district will face. Based on conservative staff estimates, land for each new station will cost an estimated \$2 million, and each new station will cost

\$10 million for construction and \$615,000 for design. Using 2024 pricing, the cost of one fire engine fully outfitted and ready to respond is \$1,435,850, and a fully equipped and prepared-to-respond medic unit is \$716,330. Using 2024 rates, annual salary and benefits costs for one engine company are estimated at \$1,624,028, and for one medic unit are \$888,179.

Table 1 provides an estimate of capital costs to add eight stations.

Table 2 estimates recurring personnel costs for eight engines and eight medic units.

The total cost represented in both Tables below is \$138.2 million. Over \$20 million in annual recurring Wage and benefit costs at 2024 wages, which will likely increase over time.

|              | Land         | Construction | Engines      | Ambulances  | Total Capital Costs |
|--------------|--------------|--------------|--------------|-------------|---------------------|
| (1) Station  | \$2,000,000  | \$10,615,000 | \$1,435,850  | \$716,330   | \$14,767,180        |
| (8) Stations | \$16,000,000 | \$84,920,000 | \$11,486,800 | \$5,730,640 | \$118,137,440       |

Table 1 – Capital Expense for both 1 station and eight stations.

|              | Firefighters | Paramedics  | Total Personnel Costs |
|--------------|--------------|-------------|-----------------------|
| (1) Station  | \$1,624,028  | \$888,179   | \$2,512,207           |
| (8) Stations | \$12,992,224 | \$7,105,432 | \$20,097,656          |

Table 2 – Recurring Wages, Taxes, and Benefits for staffing one and eight stations.

The Department recognizes that new businesses and homes will generate additional revenue. Still, there will be a lag between the fire safety need for these additional stations and when additional revenue is generated. The District's fund balance will supplement this gap. According to Citygate's report, the Department is in a sound financial position with additional considerations needed for a fully developed and implemented capital improvement plan.

## **Revenue**

HCESD9's budget reflects most of its revenue from the following sources:

- Ad Valorem property taxes
- Sales/Use tax
- EMS fees

### **Ad Valorem Property Tax**

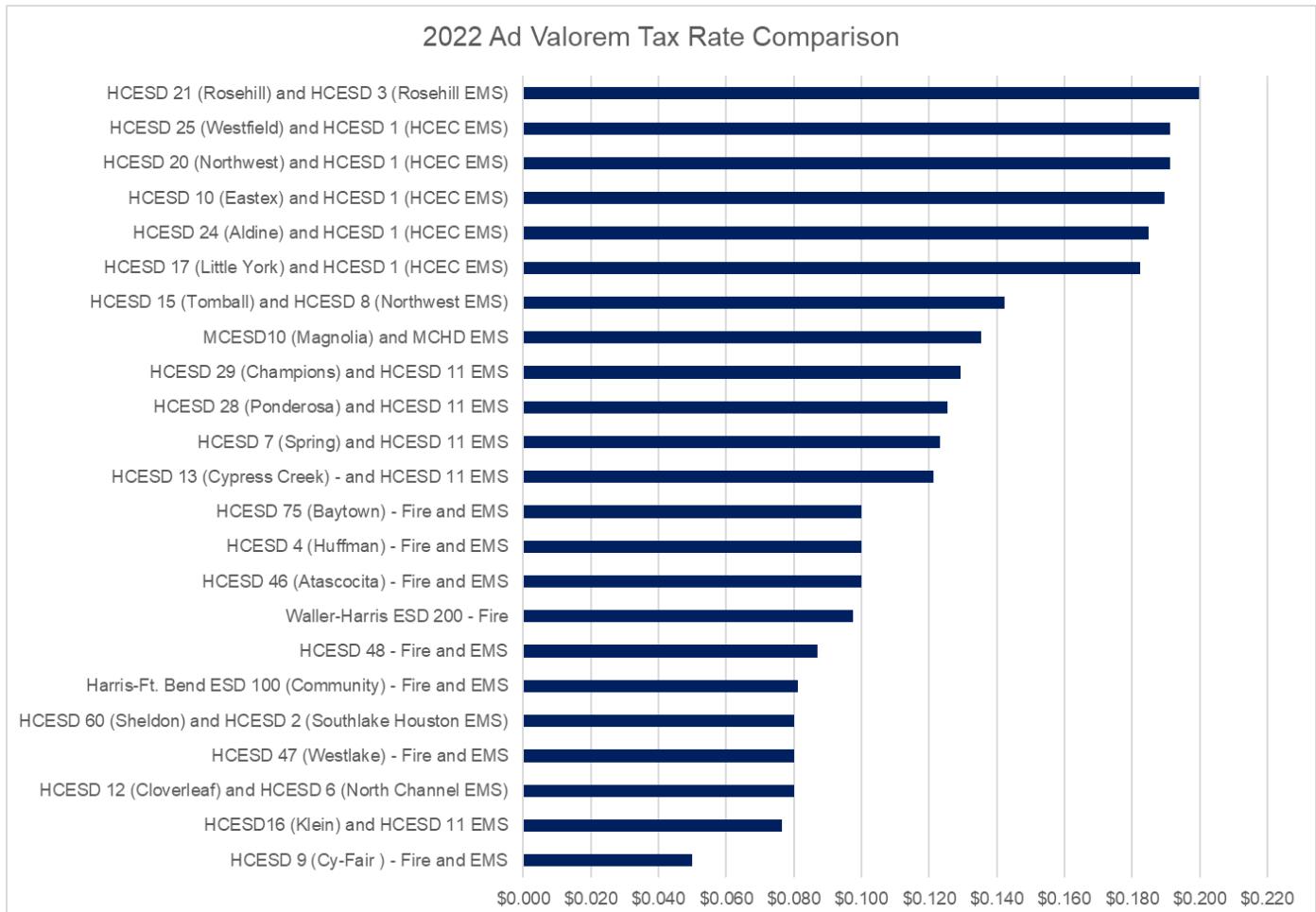
Ad Valorem Property Tax rate setting is a function of the Commissioners of HCESD9.

The safety of our community and the timely and effective response to fire and emergency medical incidents remain the focus of the Department's leadership. Tax revenue is necessary to provide the service our community expects and deserves. The current (2022) ad valorem property tax rate for HCESD9 is \$.049984 per \$100 assessed valuation. HCESD9 has one of the lowest ad valorem tax rates while providing fire and EMS services.

For the second year in a row, the HCESD9 Commissioners adopted the No New Revenue (NNR) tax rate, lowering the tax rate for our community to \$.044360 per \$100 assessed valuation for the 2023 ad valorem property tax rate.

Harris County Appraisal District is a political subdivision of the State of Texas established to appraise property for ad valorem tax purposes.

The chart below compares HCESD9's FY22 ad valorem property tax rate to the ad valorem property tax rate of other area departments. HCESD9 remains the lowest ad valorem tax rate, providing fire and EMS.



**Figure 1- Ad Valorem Property Tax Rate Comparison for Fire & EMS Services**

The following table reflects the District's property tax levy rates since 2017.

| Property Tax                      | 2017    | 2018    | 2019   | 2020     | 2021     | 2022     | 2023    |
|-----------------------------------|---------|---------|--------|----------|----------|----------|---------|
| Levy per \$100 property valuation | 0.05271 | 0.05271 | 0.0598 | 0.059492 | 0.057628 | 0.049984 | 0.04336 |
| Change                            |         | 0.00%   | 13.45% | -0.52%   | -3.13%   | -13.26%  | -13.25% |

Table 3 – Ad Valorem Property Tax Levy History (2017 – 2023)

Figure 2 is a graphical representation of Table 3.

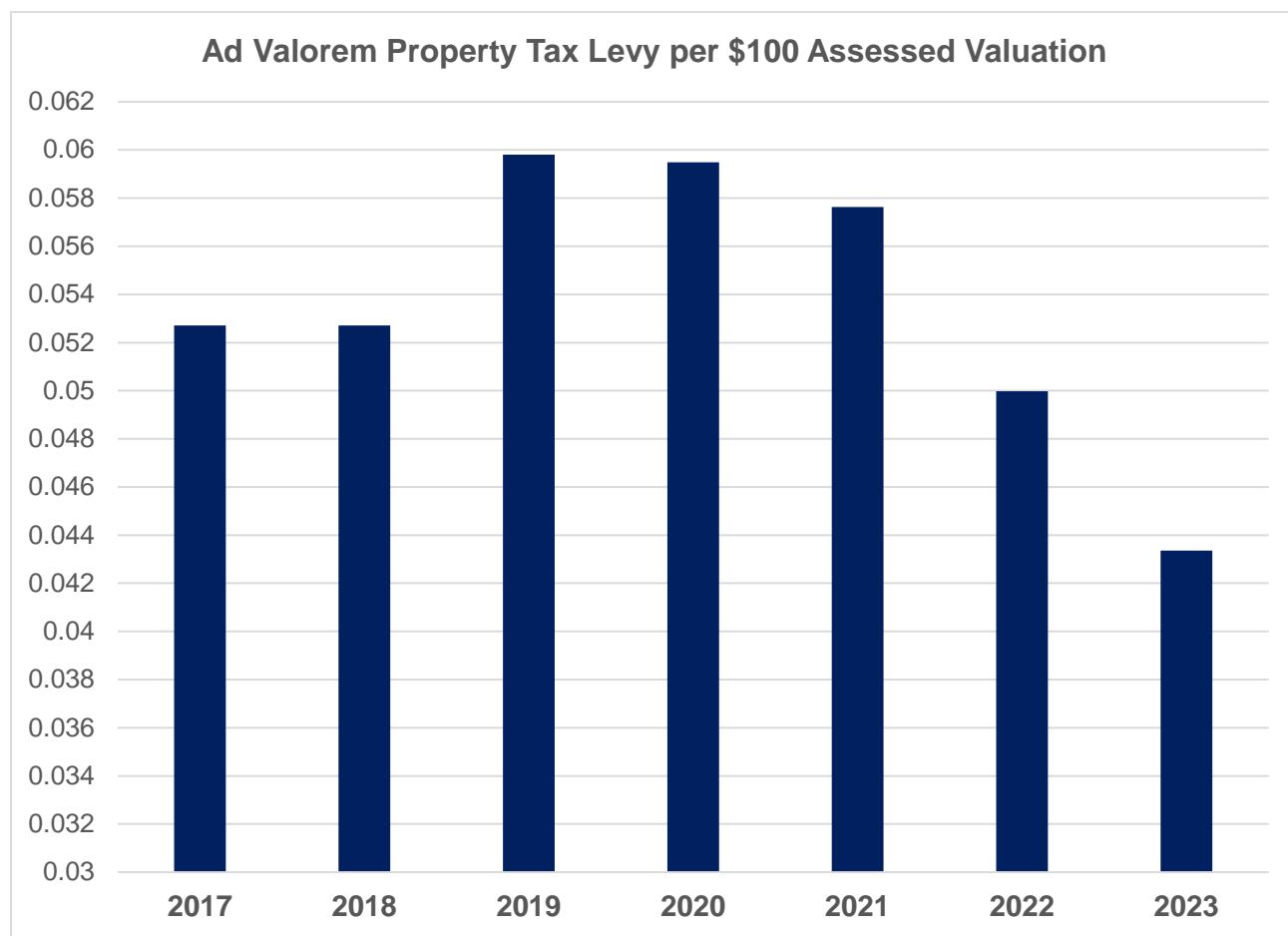


Figure 2 – Ad Valorem Property Tax Levy per \$100 Assessed Valuation Over Time

Property tax revenues have averaged approximately \$24.7 million from 2019 through 2022. Budget versus actual property tax revenue collection variances have averaged roughly 2.1 percent annually between 2019 and 2022. Annual growth in property tax revenues between 2020 and 2022 has averaged 9.9 percent, including a FY19 to FY20 anomaly of 21.6 percent. The average growth over the last two years was 4 percent.

According to a well-known national real estate service, the median sale price of a home in Cypress was \$374,000 in June 2023. Population and Survey Analysts, the organization

that prepares the Cy-Fair ISD Demographic Study (April 2023), states the median home values increased from \$164,800 to \$226,400 between 2016 and 2021.

Home values for property tax calculations are reduced by a 5% Homestead Exemption and a \$250,000 exemption for those over age 65 or Disabled, as voted by the Board of Commissioners on April 20, 2023

| Home Value | 2023 Tax Rate/\$100 | No Exemptions     |                    | 5% Homestead Exemption |                    | 5% Homestead Exemption + Over 65 or Disability |                    | 5% Homestead Exemption + Over 65 + Disability |                    |
|------------|---------------------|-------------------|--------------------|------------------------|--------------------|--|--------------------|---|--------------------|
|            |                     | Annual Tax Amount | Monthly Tax Amount | Annual Tax Amount      | Monthly Tax Amount | Annual Tax Amount                              | Monthly Tax Amount | Annual Tax Amount                             | Monthly Tax Amount |
| \$ 200,000 | \$ 0.043360         | \$86.72           | \$7.23             | \$82.38                | \$6.87             | \$0.00   | \$0.00             | \$0.00  | \$0.00             |
| \$ 250,000 | \$ 0.043360         | \$108.40          | \$9.03             | \$102.98               | \$8.58             | \$0.00   | \$0.00             | \$0.00  | \$0.00             |
| \$ 300,000 | \$ 0.043360         | \$130.08          | \$10.84            | \$123.58               | \$10.30            | \$15.18  | \$1.26             | \$0.00  | \$0.00             |
| \$ 350,000 | \$ 0.043360         | \$151.76          | \$12.65            | \$144.17               | \$12.01            | \$35.77  | \$2.98             | \$0.00  | \$0.00             |
| \$ 400,000 | \$ 0.043360         | \$173.44          | \$14.45            | \$164.77               | \$13.73            | \$56.37  | \$4.70             | \$0.00  | \$0.00             |
| \$ 450,000 | \$ 0.043360         | \$195.12          | \$16.26            | \$185.36               | \$15.45            | \$76.96  | \$6.41             | \$0.00  | \$0.00             |
| \$ 500,000 | \$ 0.043360         | \$216.80          | \$18.07            | \$205.96               | \$17.16            | \$97.56  | \$8.13             | \$0.00  | \$0.00             |
| \$ 550,000 | \$ 0.043360         | \$238.48          | \$19.87            | \$226.56               | \$18.88            | \$118.16                                       | \$9.85             | \$9.76  | \$0.81             |
| \$ 600,000 | \$ 0.043360         | \$260.16          | \$21.68            | \$247.15               | \$20.60            | \$138.75                                       | \$11.56            | \$30.35                                       | \$2.53             |
| \$ 650,000 | \$ 0.043360         | \$281.84          | \$23.49            | \$267.75               | \$22.31            | \$159.35                                       | \$13.28            | \$50.95                                       | \$4.25             |

Table 4 - Home values and the ad valorem tax liability

The Annual Budget for FY24 was prepared with property valuations from the Harris County Appraisal District. Our total tax base for 2023 is estimated at \$61,548,599.169. The Harris County Tax Assessor-Collector's Office collects the ad valorem tax revenue for Harris County ESDs.

## **Sales/Use Tax**

HCESD9 collects 1% or \$.01 sales/use tax on all purchases made in the District except where a Limited Purpose Annexation was established. A Limited Purpose Annexation (LPA) is a contractual agreement between the City of Houston and a utility district (MUD) that provides water and sewer to a specific area. Through LPAs, the City of Houston and MUDs can split 1 percent of sales/use tax revenue in commercial areas where it is available, and the city agrees to refrain from annexing the districts for typically 30 years. HCESD9 has sixty-six (66) existing LPAs. MUDs receive property tax revenue and revenue through utility fees, but MUDs would only be able to obtain sales/use tax revenue with the help of LPAs.

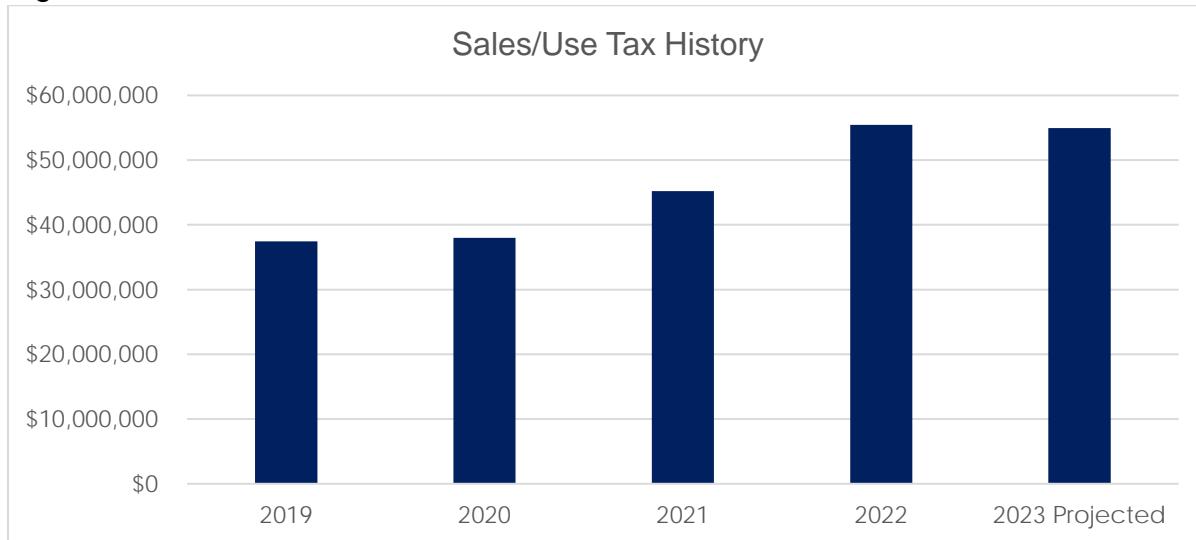
Although sales/use tax generates substantial revenue for HCESD9, the allowance of special districts to collect sales/use tax is scrutinized by Texas legislators each legislative session. Sales/use tax is critical to the District, avoiding long-term debt, interest payments and keeping property taxes low for the taxpayers. Sales/use tax is also collected from visitors and people passing through the District. This off-loads a small portion of taxation from the taxpayers of the District. The Texas Comptroller of Public Accounts collects and distributes the sales/use tax.

Table 5 shows actual and projected sales/use tax revenue since 2019 for HCESD9.

| Revenue Category | 2019         | 2020         | 2021         | 2022         | 2023 Projected |
|------------------|--------------|--------------|--------------|--------------|----------------|
| Sales/Use Tax    | \$37,434,321 | \$37,979,444 | \$45,209,809 | \$55,459,354 | \$54,972,377   |
| Change           |              | +1.46%       | +19.04%      | +22.67%      | -0.88%         |

Table 5 – Sales/Use Tax History

Figure 3 shows sales/use tax over time.



The District contracts with Hdl Companies (Hdl) to provide sales/use tax analysis and forecasting services.

## **EMS Fees**

EMS revenue has grown to represent approximately 9.6 percent of the total revenue the District received in 2023. The District contracts with Digitech, an EMS billing service, to perform billing and accounts receivable services for EMS calls.

The Annual Budget for FY24 EMS Revenue of \$9 million is effectively unchanged compared to the FY23 budget for EMS billing revenue. EMS billing continues to grow as the population of the Cy-Fair area grows.

| Revenue Category | 2019        | 2020        | 2021        | 2022        | 2023 Budget |
|------------------|-------------|-------------|-------------|-------------|-------------|
| EMS Fees         | \$6,362,338 | \$5,385,764 | \$6,943,329 | \$8,452,397 | \$9,084,360 |
| % Change         |             | -15.35%     | +28.92%     | +21.73%     | +7.5%       |

Table 6 – EMS Fee Revenue History

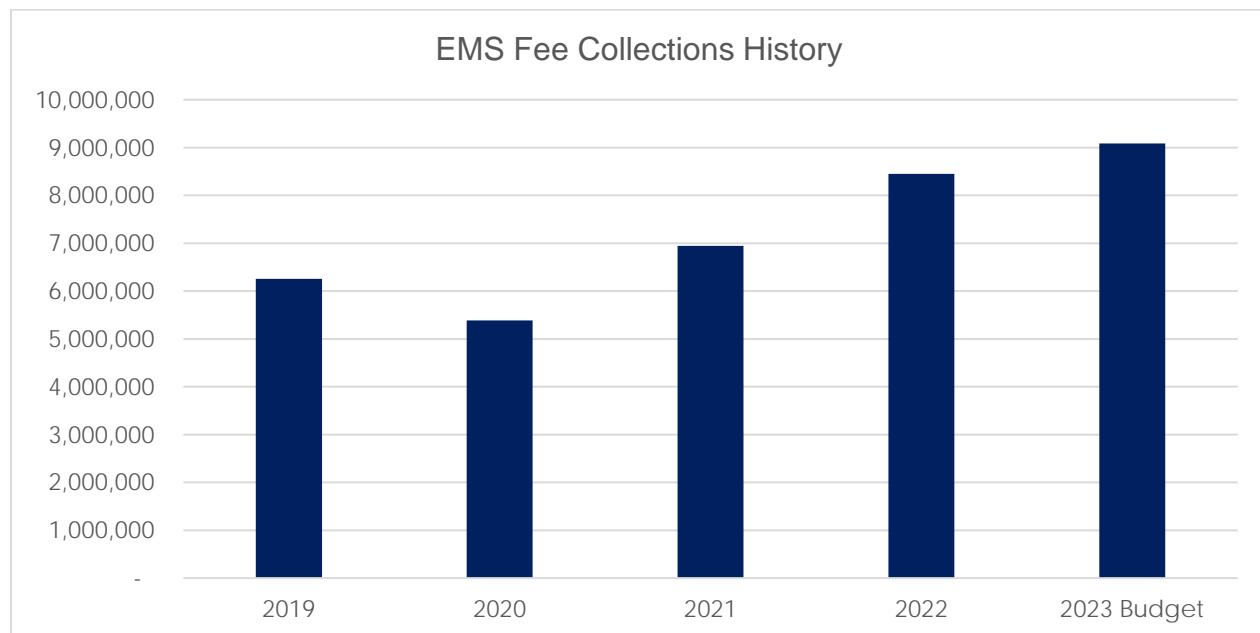


Figure 4 – EMS Fee Collections History (2019 – 2023)

## **Key Service Level Increases**

### **Full-Time Equivalents (FTE)**

**Operations:** The Annual Budget for FY24 budget provides eighteen (18) additional firefighter positions. These additional positions will assist in the coverage of current stations and apparatus staffing levels. The additional firefighter positions are a commitment to four firefighter staffing on all suppression apparatus. According to a study performed by the National Institute of Standards and Technology (NIST), four-person firefighting crews can complete twenty-two (22) essential firefighting and rescue tasks in a typical residential structure thirty (30) percent faster than two-person crews and twenty-five (25) percent faster than three-person crews.

In addition, the budget funds one executive assistant for the Fire Chief and one additional Clinical Captain for EMS.

**Administration:** The Annual Budget for FY24 administrative budget addresses major department growth factors and provides additional support staff to assist with the growth the Department is experiencing. This budget includes funding for adding a Human Resource (HR) Director and an HR Generalist. The administration budget also funds two administrative assistants for the headquarters' staff, one Public Relations (PR) Specialist, and one Help Desk Supervisor.

**Logistics:** The Annual Budget for FY24 budget funds an additional position for the Quartermaster Division and an additional Shop Mechanic.

| <b>New FTE Count for the Annual Budget for FY24</b> |           |                              |
|---|-----------|------------------------------|
| <b>Administration</b>                               | 1         | HR Director                  |
|   | 1         | HR Generalist                |
|   | 2         | Admin Support 1              |
|   | 1         | Help Desk Supervisor         |
|   | 1         | PR Specialist                |
|   | <b>6</b>  | <b>Total Administration</b>  |
| <b>Operations</b>                                   | 1         | Admin Support 2 (Fire Chief) |
|   | 1         | Clinical Captain             |
|   | 18        | Firefighters                 |
|   | <b>20</b> | <b>Total Operations</b>      |
| <b>Logistics</b>                                    | 1         | QM Assistant                 |
|   | 1         | Mechanic                     |
|   | <b>2</b>  | <b>Total Logistics</b>       |
| <b>Total</b>  | <b>28</b> | <b>Total New FTE Count</b>   |

Table 7 – Total New FTE Count in the Annual Budget for FY24

## **Compensation and Benefits**

The Annual Budget for FY24 includes a compensation increase of 4.14%. This number reflects a rolling 5-year Social Security Cost-of-Living Adjustment (COLA) average. This is an across-the-board cost of living adjustment for all employees. Table 8 shows the rolling average SSI COLA since 2019.

| 5 Year Average SSI COLA |              |
|-------------------------|--------------|
| Year                    | SSI COLA     |
| 2019                    | 1.6          |
| 2020                    | 1.3          |
| 2021                    | 5.9          |
| 2022                    | 8.7          |
| 2023                    | 3.2          |
| <b>Average</b>          | <b>4.14%</b> |

Table 8 – 5 Year Average of SSI COLA

The department did not receive an increase in the cost of the HSA health insurance for our employees. The Department's HSA contributions will remain unchanged. The Department intends to continue providing employer-sponsored long-term and short-term disability. The Department received a 9.52% increase in STD because of increased usage. There were no changes in the dental or vision plans.

The Department budgeted a 50% participation rate for the 457(b) match of 3% in previous years. Following a review of the data, approximately 70% of employees are currently participating in the 457(b), so the Department has increased our budget for 457(b) match from 50% of employees to 75% of employees.

## **Capital Projects / Capital Improvement Plan**

The Department has created a formal, comprehensive Capital Improvement Plan (CIP) for 2024 – 2028 for the expected growth necessary to support services.

### **Land**

After the Commissioners approved the Skinner/Greenhouse Underpass, the Department budgeted \$500,000 to purchase land in the Towne Lake area. This land is being purchased at a discounted rate because HCESD9 agreed to contribute \$3,080,000 for the underpass project as a portion of match funds to receive a federal grant. The plan for this project was initially approved by commissioners in 2018. The current commissioners finalized and approved the project in July 2023. This cost-share investment is capped and will be within the budgeted amount. This project will assist with reducing response times once completed.

In addition, for 2024, the Department budgeted for land purchase for five stations: relocation, growth, and infill. We also added architectural fees for two stations. Additional land and construction costs are budgeted in 2025 – 2028 for both new and relocation stations. The goal of these stations will be to provide an equitable response across the District and to reduce response times to the service delivery address.

### **Apparatus**

Delivery times for suppression apparatus are currently running 36-42 months. We have added replacement and new engines and ladder/towers to the 2024 budget for delivery in 2026 – 2027.

The Tables below include the Sustaining and Growth Capital Expenditures by Department for 2024. We have included the known capital expenditure carryover from the 2023 budget. This number may increase as we get closer to the end of the year.

| 2024 Sustaining Capital Expenditures              |  | Total                | Breakdown            |
|---|--|----------------------|----------------------|
| IT  |  | \$ 148,500           | 148,500              |
|   | Cisco network switch                         |                      |                      |
| Safety  |  | -                    |                      |
| Public Relations                                  |  | -                    |                      |
| EMS   |  | -                    |                      |
| Communications                                    |  | -                    |                      |
| Human Resources / Accounting                      |  | -                    |                      |
| Facilities Maintenance                            |  | 258,000              |                      |
|   | Retro older fluorescent lighting with LED    |                      | 36,000               |
|   | Facility upgrades to dispatch                |                      | 50,000               |
|   | Commercial washer and dryer                  |                      | 22,000               |
|   | General remodel for facilities               |                      | 150,000              |
| Fleet Maintenance                                 |  | 88,000               |                      |
|   | Stretil Koni 30,000lb - Four post truck lift |                      | 88,000               |
| Quartermaster *2023 carryover \$2,043,720         |  | 2,731,000            |                      |
|   | Replace current 2007 or older SCBA           |                      | 2,731,000            |
| Suppression                                       |  | -                    |                      |
| Administration-Vehicles, Land & Stations          |  | 8,478,976            |                      |
|   | Medics * 2023 carryover \$2,225,851          |                      | 2,225,851            |
|   | Chief/Staff vehicles                         |                      | 239,840              |
|   | Station 8 relocation                         |                      | 2,615,000            |
|   | Engine                                       |                      | 1,371,441            |
|   | Aerial truck (bucket)                        |                      | 2,026,844            |
| <b>Total 2024 Sustaining Capital Expenditures</b> |  | <b>\$ 11,704,476</b> | <b>\$ 11,704,476</b> |

Table 9 – 2024 Sustaining Capital Expenditures

| 2024 Expansion Capital Expenditures              |  | Total                | Breakdown            |
|--|--|----------------------|----------------------|
| IT   |  | \$ 17,000            | \$ -                 |
|  | Fiber network tester                     |                      | 17,000               |
| Facilities Maintenance *2023 carryover           | \$112,500                                | 745,500              |                      |
|  | Warehouse cargo lift & Upgrade railing   |                      | 175,000              |
|  | Dispatch generator project               |                      | 112,500              |
|  | Mobile standby generator for stations    |                      | 225,000              |
|  | Tap Box(es) for generator power at 10710 |                      | 150,000              |
|  | Man lift                                 |                      | 25,000               |
|  | Boom Lift                                |                      | 58,000               |
| Fleet Maintenance                                |  | 26,000               |                      |
|  | Custom mobile service skid               |                      | 26,000               |
| Quartermaster                                    |  | 325,842              |                      |
|  | Portable PPE dryer                       |                      | 11,300               |
|  | Lucas compression device                 |                      | 60,000               |
|  | Stryker Power Pro 2 Cot                  |                      | 69,542               |
|  | Stryker Xpedition Stair Chair            |                      | 36,000               |
|  | Stryker LIFEPAK 15 Monitor Defibrillator |                      | 94,000               |
|  | Engine equipment                         |                      | 40,000               |
|  | General R&D                              |                      | 15,000               |
| Administration-Vehicles, Land & Stations         |  | 18,111,155           |                      |
|  | Towne Lake land & station                |                      | 500,000              |
|  | Towne Lake underpass                     |                      | 3,080,000            |
|  | Citygate Station A                       |                      | 2,615,000            |
|  | Citygate Station B                       |                      | 2,000,000            |
|  | Traders Village station                  |                      | 2,000,000            |
|  | Bridgeland station (West of 99)          |                      | 2,000,000            |
|  | Engines (3)                              |                      | 4,114,323            |
|  | Aerial truck (stick)                     |                      | 1,801,832            |
| <b>Total 2024 Expansion Capital Expenditures</b> |  | <b>\$ 19,225,497</b> | <b>\$ 19,225,497</b> |

Table 10 – 2024 Expansion Capital Expenditures

|   |                      |
|---|----------------------|
| Total 2023 Carryover                                    | 4,382,071            |
| Total 2024 Sustainng and Expansion Capital Expenditures | 26,547,902           |
| <b>Total Annual Budget FY 24 Capital Expenditures</b>   | <b>\$ 30,929,973</b> |

Table 11 – 2024 Total Capital Expenditures including 2023 Carryover

## **Conclusion & Acknowledgments**

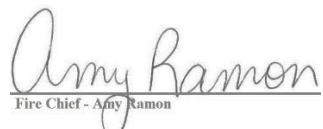
Harris County ESD No. 9 Commissioners approved the Annual Budget for FY24 at their October 26, 2023, regular meeting by a vote of 5 – 0.

We want to thank all the frontline members providing service to our community. We have the utmost respect for the excellent care you provide during our Community's worst days. Words cannot express our gratitude and pride in you and your efforts. I want to thank the Command and Staff members who worked tirelessly to provide this budget while also working on the Citygate project and continuing to lead your respective teams. We also want to thank our HCESD9 Commissioners for your support and dedication to this organization.

Our Mission is to *Make a positive impact through professionalism and dedication in order to deliver a service that is second to none to the Cy-Fair Fire Department Community we serve.* We choose to begin and end the Executive Summary of the Annual Budget for FY24 with our mission statement. This budget allows us to keep true to our service delivery mission. We provide needed support and development to our internal and external customers. This budget increases transparency, is presented in alignment with best practices for public governance, is proactive and future-focused, and is a renewed promise to continue to be excellent stewards of the taxpayer's dollar.

It is the honor of our careers to lead the community and Department into this exciting chapter of our history.

Sincerely,



*Amy Ramon*

Amy Ramon, JD, CFO, CFE  
Fire Chief  
Cy-Fair Fire Department

# Organization Profile



Fiscal Year 2024

## ORGANIZATION PROFILE



Harris County  
Emergency Services  
District 9

## Our History

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The Cy-Fair Fire Department (CFFD) offers expert fire and emergency medical services to the citizens and visitors of Northwest Harris County. Originating in the 1950s, the Cy-Fair FD has emerged as one of the most sizable and bustling combination fire departments in the United States, managing over 37,000 emergency incidents annually. Covering the 164-square-mile expanse of HCESD9 within the unincorporated regions of Northwest Harris County, CFFD operates from 13 strategically positioned stations. The workforce of approximately 500 skilled firefighters and Emergency Medical Technicians (EMTs) is known for the outstanding service it provides.

During the 1950s, while the Houston region expanded, the Cypress vicinity was served by the Jersey Village, Houston, and Fairbanks Fire Departments. The requirement for a nearby fire department became evident. As fire coverage needs escalated in the Cypress area, the department charter underwent modification in 1962, leading to the establishment of the Cy-Fair Volunteer Fire Department.

Over more than fifty years, the department's growth paralleled that of our local community. The department evolved as our region transitioned from agricultural land to suburban neighborhoods and eventually to densely populated urban zones. In 2019, the HCESD9 assumed direct responsibility for delivering emergency services, encompassing firefighting, medical aid, and rescue operations.

The Cy-Fair Fire Department embraced its new identity while retaining its rich history, remarkable personnel, and resources. All members share a common goal: to make a positive and impactful contribution through professionalism and dedication, ensuring that the service provided to the Cy-Fair Fire Department Community remains unparalleled.

HCESD9 functions as a governmental unit within Texas, serving the Cy-Fair region by levying taxes to support emergency services. Established in 1984, the district is overseen by a five-member board of commissioners elected to four-year terms. All commissioners are either district residents or property owners. Since 1985, the Department's primary funding source is tax revenue.

# Mission Statement and Core Values

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## Mission Statement

***“Make a positive impact through professionalism and dedication, in order to deliver a service that is second to none to the Cy-Fair Fire Department community we serve.”***



## Organizational Core Values

Core values driving District and Department decision-making and actions include:

- ◆ **COMMITMENT** - We always remember why we exist: to help and protect our customers and provide meaningful work to our personnel. We honor these commitments daily and in every way by looking for better ways to serve those who count on us and helping our people learn, grow, and improve.
- ◆ **ACCOUNTABILITY** - We take our responsibilities seriously. If we start a project, we finish it. If we make a mistake, we fix it. We do our best work every minute of every day... and we never stop trying to make the “best” even better.
- ◆ **RESPECT** - We hold our personnel, customers, shareholders, and community in the highest regard. It is a privilege to work with them and serve them. We hope our compensation, benefits, policies, and behavior always reflect that truth.
- ◆ **EXCELLENCE** - We operate at the highest industry standards. Beyond that, we are continually raising the bar. We are always thinking, “We can do better.”

## Harris County Emergency Service District No. 9 Commissioners



**Naressa MacKinnon**  
President



**Rob Paiva**  
Vice President



**Kevin Sterzel**  
Treasurer



**David Langenberg**  
Secretary



**Bevin Gordon**  
Assistant Treasurer

## Cy-Fair Fire Department Command Staff

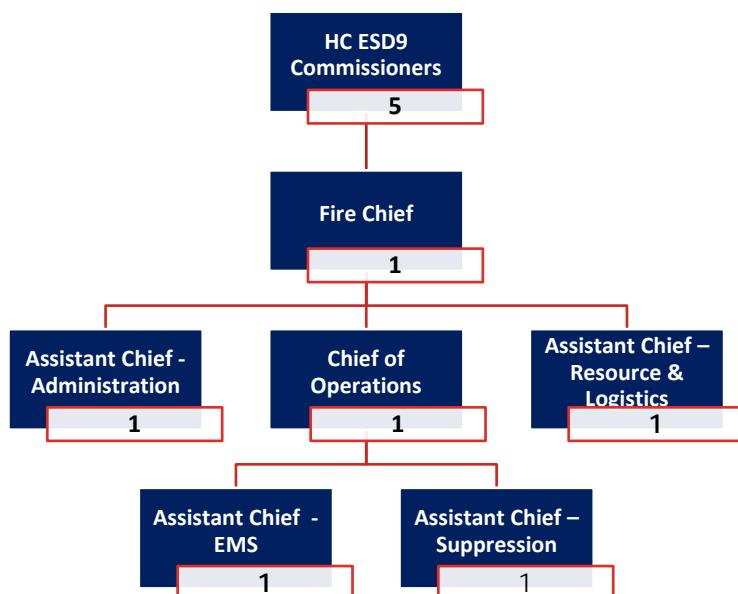
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## HC ESD9 Commissioners and Command Staff

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### Organizational Chart



## Cy-Fair Fire Department Response Area Population and Demographics

### **Noted Facts:**

- Nearly 25 percent of the population is under 10 years or over 65 years of age.
- The service area population is predominantly White (38%), followed by Black/African American (17%) and Asian (11%), with 33 percent of the population identifying as “other” or with two or more racial identities. 38 percent of the population identifies with a Hispanic ethnicity or background.
- Of the population over 24 years of age, more than 90 percent have completed high school or equivalency.
- Of the population over 24 years of age, 41 percent have an undergraduate, graduate, or professional degree.
- Of the population 15 years of age or older, more than 96 percent are in the workforce; 4 percent are unemployed.
- Median household income is slightly more than \$91,500.
- The population below the federal poverty level is 16.4 percent.
- More than 22 percent of the population does not have health insurance coverage.

Harris County's population is projected to increase by 15.5 percent over the next 25 years to 2048, for an annualized growth rate of approximately 0.62 percent<sup>2</sup>. Population growth in the 11 zip codes, all or partially within the service area, was 8.13 percent<sup>3</sup> over the past five years, or an annualized rate of approximately 2 percent. It is reasonable to assume the District will continue to experience substantial growth over the coming years, with more than 13,000 dwelling units and 283,000 square feet of commercial development currently planned, approved, or under construction, including 16 apartment complexes with nearly 4,000 total dwelling units.

| Demographic   | 2022           |
|---|----------------|
| <b>Population</b>   | <b>528,948</b> |
| Under 10 years  | 15.60%         |
| 10 - 14 years   | 8.00%          |
| 15 - 64 years   | 67.30%         |
| 65 - 74 years   | 6.30%          |
| 75 years and older  | 2.80%          |
| Median age  | 33.7           |
| Daytime population  | 466,672        |
| <b>Housing Units</b>  | <b>179,599</b> |
| Owner-Occupied  | 68.40%         |
| Renter-Occupied   | 27.10%         |
| Vacant  | 4.50%          |
| Average Household Size  | 3.08           |
| Median Home Value   | \$245,391      |
| <b>Ethnicity</b>  |                |
| White   | 37.50%         |
| Black/African American  | 16.70%         |
| Asian   | 11.50%         |
| American Indian   | 1.10%          |
| Pacific Islander  | 0.10%          |
| American Indian or Alaska native                              | 1.10%          |
| Other/Two or More Races                                       | 33.10%         |
| Hispanic Origin   | 37.90%         |
| Diversity Index   | 87.5           |
| <b>Education {population over 24 yrs. of age}</b>             | <b>335,211</b> |
| High School Graduate or Equivalent                            | 90.10%         |
| Undergraduate Degree  | 40.80%         |
| Graduate/Professional Degree                                  | 12.30%         |
| <b>Employment {population over 15 yrs. of age}</b>            | <b>276,231</b> |
| In Labor Force  | 96.10%         |
| Unemployed  | 3.90%          |
| Median Household Income                                       | \$91,545       |
| Population Below Poverty Level                                | 16.40%         |
| Disabled Population   | 6.80%          |
| Population without Health Insurance Coverage <sup>1</sup>     | 22.40%         |
| Source: ESRI and U.S. Census Bureau                           |                |
| <sup>1</sup> Harris County data; no data available for HCESD9 |                |
| <b>Table 12 - Demographics</b>                                |                |

<sup>2</sup> Source: Texas Demographic Center website.

<sup>3</sup> Source: U.S. Census Bureau.

## **Economic Resources**<sup>4</sup>

With a service area adjoining the fourth largest city in the U.S. and the largest city in Texas, and with a population of more than a half-million people, the department serves a robust, diverse economy, with more than 14,000 businesses employing more than 152,000 employees in sectors including services, retail and wholesale trade, construction, healthcare and social assistance, and accommodations and food services.

## **At-Risk Populations**

Residents, employees, visitors, and travelers in a community or jurisdiction are vulnerable to harm from a hazard occurrence. Particularly vulnerable are specific at-risk populations, including those unable to care for themselves or self-evacuate in the event of an emergency. At-risk populations typically include children less than 10 years of age, the elderly, people housed in institutional settings, households below the federal poverty level, and people living unsheltered.

## **Building Occupancy Risk Categories**

The Commission on Fire Accreditation International (CFAI) identifies the following four risk categories that relate to building occupancy:

**Low Risk** – includes detached garages, storage sheds, outbuildings, and similar building occupancies that pose a relatively low risk of harm to humans or the community if damaged or destroyed by fire.

**Moderate Risk** – includes detached single-family or two-family dwellings; mobile homes; commercial and industrial buildings less than 10,000 square feet without a high hazard fire load; aircraft; railroad facilities; and similar building occupancies where the loss of life or property damage is limited to the single building.

**High Risk** – includes apartment/condominium buildings; commercial and industrial buildings over 10,000 square feet without a high hazard fire load; low-occupant load buildings with high fuel loading or hazardous materials; and similar occupancies with potential for substantial loss of life or unusual property damage or financial impact.

**Maximum Risk** – includes buildings or facilities with unusually high risk requiring an Effective Response Force (ERF) involving a significant augmentation of resources and personnel and where a fire would pose the potential for a catastrophic event involving considerable loss of life and/or significant economic impact to the community. Evaluation of the building inventory in the department's service area identified 884 high/maximum-risk building uses related to the CFAI building fire risk categories, as summarized in the following table.

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<sup>4</sup> Source: Esri Community Analyst Business Summary (2022).

| Building Occupancy Classification |                          | Number     | Risk Category |
|-----------------------------------|--------------------------|------------|---------------|
| A-1                               | Assembly                 | 11         | High          |
| H                                 | Hazardous                | 126        | Maximum       |
| I                                 | Institutional            | 80         | High          |
| R-1                               | Hotel/Motel              | 52         | High          |
| R-2                               | Multi-Family Residential | 567        | High          |
| R-4                               | Assisted Living          | 48         | High          |
| <b>Total</b>                      |                          | <b>884</b> |               |

**Table 13 - Building Occupancy Inventory by Risk Category**

### Critical Facilities/Infrastructure

The US Department of Homeland Security defines Critical Infrastructure / Key Resources as those physical assets essential to the public health and safety, economic vitality, and resilience of a community, such as lifeline utility infrastructure, telecommunications infrastructure, essential government services facilities, public safety facilities, schools, hospitals, airports, etc. Department staff identified 415 critical facilities and infrastructure as summarized in the following table. A hazard occurrence with significant impact severity affecting one or more of these facilities would likely adversely impact critical public or community services.

| Critical Facility Category | Number     |
|----------------------------|------------|
| Communications             | 109        |
| Cultural/Historic          | 1          |
| Education                  | 88         |
| Government Services        | 6          |
| Other                      | 25         |
| Public Safety              | 21         |
| Recreation                 | 5          |
| Transportation             | 8          |
| Utility                    | 152        |
| <b>Total</b>               | <b>415</b> |

**Table 14 – Critical Facility/Infrastructure Category Breakdown**

## Service Capacity and Capabilities

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Service capacity refers to an agency's available response force; the size, types, and condition of its response fleet and any specialized equipment; core and specialized performance capabilities and competencies; resource distribution and concentration; availability of automatic or mutual aid; and any other agency-specific factors influencing its ability to meet current and prospective future service demand and response performance relative to the risks to be protected.

The Department's service capacity for fire and non-fire risk consists of up to 100 personnel on duty daily, staffing 11 engines, 2 ladder/tower trucks, 2 rescues, 14-16 paramedic ambulances, 1 fire suppression District Chief, 1 EMS District Chief, and 2 Advance Practice Paramedics (APP), all operating from the Department's 13 fire stations. The Department also has 2 tankers, 7 wildland booster trucks, 9 evacuation/rescue boats, 3 evacuation transporter apparatus, 1 fire Gator, and 1 EMS Gator that can be cross-staffed and deployed as needed with on-duty or call-back personnel. Boats are deployed from Stations 3, 6, 7, 8, 11, and 12 and cross-staffed by on-duty or off-duty personnel as needed.

All paid response personnel are trained to one of the following levels:

- The Basic Emergency Medical Technician (EMT-Basic) level, capable of providing Basic Life Support (BLS) pre-hospital emergency medical care.
- The Intermediate Emergency Medical Technician (EMT-Intermediate) level, capable of providing some advanced pre-hospital medical interventions as authorized by the Medical Director.
- The Paramedic 1 / Paramedic 2 level can provide Advanced Life Support (ALS) pre-hospital emergency medical care.

The Department provides ground ambulance transportation service, and all Department EMS personnel are single-role employees providing only EMS services. Staffed fire suppression resources, including engines, ladder/towers, and rescues, are also equipped to provide BLS EMS services.

Response personnel are also trained to a minimum of the US Department of Transportation Hazardous Material First Responder Operational level to provide initial hazardous material incident assessment, hazard isolation, and support for either the Harris County Fire Marshal's Office or the City of Houston Fire Department's Hazardous Material Response Team.

## Personnel

Approximately 75 percent of the Annual budget for FY24 is comprised of wage and benefit costs for the hardworking men and women who serve the Cy-Fair community.

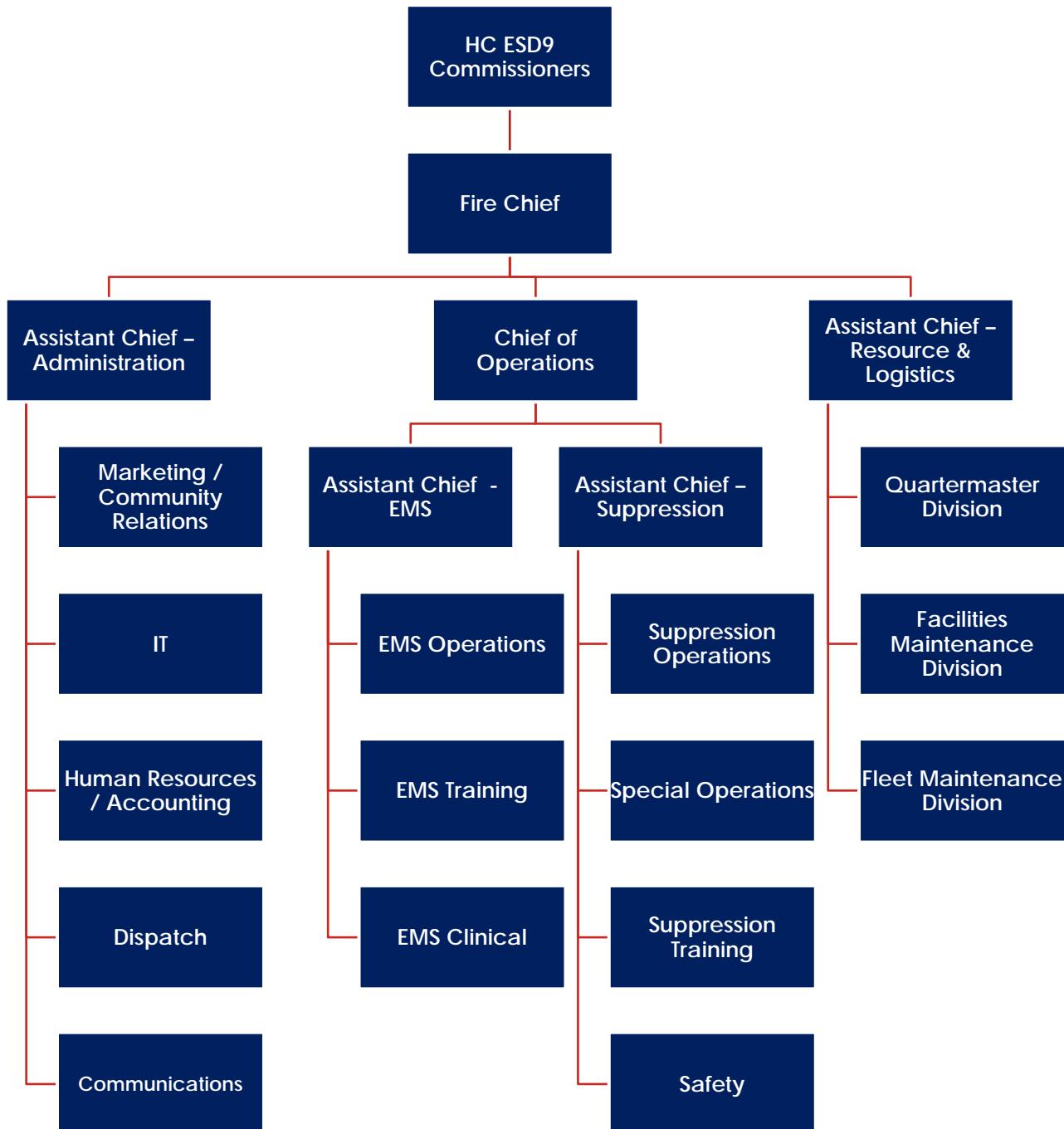
| Division                       | Summary Table of Position Counts |            |            |            |            |            |
|--------------------------------|----------------------------------|------------|------------|------------|------------|------------|
|                                | 2022                             |            | 2023       |            | 2024       |            |
|                                | FTE                              | PRN        | FTE        | PRN        | FTE        | PRN        |
| Communications                 | 3                                | 1          | 3          | 1          | 3          | 1          |
| Dispatch                       | 29                               | 4          | 30         | 4          | 30         | 4          |
| EMS Clinical                   | 3                                | 0          | 3          | 0          | 4          | 0          |
| EMS FT/PT                      | 133                              | 7          | 137        | 7          | 134        | 7          |
| EMS Training                   | 4                                | 0          | 4          | 0          | 4          | 0          |
| Facility Maintenance           | 3                                | 0          | 4          | 0          | 4          | 0          |
| Fleet Maintenance              | 8                                | 3          | 9          | 3          | 10         | 3          |
| Human Resources and Accounting | 5                                | 0          | 9          | 0          | 12         | 0          |
| Information Technology         | 6                                | 1          | 8          | 1          | 9          | 1          |
| Marketing & Public Relations   | 2                                | 0          | 3          | 1          | 4          | 1          |
| Quartermaster Group            | 9                                | 1          | 9          | 1          | 10         | 1          |
| Suppression FT/PT              | 132                              | 62         | 147        | 55         | 165        | 50         |
| Suppression Training           | 3                                | 6          | 4          | 12         | 4          | 12         |
| Volunteers                     | 0                                | 134        | 0          | 127        | 0          | 119        |
| <b>Totals</b>                  | <b>340</b>                       | <b>219</b> | <b>370</b> | <b>212</b> | <b>393</b> | <b>199</b> |

**Table 15 – Summary of Position Count by Department**

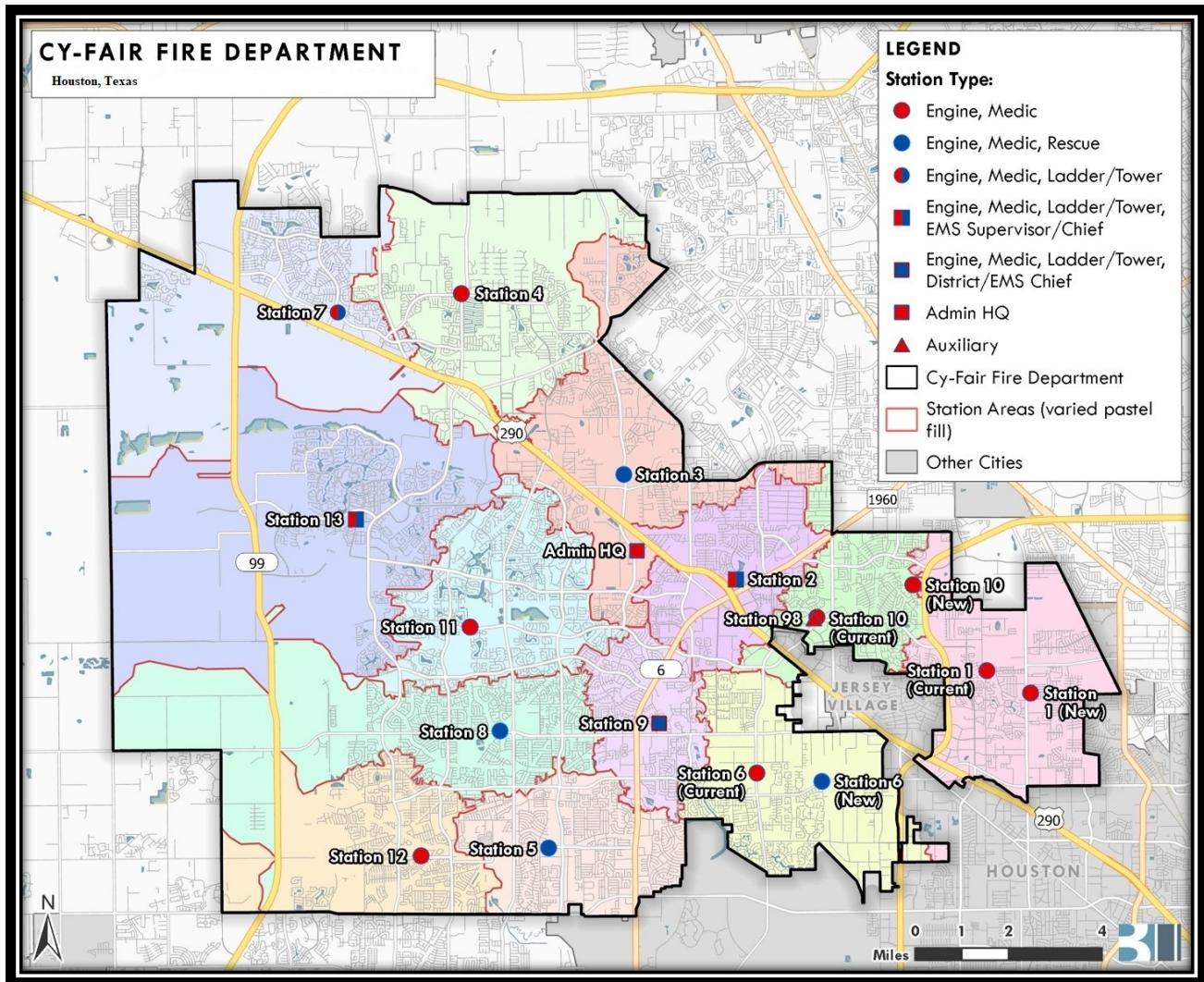
\* Number of Positions Accounted for in the 2024 Budget

# Organizational Chart - 2024

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# HCESD9 District Map



# Cy-Fair FD Facilities



**Station 1**  
9202 Rodney Ray Blvd  
Houston, Texas 77040  
Engine, Booster, and Medic



**Station 2**  
13040 Wortham Center Drive  
Houston, Texas 77065  
Engine, Ladder, (2) Medic Units and  
APP



**Station 3**  
11827 Telge Road  
Cypress, Texas 77429  
Engine, Rescue, Rescue Boat, and  
Medic



**Station 4**  
18006 Huffmeister Road  
Cypress, Texas 77429  
Engine, Tanker, Booster, Fire Gator,  
and Medic



**Station 5**  
17819 Kieth Harrow Blvd.  
Houston, Texas 77084  
Engine, Rescue, High Water Transport,  
and (2) Medic Units



**Station 6**  
6404 North Eldridge Parkway  
Houston, Texas 77041  
Engine, Booster, (2) Evacuation Boats  
and Medic



**Station 7**  
20444 Cypresswood Drive  
Cypress, Texas 77433  
Engine, Tower, Booster, (2) Evacuation  
Boats, and Medic



**Station 8**  
18210 FM 529  
Cypress, Texas 77433  
Engine, Rescue, Booster, Rescue Boat  
and Medic



**Station 9**  
7188 Cherry Park Drive  
Houston, Texas 77095  
Engine, Tower, (2) Medic Units, APP,  
and Fire District Chief

## Cy-Fair FD Facilities (Cont.)



**Station 10**  
11310 Steeplecrest Drive  
Houston, Texas 77065  
Engine, High Water Transport, and  
Medic



**Station 11**  
18132 West Road  
Cypress, Texas 77433  
Engine, Booster, Fire Boat, Medic, and  
EMS Gator



**Station 12**  
19780 Keith Harrow Boulevard  
Katy, Texas 77449  
Engine, Booster, (2) Evacuation Boats,  
Tanker, and Medic



**Station 13**  
10222 Westgreen Blvd  
Cypress, Texas 77433  
Engine, Ladder, High Water Transport,  
Medic, and EMS District Chief



**Station 98**  
11631 Yearling Dr  
Houston, Texas 77065  
Rehab



**Communication Center**  
9101 Wheatcross Dr  
Houston, TX 77095



**Administration Building**  
10710 Telge Road  
Houston, Texas 77095



**Fleet Maintenance**  
10710 Telge Road  
Houston, Texas 77095



**Training Facility**  
7922 Highway 6  
Houston, Texas 77095

## **Key Strategic Goals and Objectives for the Annual Budget for FY24**

**Goal 1:** A Deployment Model Providing Equity of Access and Response Performance for all Developed Areas of the District

**Strategy 1A - Adopt Formal Response Performance Measures**

Objective 1A-1: Adopt comprehensive performance measures in conformance with recognized best practices to aid deployment expansion and to monitor equity of response performance across the District.

Objective 1A-2: Monitor response performance against established measures at least quarterly.

**Strategy 1B - Provide Additional Stations to Serve Underserved Developed Areas of District**

Objective 1B-1: Fund, construct, and staff at least three additional stations in the central developed areas of the *District as outlined in Scenario #1 of Volume 2 (Map Atlas) of the 2023 Fire Services Master Plan, Community Risk Assessment, Standard of Cover, and Compliance Audit study.*

**Strategy 1C - Plan to Provide Additional Stations to Serve Emerging Growth Areas of the District**

Objective 1C-1: Establish trigger points to plan, fund, construct, and staff at least five additional stations in the emerging growth areas of the District, principally in the western and northern regions as outlined in Scenario #1 of Volume 2 (Map Atlas) of the 2023 Fire Services Master Plan, Community Risk Assessment, Standard of Cover, and Compliance Audit study.

**Strategy 1D - Add Peak Hour Ambulances**

Objective 1D-1: Fund and staff up to three (3) 12-hour ambulance units daily during peak demand hours and an additional 24-hour ambulance.

**Goal 2:** Headquarters Staffing Capacity to Appropriately Support the Response Organization

**Strategy 2A - Additional Headquarters Staffing**

Objective 2A-1: Fund and hire additional headquarters personnel to provide additional needed support capacity as outlined in Section 3 of Citygate's 2023 Fire Services Master Plan, Community Risk Assessment, Standard of Cover, and Compliance Audit study.

**Strategy 2B - Employment Agreements for Department Executive Staff**

Objective 2B-1: Negotiate employment agreements for the Department's executive chiefs to facilitate employment security and retention.

**Goal 3:** Fiscal Planning, Policies, and Transparency

**Strategy 3A - Fiscal Policies and Procedures**

Objective 3A-1: Develop and maintain a comprehensive set of fiscal policies and accounting procedures in conformance with the recommended best practices of the Government Finance Officers Association.

**Strategy 3B - Long-Range Fiscal Planning**

Objective 3B-1: Develop and maintain a long-range fiscal projection and planning model to aid in maintaining a long-term focus on fiscal health and stability.

**Strategy 3C - Fiscal Reserve Policy**

Objective 3C-1: Adopt a fiscal reserve policy establishing fund balance or reserve fund designations with related use policies in conformance with recommended best fiscal practices for public agencies.

**Strategy 3D - Fraud Prevention**

Objective 3D-1: Establish a toll-free fraud prevention hotline to report suspected fiscal fraud.

Objective 3D-2: Establish procedures to investigate and report findings of suspected fiscal fraud.

#### **Goal 4: Improved Organizational Systems and Processes**

##### **Strategy 4A - Improve Internal Communications, Coordination, and Collaboration**

*Objective 4A-1: Develop and implement an organizational Communications Plan to enhance effective collaboration, coordination, and communication among and between all divisions.*

# **Accounting and Investments**

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## **Basis of Accounting**

The District uses the modified accrual basis of accounting. Revenues, under the modified accrual basis of accounting, are recognized when they are “measurable and available.” “Measurable” means the transaction amount can be determined, and “available” means collectible within the current period or soon enough after that to pay liabilities of the current period. Ad valorem tax revenue, sales/use tax revenue, and interest income are accounted for using the modified accrual basis. All other revenue is recognized when received because it is not measurable until received. Expenditures are recognized when the related fund liability is incurred, if measurable.

## **Investment Policy**

The District’s investment practices will be conducted following the District-approved Investment Policy. Investment performance is provided by the Finance Director to the ESD Commissioners at the monthly ESD meetings. Funds of the District will be invested following federal and state laws, and the District approved Investment Policy and written District administrative procedures.

### **Diversification**

It will be the Policy of the District to diversify its portfolio to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of investments. Investments of the District shall always be selected so that they will provide for stability of income and reasonable liquidity.

### **Yield**

It will be an objective of the District to earn the maximum rate of return allowed on its investments within the policies imposed by its safety and liquidity objectives, investment strategies for each fund, and state and federal laws governing the investment of public funds.

### **Maturity**

Portfolio maturities will be structured to meet the obligations of the District first and then to achieve the highest return of interest. When the District has funds that will not be needed to meet current-year obligations, maturity restraints will be imposed based on the investment strategy for each fund. The maximum allowable stated maturity of any individual investment owned by the District is twenty-four (24) months or, if for a longer maturity, must be cancellable without loss of principal at least one (1) time per twenty-four (24) month period.

## **Investment Strategy**

Per the Public Funds Investment Act, §2256.005(d), a separate written investment strategy will be developed for each fund under the District's control. Each investment

strategy must describe the investment objectives for the particular fund using the following priorities of importance:

1. understanding of the suitability of the investment to the financial requirements of the entity;
2. preservation and safety of principal;
3. liquidity [using a cash-flow analysis to show what District obligations must be met and utilizing an investment strategy for meeting those obligations];
4. marketability of the investment if the need arises to liquidate the investment before maturity,
5. diversification of the investment portfolio;
6. yield;
7. maturity restrictions.

To invest in any of the authorized investments listed in the District's Investment Policy, provided that:

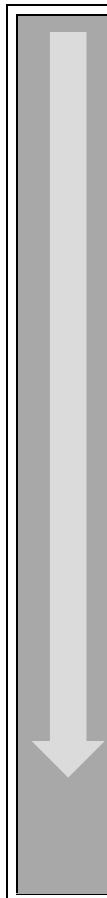
1. **Operating Expense Liquidity** - A balance equal to two (2) months of average operating costs will be liquid at all times, with an additional two (2) months maturing in not more than 60 days. Monthly average operating costs are calculated by taking the total annual budget excluding budgeted capital purchases and dividing by 12.
2. **Emergency Operating Reserves** - The District will maintain three (3) months of operating expenses in reserve for emergency purposes. This amount is calculated by taking the annual operating budget, excluding capital purchases, and dividing by twelve (12). These funds will be invested for periods not exceeding twenty-four (24) months.
3. **Capital Asset Replacement Reserves** - Annually, the District will set aside monies to replace all capital investments based on the expected life of the asset. This investment serves as savings to replace capital assets when they have reached their useful life. These funds will be invested for a term that shall not extend beyond the length of the District loan or when the capital replacement will be purchased.
4. **Other Funds** – These funds are not specifically dedicated to the above categories. These funds will be invested for up to twenty-four (24) months.

## **Financial Data on Current Debt Obligations**

HCESD9 has maintained a debt-free status through a longstanding tradition of responsible financial management and has no outstanding debt.

# Budget Process

Command Staff and Department heads developed their portion of the Annual Budget for FY24.



|                  |  |
|------------------|--|
| <b>April</b>     | <ul style="list-style-type: none"><li>Establish budget objectives</li><li>Review FTE considerations for the budget.</li></ul>  |
| <b>May</b>       | <ul style="list-style-type: none"><li>Internal preliminary Capital budget development and review</li><li>Review the Capital budget from the current year and adjust timelines as needed.</li></ul>   |
| <b>June</b>      | <ul style="list-style-type: none"><li>Budget memos and templates sent to command staff/department heads with guidance for the upcoming budget process.</li><li>Capital expenditure planning for the upcoming budget process.</li><li>Staffing levels reviewed, and new FTE requests considered.</li><li>Discussion of issues affecting the budget, both long and short-term.</li></ul> |
| <b>July</b>      | <ul style="list-style-type: none"><li>Initial revenue forecasts.</li><li>Departments submit capital expenditure and SLA requests to command staff and finance director by the July 1 deadline.</li><li>Internal preliminary operations budget development and review.</li></ul>  |
| <b>August</b>    | <ul style="list-style-type: none"><li>Proposed budget is published.</li><li>Commissioner budget workshop.</li></ul>  |
| <b>September</b> | <ul style="list-style-type: none"><li>Final adjustments to the budget would be implemented between the command staff and commissioners.</li><li>Final budget approval and adoption at a regularly scheduled, public ESD meeting.</li></ul>   |

**Figure 5 – Budget Process Planning Calendar**

# Revenue

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## Budget Revenue Descriptions

HCESD9's budget reflects most of its revenue from the following sources:

- Ad Valorem property taxes
- Sales/Use tax
- EMS fees

### Ad Valorem Property Tax

Ad Valorem Property Tax rate setting is a function of the Commissioners of HCESD9.

The safety of our community and the timely and effective response to fire and emergency medical incidents remain the focus of the Department's leadership. Tax revenue is necessary to provide the service our community expects and deserves. The current (2022) ad valorem property tax rate for HCESD9 is \$.049984 per \$100 assessed valuation. HCESD9 has one of the lowest ad valorem tax rates while providing fire and EMS services.

For the second year in a row, the HCESD9 Commissioners adopted the No New Revenue (NNR) tax rate, lowering the tax rate for our community to \$.044360 per \$100 assessed valuation for the 2023 ad valorem property tax rate.

Harris County Appraisal District is a political subdivision of the State of Texas established to appraise property for ad valorem tax purposes.

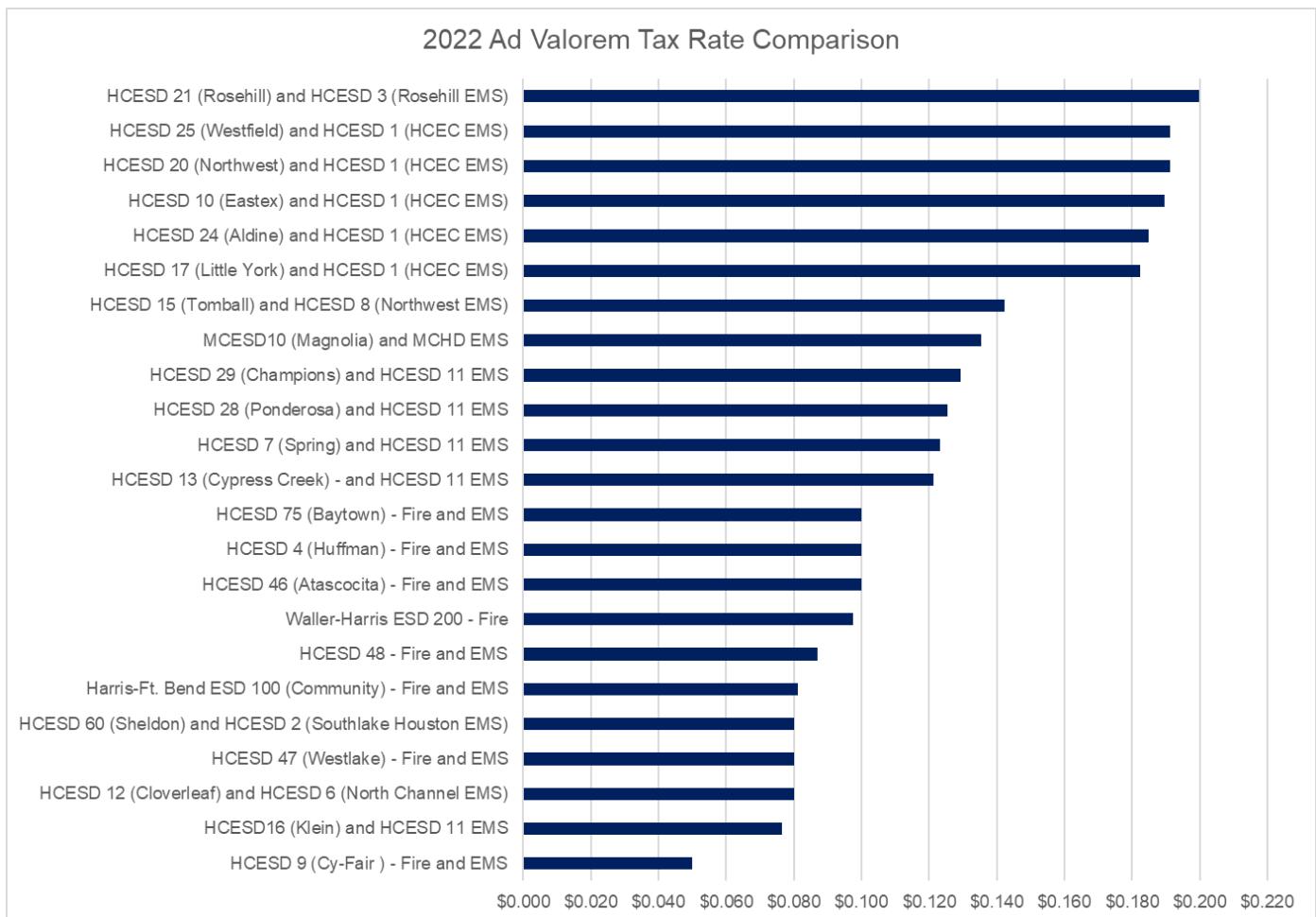
### Ad Valorem Property Tax Rates

| Year | Debt Service | Maintenance | Total Tax Rate |
|------|--------------|-------------|----------------|
| 2023 | 0            | \$0.044360  | \$0.044360     |
| 2022 | 0            | \$0.049984  | \$0.049984     |
| 2021 | 0            | \$0.057628  | \$0.057628     |
| 2020 | 0            | \$0.059492  | \$0.059492     |
| 2019 | 0            | \$0.059800  | \$0.059800     |
| 2018 | 0            | \$0.052710  | \$0.052710     |
| 2017 | 0            | \$0.052710  | \$0.052710     |

Table 16 – Ad Valorem Property Tax History (2017 – 2023)

## Tax Rate Comparison

The chart below compares HCESD9's FY22 ad valorem property tax rate to the ad valorem property tax rate of other area departments. HCESD9 remains the lowest ad valorem tax rate, providing fire and EMS.

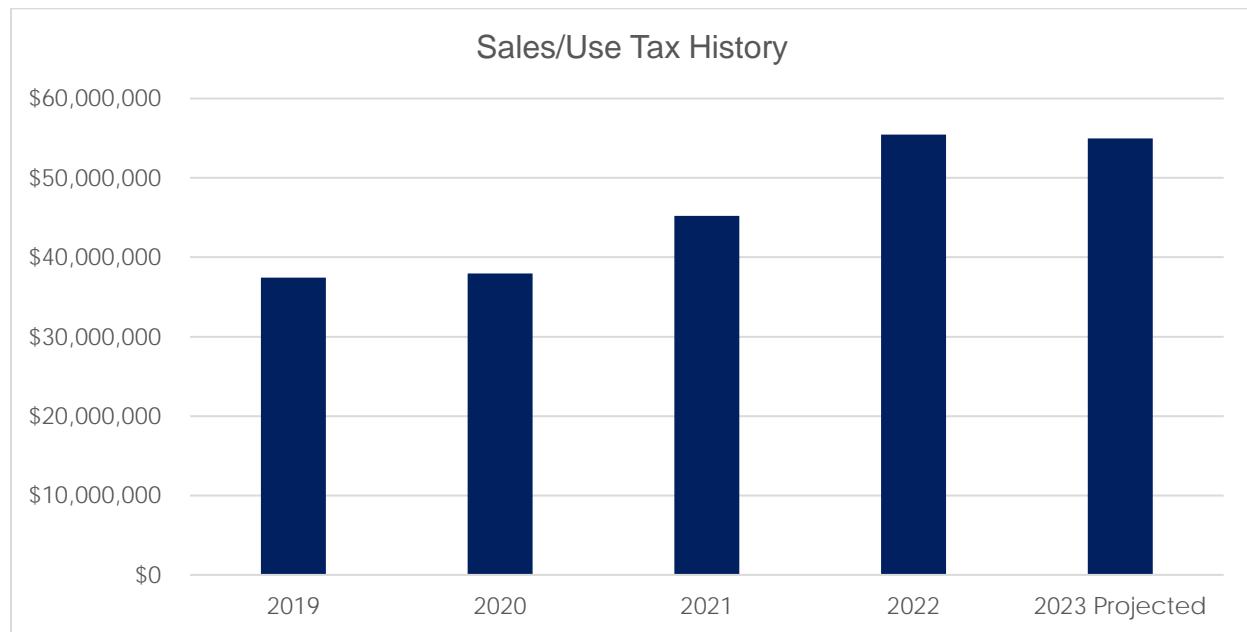


**Figure 6 - Ad Valorem Property Tax Rate Comparison for Fire & EMS Services**

## **Sales/Use Tax**

The second primary source of tax revenue for HCESD9 is sales/use tax. Projected sales/use tax revenue for fiscal year 2024 has been estimated to remain at approximately the same level as the previous fiscal year per HDI. HDI has projected that HCESD 9 will receive an estimated \$55 million in sales/use tax revenue for the fiscal year 2024, which exceeds the budgetary year 2023 Approved Budget sales/use tax revenue of \$54.9 million by approximately 90 thousand dollars.

The HCESD9 local tax rate of 8.25 percent consists of a State of Texas sales/use tax of 6.25 percent, 1 percent for the Houston Metro Transit Authority, and an HCESD9 local sales/use tax of 1 percent. The HCESD9 sales/use tax region partially or fully covers eleven zip codes in Texas, including 77040, 77041, 77064, 77065, 77070, 77084, 77095, 77429, 77433, 77447 and 77449.

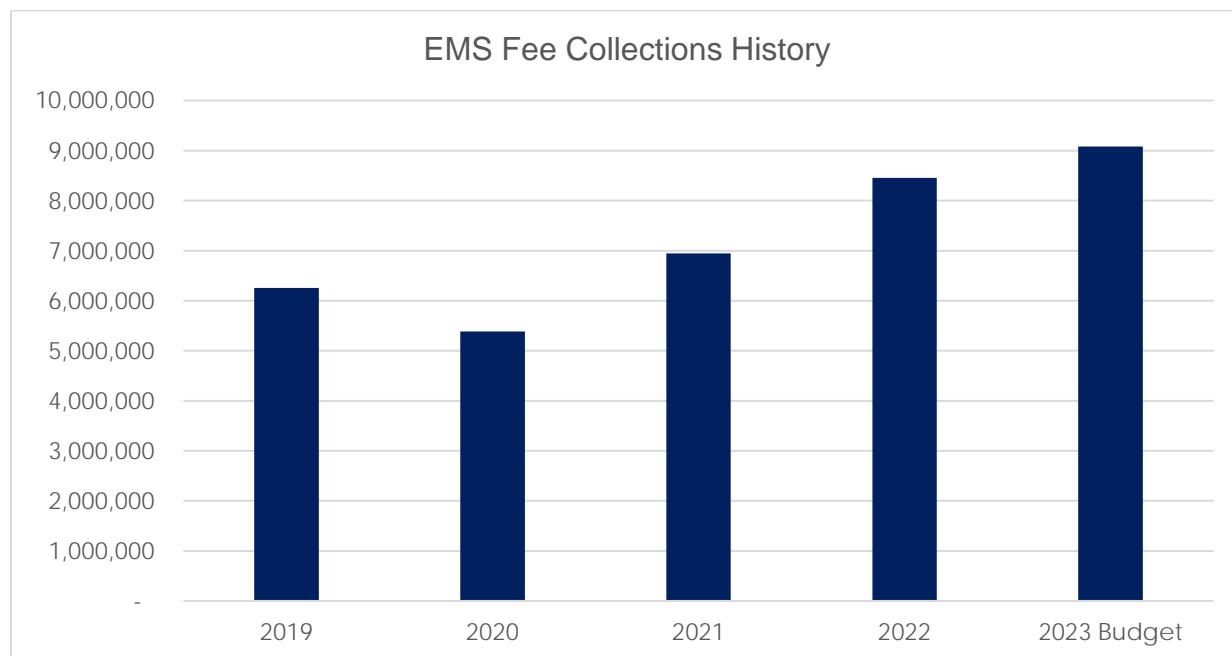


**Figure 7 – Sales/Use Tax History (2019 – 2023)**

## **EMS Service Revenue**

EMS revenue has grown to represent approximately nine percent of the total revenue the District receives. The District contracts with Digitech, an EMS billing service, to perform billing and accounts receivable services for EMS calls.

The Annual Budget for FY24 EMS Revenue of \$9 million is effectively unchanged compared to the 2023 Budget. EMS billing continues to grow as the population of the Cy-Fair area grows, and the Department call volume increases.



**Figure 8 – EMS Fee Collection History (2019 – 2023)**

| Revenue by Source     | 2022 Actual         | 2023 Budget         | 2024 Budget          |
|-----------------------|---------------------|---------------------|----------------------|
| Property Tax Revenue  | \$26,495,741        | \$26,748,588        | \$26,893,414         |
| Sales/Use Tax Revenue | \$55,459,354        | \$54,972,377        | \$55,042,798         |
| EMS Revenue           | \$8,452,397         | \$9,084,360         | \$9,000,000          |
| Contract Revenue      | \$124,076           | \$126,000           | \$132,660            |
| Interest Income       | \$135,169           | \$3,866,347         | \$5,739,577          |
| Miscellaneous Income  | \$518,563           | \$298,200           | \$86,500             |
| Real Estate           |                     |                     | \$5,355,180          |
| <b>Total Revenue</b>  | <b>\$91,185,300</b> | <b>\$95,095,872</b> | <b>\$102,250,129</b> |

Table 17 – Revenue by Source

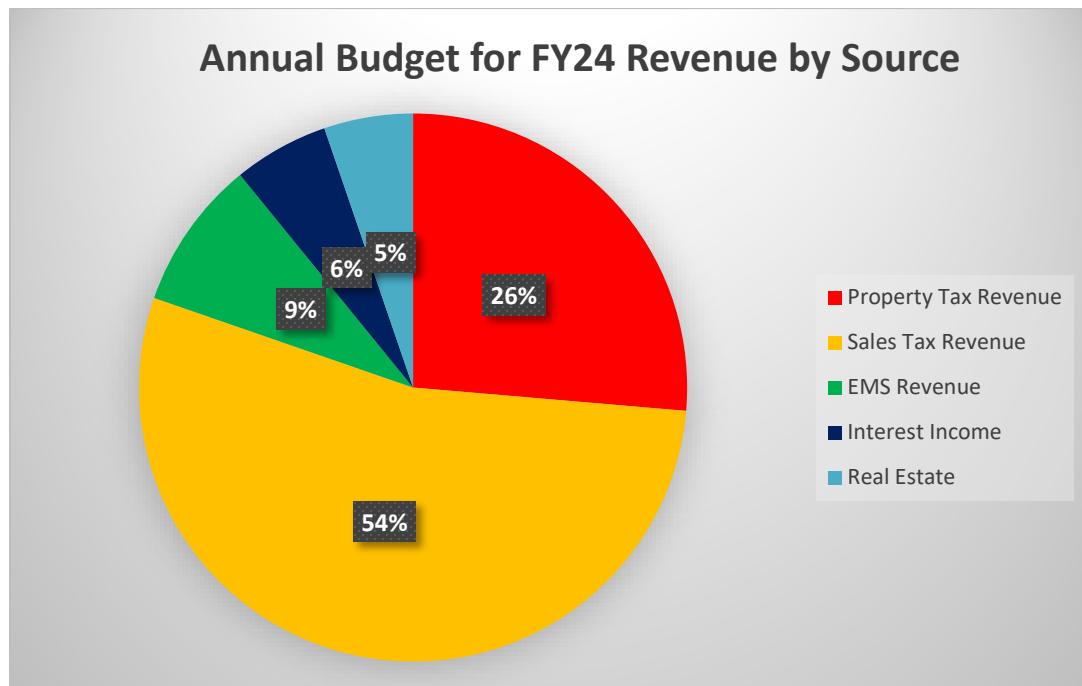


Figure 9 – Annual Budget for FY24 Revenue by Source



Fiscal Year 2024  
**OPERATIONS  
BUDGET**



## Expenses by Department

| Expenses by Department     | 2022 Actual         | 2023 Budget         | 2024 Budget         |
|----------------------------|---------------------|---------------------|---------------------|
| Suppression                | \$22,149,963        | \$25,585,272        | \$27,457,498        |
| EMS                        | \$19,129,868        | \$19,621,339        | \$21,921,256        |
| Quartermaster              | \$5,660,403         | \$5,974,568         | \$5,409,549         |
| IT                         | \$2,355,935         | \$3,085,464         | \$3,918,654         |
| Fleet Maintenance          | \$2,896,795         | \$3,461,184         | \$3,557,874         |
| Facilities Maintenance     | \$1,111,699         | \$1,564,114         | \$1,358,895         |
| Dispatch                   | \$2,557,128         | \$3,229,118         | \$3,771,378         |
| Communications             | \$1,332,777         | \$2,050,677         | \$1,893,256         |
| Public Relations           | \$292,148           | \$528,674           | \$671,722           |
| Human Resources/Accounting | \$3,422,625         | \$4,982,270         | \$7,132,744         |
| Administration             | \$2,926,674         | \$3,377,613         | \$3,277,005         |
| <b>Total Expenses</b>      | <b>\$64,085,733</b> | <b>\$74,267,683</b> | <b>\$80,369,831</b> |

Table 18 – Annual Budget for FY24 Expenses by Department

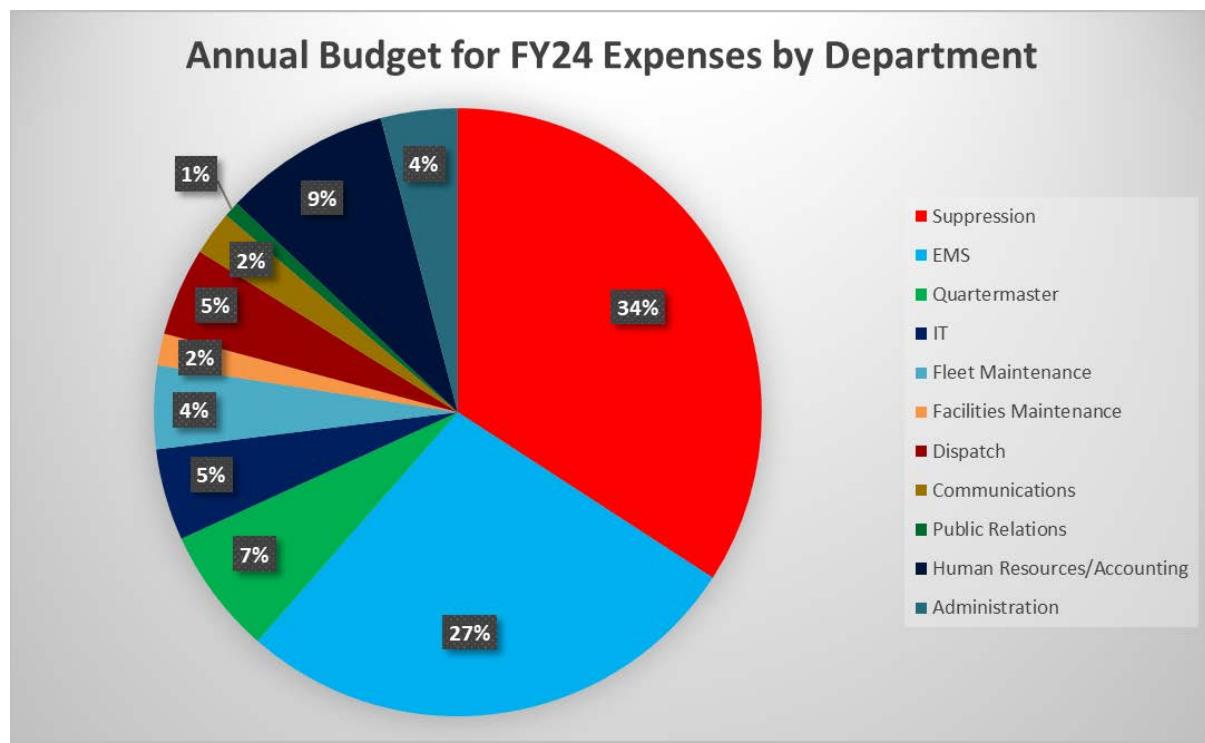
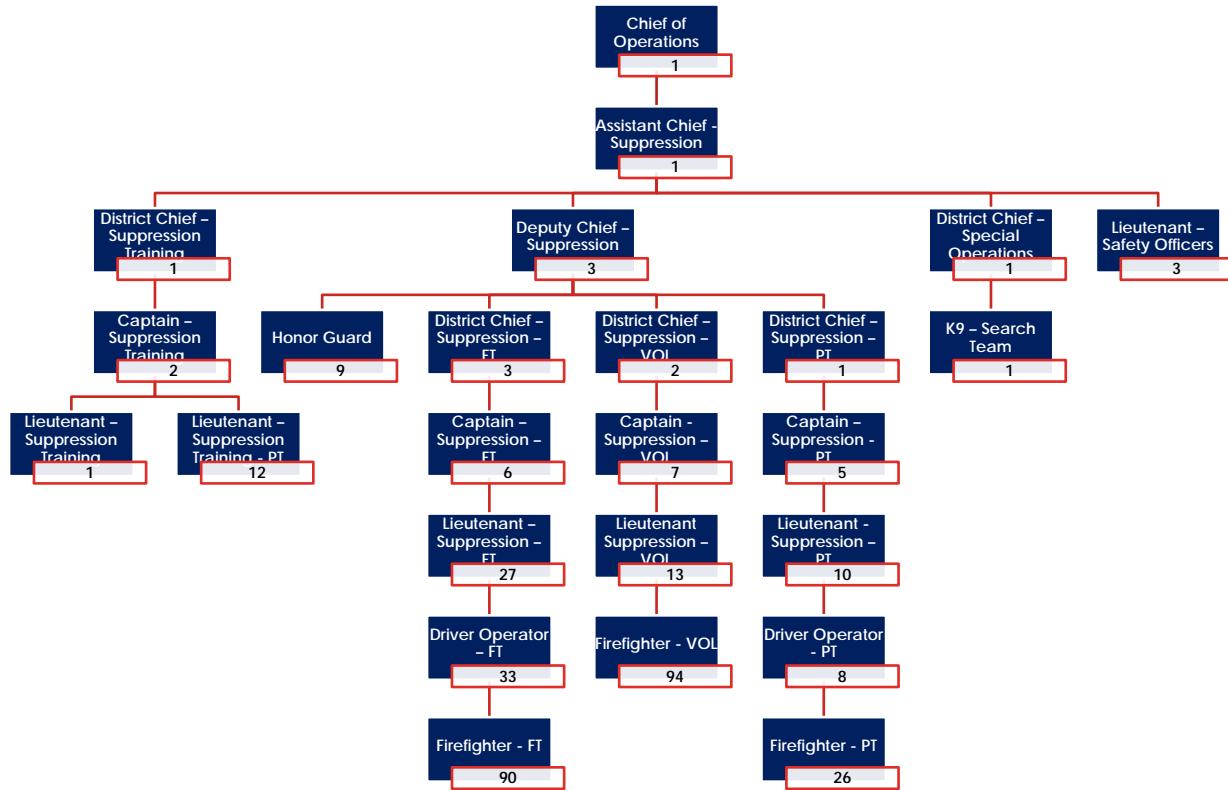


Figure 10 – Annual Budget for FY24 Expenses by Department

# Suppression

## Organizational Chart



## Personnel and Budget

The suppression division includes 350 full-time, part-time, and volunteer personnel. The members respond out of 14 fire stations to various types of emergencies.

## Employee Summary Table

|                      | 2022 |     | 2023 |     | 2024 |     |
|----------------------|------|-----|------|-----|------|-----|
|                      | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| Suppression FT/PT    | 132  | 62  | 147  | 55  | 165  | 50  |
| Suppression Training | 3    | 6   | 4    | 12  | 4    | 12  |
| Volunteers           | 0    | 134 | 0    | 127 | 0    | 119 |
| Total                | 135  | 202 | 151  | 194 | 169  | 181 |

**Table 19 – Budgeted Suppression Positions**

## Suppression Budget

|                                      | 2022 Actual         | 2023 Budget         | 2024 Budget         |
|--------------------------------------|---------------------|---------------------|---------------------|
| Payroll - Wages, Taxes, and Benefits | \$21,273,459        | \$24,174,472        | \$26,031,741        |
| Volunteer Stipend and Meals          | \$454,434           | \$556,000           | \$535,160           |
| Training and Development             | \$158,284           | \$496,260           | \$356,581           |
| Tools, Equipment, and Supplies       | \$172,326           | \$137,000           | \$157,136           |
| Travel                               | \$9,633             | \$68,000            | \$134,200           |
| Dues and Publications                | \$29,381            | \$60,000            | \$91,680            |
| Utilities                            | \$44,969            | \$65,400            | \$69,000            |
| Repairs and Maintenance              | \$764               | \$2,400             | \$60,000            |
| Outside Services                     | \$6,713             | \$10,740            | \$12,000            |
| Uniforms                             | \$0                 | \$15,000            | \$10,000            |
| <b>Total Suppression</b>             | <b>\$22,149,963</b> | <b>\$25,585,272</b> | <b>\$27,457,498</b> |

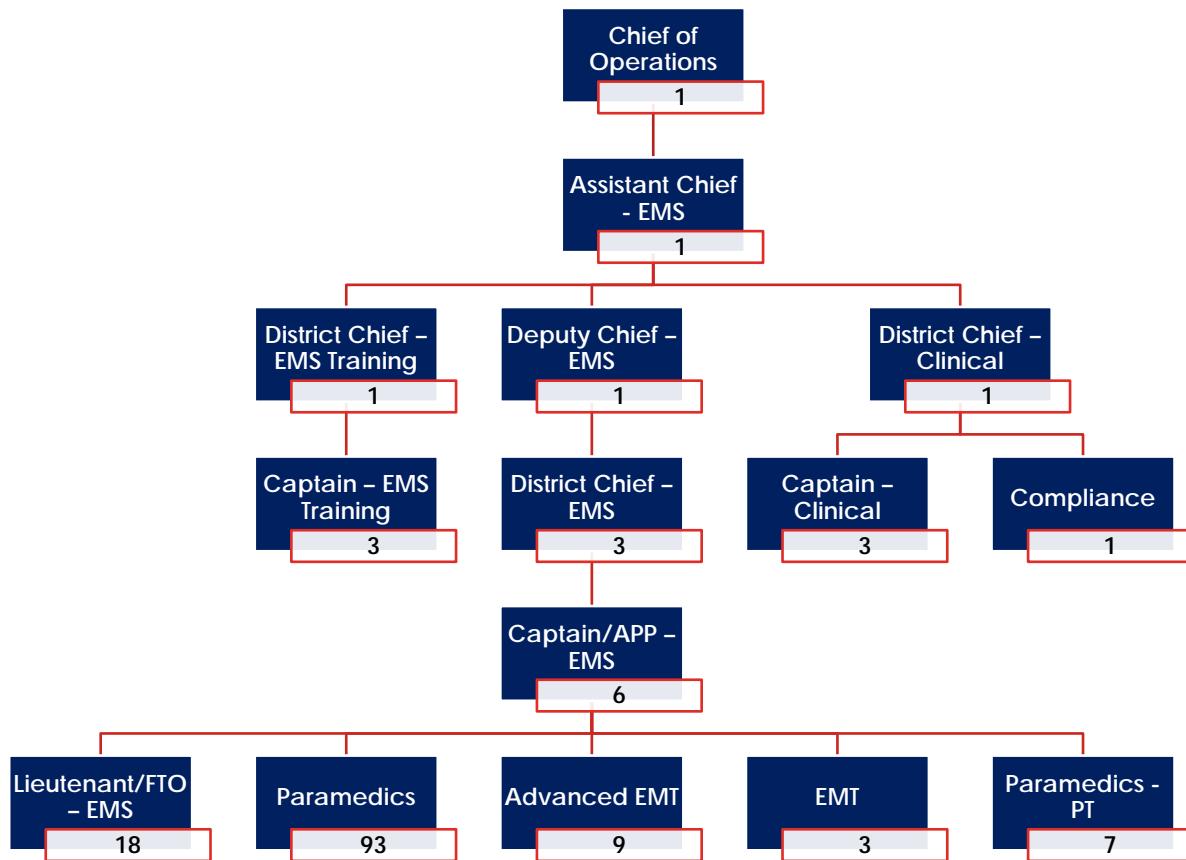
Table 20 – Suppression Expenses by Category

### Points of Interest:

1. FTE – 18 additional firefighters
2. Travel
  - a. Increased cost of Rescue training – Alabama Facility
3. Safety Officers and Expenses moves to Suppression budget

# Emergency Medical Services (EMS)

## Organizational Chart



## Personnel and Budget

The EMS division is comprised of more than 145 full and part-time employees. Emergency medical services are provided around the clock. Each medic unit is staffed with state-licensed paramedics. The Department holds the highest award for chest pain management in the American Heart Association's "Mission: Lifeline" quality achievement program. Each year, our responders manage more than 200 STEMI (ST-Elevation Myocardial Infarction) heart attacks. The Department has a return of spontaneous circulation (ROSC) percentage better than the national average. We continue to receive the Number 1 rank for customer service in large organizations.

## Employee Summary Table

|              | 2022 |     | 2023 |     | 2024 |     |
|--------------|------|-----|------|-----|------|-----|
|              | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| EMS FT/PT    | 133  | 7   | 137  | 7   | 134  | 7   |
| EMS Training | 4    | 0   | 4    | 0   | 4    | 0   |
| EMS Clinical | 3    | 0   | 3    | 0   | 4    | 0   |
| Total        | 140  | 7   | 144  | 7   | 142  | 7   |

Table 21 – Budgeted EMS Positions

## EMS Budget

|                                      | 2022 Actual         | 2023 Budget         | 2024 Budget         |
|--------------------------------------|---------------------|---------------------|---------------------|
| Payroll - Wages, Taxes, and Benefits | \$18,768,268        | \$19,056,123        | \$21,408,536        |
| Training and Development             | \$82,398            | \$155,600           | \$135,640           |
| Travel                               | \$48,187            | \$87,610            | \$87,610            |
| Professional Fees                    | \$78,000            | \$91,176            | \$81,120            |
| Utilities                            | \$66,072            | \$72,000            | \$69,000            |
| Tools, Equipment, and Supplies       | \$32,056            | \$54,940            | \$61,350            |
| Outside Services                     | \$36,266            | \$55,894            | \$54,000            |
| Dues and Publications                | \$18,620            | \$47,997            | \$24,000            |
| <b>Total EMS</b>                     | <b>\$19,129,867</b> | <b>\$19,621,340</b> | <b>\$21,921,256</b> |

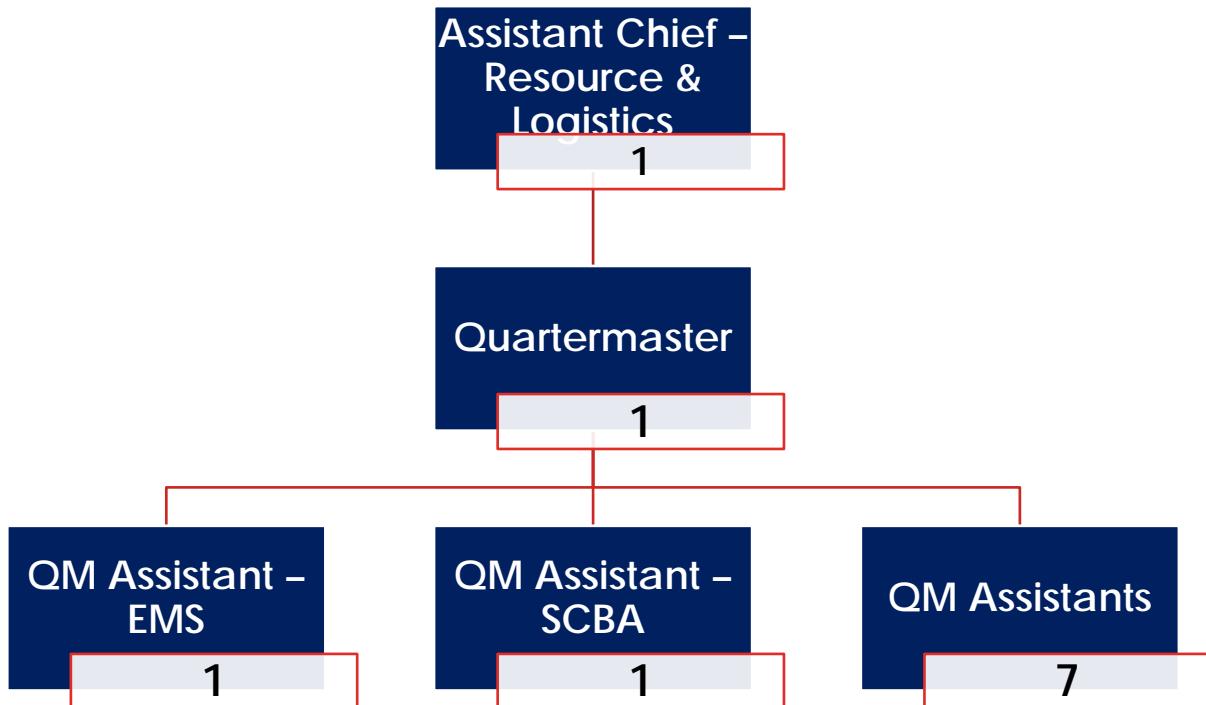
Table 22 – EMS Expenses by Category

### Point of Interest:

1. The increase in budget is due to Payroll – Wages, Taxes, and Benefits to cover the estimated raise and the additional medic units added for peak time per the Citygate report.
2. Staffing two (2) additional medic units during peak times of the day to assist with the high call volume from 08:00 to 20:00.

# Quartermaster

## Organizational Chart



## Personnel and Budget

The Quartermaster group provides support, customer service, and research to ensure firefighters, paramedics, and EMTs have the right tools on the job. Established in 2002, this team manages the Department's suppression and EMS equipment, uniforms, protective gear, and station supplies. Their responsibilities include the maintenance and annual testing of both fire and EMS equipment.

### Employee Summary Table

|                     | 2022 |     | 2023 |     | 2024 |     |
|---------------------|------|-----|------|-----|------|-----|
|                     | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| Quartermaster Group | 9    | 1   | 9    | 1   | 10   | 1   |

Table 23 – Budgeted Quartermaster Group Positions

## Quartermaster Budget

|                                      | 2022 Actual        | 2023 Budget        | 2024 Budget        |
|--------------------------------------|--------------------|--------------------|--------------------|
| Tools, Equipment, and Supplies       | \$3,710,116        | \$3,139,530        | \$2,508,600        |
| Payroll - Wages, Taxes, and Benefits | \$829,915          | \$896,330          | \$1,070,449        |
| Protective Gear and Uniforms         | \$694,174          | \$1,344,700        | \$1,072,000        |
| Repairs and Maintenance              | \$303,532          | \$459,500          | \$577,000          |
| Outside Services                     | \$65,905           | \$57,996           | \$97,100           |
| Equipment Rental                     | \$40,443           | \$42,504           | \$46,500           |
| Travel                               | \$2,929            | \$8,000            | \$11,000           |
| Training and Development             | \$2,803            | \$7,000            | \$9,500            |
| Other                                | \$5,384            | \$9,000            | \$9,000            |
| Utilities                            | \$4,412            | \$6,408            | \$4,800            |
| Dues and Publications                | \$789              | \$3,600            | \$3,600            |
| <b>Total Quartermaster</b>           | <b>\$5,660,402</b> | <b>\$5,974,568</b> | <b>\$5,409,549</b> |

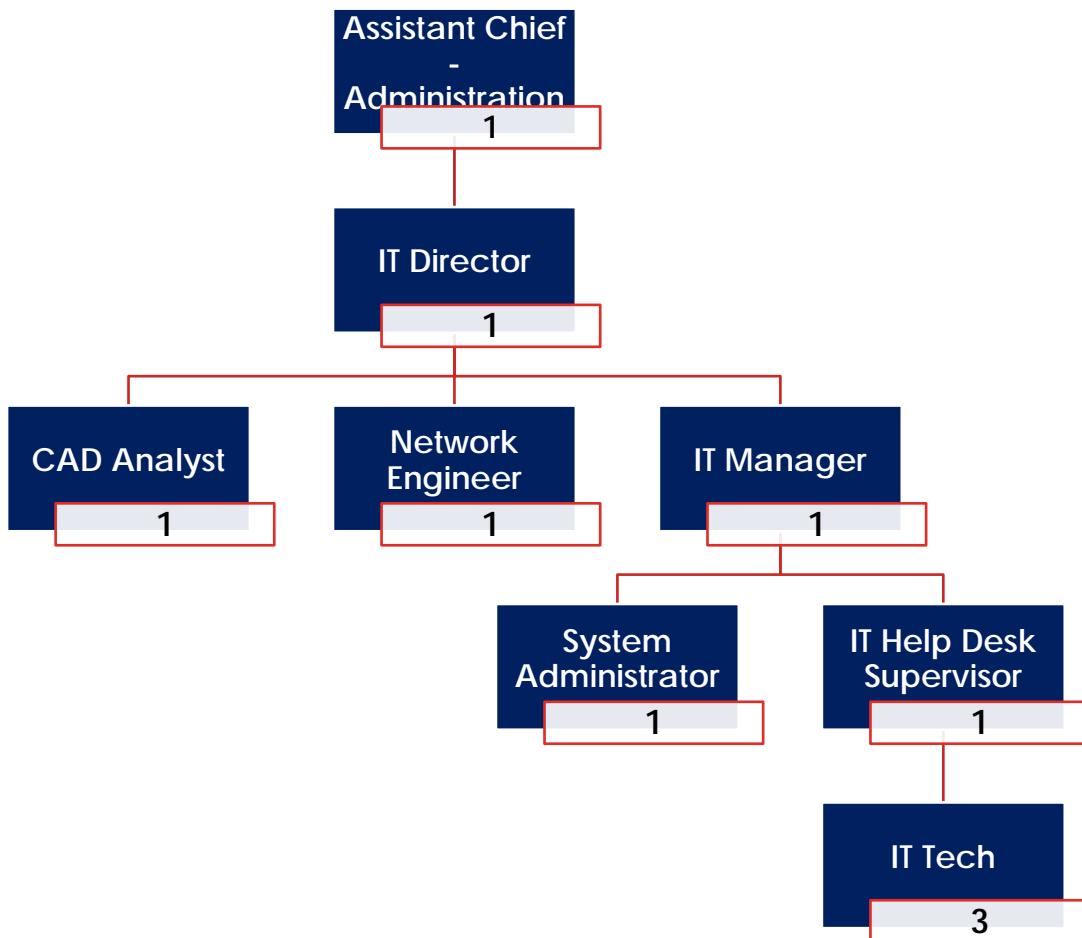
Table 24 – Quartermaster Group Expenses by Category

### Points of Interest (Both Capital and Operating Expenses):

1. EMS equipment to put in service 23 licensed units.
2. QM truck
  - a. Replacement, but also adding a camper top
3. Gear dryers
  - a. Portable style dryers to put at a couple of older stations or to supplement our warehouse dryers if needed.
4. Relocate Station 5 cascade
  - a. When Rescue 5 moves to Station 6
5. Engine equipment
  - a. With the addition of a 5<sup>th</sup> reserve engine, we will need to outfit an additional engine.
6. SCBA Project
  - a. This depends on NFPA's release of the new SCBA standard. The 2007 standard SCBA will need to be replaced.
7. FTE - 1 QM Assistant added

# Information Technology

## Organizational Chart



## Personnel and Budget

The Information Technology (IT) Department implements and manages the IT infrastructure network, software programs, radio communications, computers, and all other technology-related hardware for the District. In addition, the IT department maintains antivirus and additional security-related components safe from outside security threats and designs. IT supports systems that provide continuity of operations in the event of a system failure.

### **Employee Summary Table**

|                        | 2022 |     | 2023 |     | 2024 |     |
|------------------------|------|-----|------|-----|------|-----|
|                        | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| Information Technology | 6    | 1   | 8    | 1   | 9    | 1   |

Table 25 – Budgeted Information Technology Positions

## Information Technology Budget

|                                     | 2022 Actual        | 2023 Budget        | 2024 Budget        |
|-------------------------------------|--------------------|--------------------|--------------------|
| Payroll - Wages, Taxes and Benefits | \$885,955          | \$1,140,712        | \$1,319,138        |
| Software Licenses                   | \$785,231          | \$845,953          | \$1,032,000        |
| Outside Services                    | \$90,077           | \$322,180          | \$598,396          |
| Tools, Equipment, And Supplies      | \$299,630          | \$451,619          | \$553,920          |
| Utilities                           | \$267,467          | \$250,000          | \$340,000          |
| Travel                              | \$1,344            | \$37,500           | \$37,500           |
| Training and Development            | \$1,104            | \$37,500           | \$37,500           |
| Dues and Publications               | \$175              | \$0                | \$200              |
| Repairs and Maintenance             | \$24,953           | \$0                | \$0                |
| <b>Total Information Technology</b> | <b>\$2,355,936</b> | <b>\$3,085,464</b> | <b>\$3,918,654</b> |

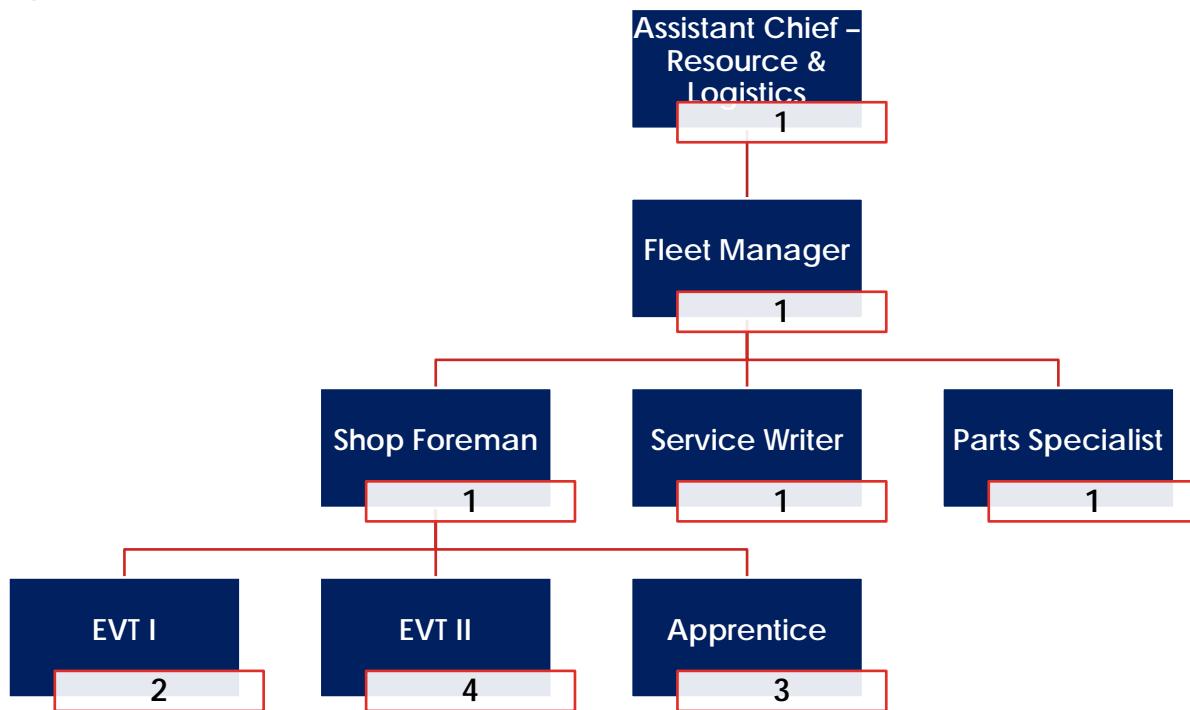
Table 26 – Information Technology Expenses by Category

### Point of Interest:

1. ERP System

# Fleet Maintenance

## Organizational Chart



## Personnel and Budget

The Fleet Maintenance team maintains, tracks, repairs, and manages over 130 pieces of the department's rolling stock. This includes quarterly, semi-annual, and annual maintenance of all apparatus, such as aerials, pumper, boosters, medic units, tankers, staff vehicles, trailers, and the Department's standby generators. The team provides field and shop repair service 24 hours daily and manages a reserve fleet of pumper, ladder, rescue, medic units, and staff vehicles. The team also assists other groups with specialized installation and fabrication for department projects while attending training classes and working to acquire new certifications to stay current with new technology within the emergency vehicle industry.

## Employee Summary Table

|                   | 2022 |     | 2023 |     | 2024 |     |
|-------------------|------|-----|------|-----|------|-----|
|                   | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| Fleet Maintenance | 8    | 3   | 9    | 3   | 10   | 3   |

Table 27 – Budgeted Fleet Maintenance Positions

## Fleet Maintenance Budget

|                                      | 2022 Actual        | 2023 Budget        | 2024 Budget        |
|--------------------------------------|--------------------|--------------------|--------------------|
| Payroll - Wages, Taxes, and Benefits | \$1,189,264        | \$1,380,089        | \$1,651,179        |
| Fuel, Oil, Tires                     | \$899,377          | \$1,037,000        | \$962,000          |
| Repairs and Maintenance              | \$242,143          | \$392,000          | \$392,000          |
| Outside Services                     | \$353,668          | \$320,000          | \$320,000          |
| Tools, Equipment, and Supplies       | \$189,292          | \$282,000          | \$170,000          |
| Travel                               | \$3,835            | \$14,500           | \$18,000           |
| Training and Development             | \$1,897            | \$11,500           | \$15,000           |
| Uniforms                             | \$7,754            | \$11,500           | \$12,400           |
| Utilities                            | \$6,177            | \$7,800            | \$12,000           |
| Dues and Publications                | \$3,387            | \$4,795            | \$5,295            |
| <b>Total Fleet Maintenance</b>       | <b>\$2,896,794</b> | <b>\$3,461,184</b> | <b>\$3,557,874</b> |

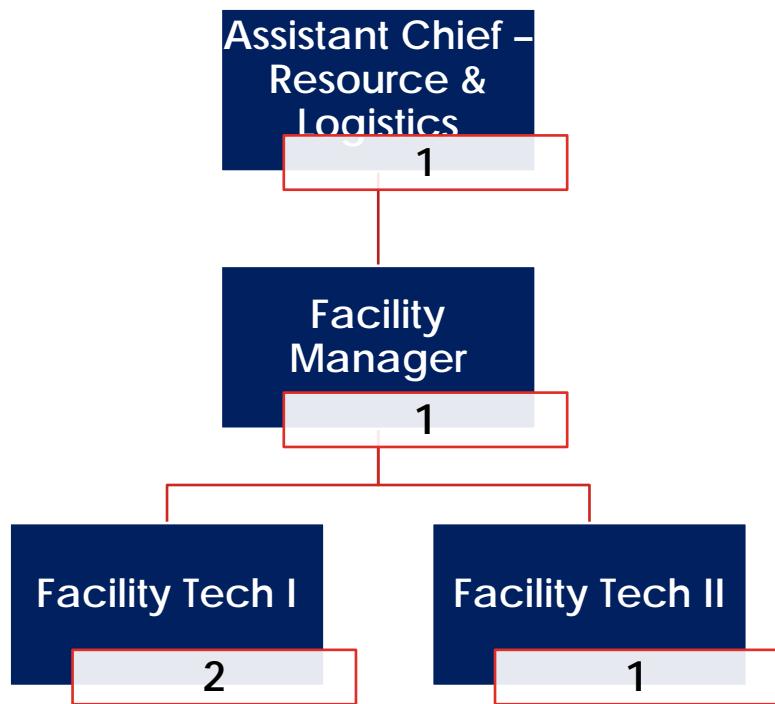
Table 28 – Fleet Maintenance Expenses by Category

### Points of Interest (Both Capital and Operating Expenses):

1. Replacement of the 13-year-old lift
2. EVT and EVT Validation Symposium.
  - a. We attended this some years ago, and it was a good training event. The validation part runs with the symposium. Tony Orek, our Fleet Manager, has been asked by the EVT group to help with testing criteria, policies, and procedures.
3. GFX conference
  - a. This is a government fleet conference that includes numerous vendors and product suppliers we currently use but will also expose us to new vendors.
4. Mobile skid unit
  - a. This is a small platform to do mobile maintenance. This will be used for the station generator repairs and maintenance on the rare occasion we need to work on apparatus offsite from the shop.
5. FDSOA Membership
  - a. This is an FD Safety Officer Association. This will be a Department membership (up to 25 personnel).
6. FTE - 1 mechanic added

# Facility Maintenance

## Organizational Chart



## Personnel and Budget

The Facility Maintenance team maintains all facilities to ensure a safe, comfortable, and functional environment for staff and visitors. This includes standard facility maintenance needs, repairs, and special projects. The team provides annual testing of the facility protection systems, such as sprinkler systems, alarm systems, generator load testing, and facility extinguishers. The team works with multiple outside agencies and manages various department contracts to keep department facilities operating.

### Employee Summary Table

|                      | 2022 |     | 2023 |     | 2024 |     |
|----------------------|------|-----|------|-----|------|-----|
|                      | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| Facility Maintenance | 3    | 0   | 4    | 0   | 4    | 0   |

Table 29 – Budgeted Facility Maintenance Positions

## Facility Maintenance Budget

|                                      | 2022 Actual        | 2023 Budget        | 2024 Budget        |
|--------------------------------------|--------------------|--------------------|--------------------|
| Repairs and Maintenance              | \$674,036          | \$896,000          | \$805,000          |
| Payroll - Wages, Taxes, and Benefits | \$337,272          | \$455,214          | \$429,695          |
| Equipment Rental                     | \$86,408           | \$180,000          | \$90,000           |
| Tools, Equipment, and Supplies       | \$10,504           | \$18,000           | \$18,000           |
| Travel                               | \$157              | \$5,600            | \$6,000            |
| Training and Development             | 0                  | \$4,800            | \$6,000            |
| Utilities                            | \$3,321            | \$4,500            | \$4,200            |
| <b>Total Facilities Maintenance</b>  | <b>\$1,111,698</b> | <b>\$1,564,114</b> | <b>\$1,358,895</b> |

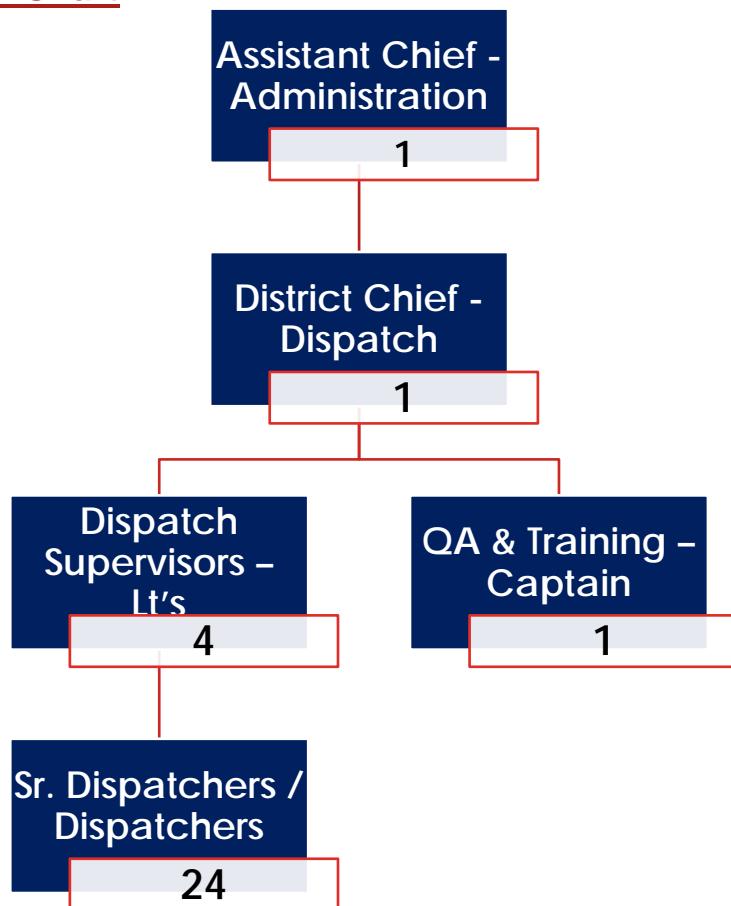
Table 30 – Facility Maintenance Expenses by Category

Points of Interest (Both Capital and Operating Expenses):

1. LED lighting retrofit
  - a. Provide the same brightness as traditional bulbs but use 90% less energy
  - b. Last 15 times longer, which means financial savings on operations and maintenance.
  - c. Produce very little heat compared to incandescent bulbs, which emit 90% of their energy as heat, and CFLs, which emit 80% of their energy as heat
2. Warehouse improvements
  - a. Cargo lift, gate, and security
3. Facility truck for the 4<sup>th</sup> person.
  - a. Identical truck to the one the facility group currently has.
4. Generator tap box(es) for 10710 Telge (Admin)
  - a. These will need to be engineered.
5. Mobile generator
  - a. This was moved from the 2023 budget to the 2024 budget based on availability and estimated delivery times
6. Equipment rental and lease increase
  - a. The bathroom trailers for the stations.

# Dispatch

## Organizational Chart



## Personnel and Budget

The Dispatch Center, a 7,000-square-foot facility, is home to public safety telecommunicators who work together to process more than 37,000 emergency and nonemergency calls for the 164-square-mile area of HCESD9. The Center is the only dual accredited center of excellence recognized by the International Academies of Emergency Dispatch in Harris County and one of only two dual ACE centers in the state. The telecommunicators are the calm voices on the other end of your 9-1-1 call and are the first responders you never see. These men and women hold medical and fire dispatch certifications and can provide you with labor and delivery, bleeding control, and CPR instructions over the phone.

## **Employee Summary Table**

|          | 2022 |     | 2023 |     | 2024 |     |
|----------|------|-----|------|-----|------|-----|
|          | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| Dispatch | 29   | 4   | 30   | 4   | 30   | 4   |

Table 31 – Budgeted Dispatch Positions

## Dispatch Budget

|                                     | 2022 Actual        | 2023 Budget      | 2024 Budget        |
|-------------------------------------|--------------------|------------------|--------------------|
| Payroll - Wages, Taxes and Benefits | \$2,376,984        | \$3,010,675      | \$3,501,971        |
| Utilities                           | \$107,360          | \$76,800         | \$119,659          |
| Training and Development            | \$15,499           | \$52,093         | \$52,093           |
| Repairs and Maintenance             | \$25,431           | \$0              | \$34,800           |
| Outside Services                    | \$4,647            | \$19,400         | \$19,400           |
| Travel                              | \$7,576            | \$18,905         | \$18,905           |
| Tools, Equipment, And Supplies      | \$16,050           | \$42,135         | \$16,250           |
| Dues and Publications               | \$3,580            | \$7,320          | \$6,500            |
| Equipment Repairs                   | \$0                | \$1,800          | \$1,800            |
| <b>Total Dispatch</b>               | <b>\$2,557,127</b> | <b>3,229,128</b> | <b>\$3,771,378</b> |

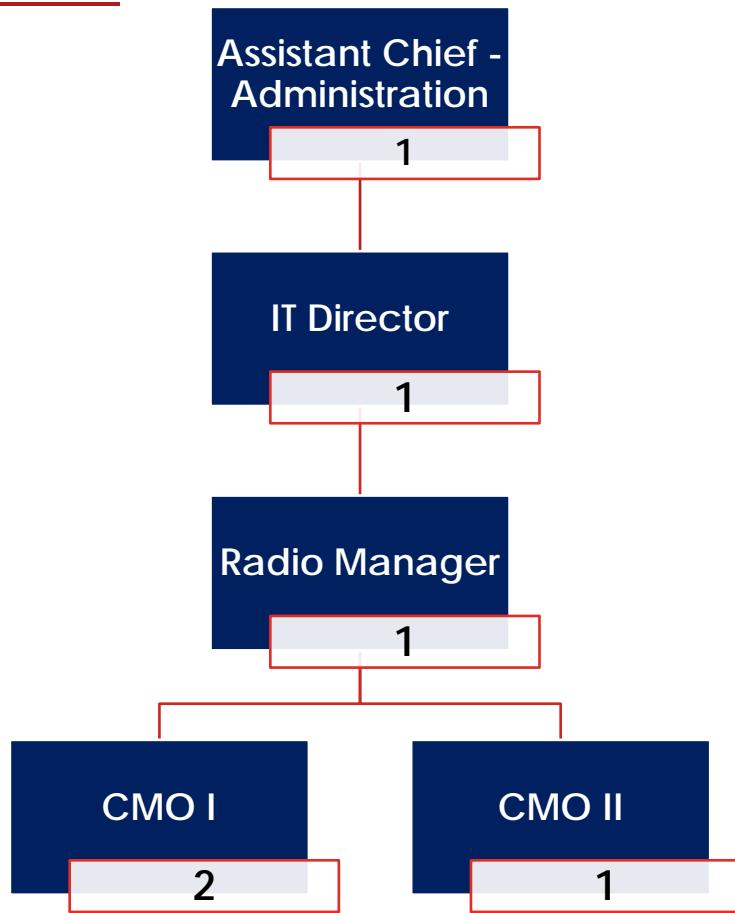
Table 32 – Dispatch Expenses by Category

### Points of Interest:

1. Personnel costs
2. Increase in Utility costs

# Communications

## Organizational Chart



## Personnel and Budget

The Communications group is responsible for radio repair requests, managing various communication systems, overseeing equipment deployment, and maintaining inventory databases. Regulatory compliance tasks encompass FAA antenna support registrations and FCC frequency applications. The role also involves ensuring interoperability with mutual aid partners.

### Employee Summary Table

|                | 2022 |     | 2023 |     | 2024 |     |
|----------------|------|-----|------|-----|------|-----|
|                | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| Communications | 3    | 1   | 3    | 1   | 3    | 1   |

Table 33 – Budgeted Communications Positions

## Communications Budget

|                                     | 2022 Actual        | 2023 Budget        | 2024 Budget        |
|-------------------------------------|--------------------|--------------------|--------------------|
| Radio Software Licenses             | \$796,039          | \$1,186,000        | \$896,000          |
| Payroll - Wages, Taxes and Benefits | \$275,415          | \$321,634          | \$349,430          |
| Tools, Equipment, and Supplies      | \$26,626           | \$233,826          | \$313,370          |
| Utilities                           | \$202,753          | \$196,812          | \$218,484          |
| Outside Services                    | \$25,721           | \$52,000           | \$54,000           |
| Travel                              | \$445              | \$18,649           | \$35,000           |
| Training and Development            | \$0                | \$8,156            | \$20,000           |
| Repairs and Maintenance             | \$5,537            | \$33,600           | \$6,000            |
| Dues and Publications               | \$240              | -                  | \$972              |
| <b>Total Communications</b>         | <b>\$1,332,776</b> | <b>\$2,050,677</b> | <b>\$1,893,256</b> |

Table 34 – Communications Expenses by Category

### Point of Interest:

1. Decreased budget

# Marketing & Public Relations

## Organizational Chart



## Personnel and Budget

The Marketing & Public Relations division is responsible for messaging our internal and external customers. They handle public education on fire safety issues and act as official sources of information for the news media. The division has expanded to include recruitment and retention to attract and retain the best personnel and to ensure the sustainability and growth of the department.

## Employee Summary Table

|                              | 2022 |     | 2023 |     | 2024 |     |
|------------------------------|------|-----|------|-----|------|-----|
|                              | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| Marketing & Public Relations | 2    | 0   | 3    | 1   | 4    | 1   |

Table 35 – Budgeted Marketing & Public Relations Positions

## Marketing & Public Relations Budget

|   | 2022 Actual      | 2023 Budget      | 2024 Budget      |
|---|------------------|------------------|------------------|
| Payroll - Wages, Taxes, and Benefits          | \$80,038         | \$215,568        | \$291,722        |
| Tools, Equipment, And Supplies                | \$70,738         | \$128,500        | \$158,500        |
| Member Appreciation                           | \$73,451         | \$120,000        | \$150,000        |
| Public Relations Services                     | \$6,545          | \$27,000         | \$27,000         |
| Outside Services                              | \$50,298         | \$15,000         | \$25,000         |
| Travel  | \$2,022          | \$14,045         | \$10,000         |
| Training and Development                      | \$1,320          | \$3,865          | \$5,000          |
| Utilities                                     | \$2,546          | \$3,696          | \$3,500          |
| Dues and Publications                         | \$5,190          | \$1,000          | \$1,000          |
| <b>Total Marketing &amp; Public Relations</b> | <b>\$292,148</b> | <b>\$528,674</b> | <b>\$671,722</b> |

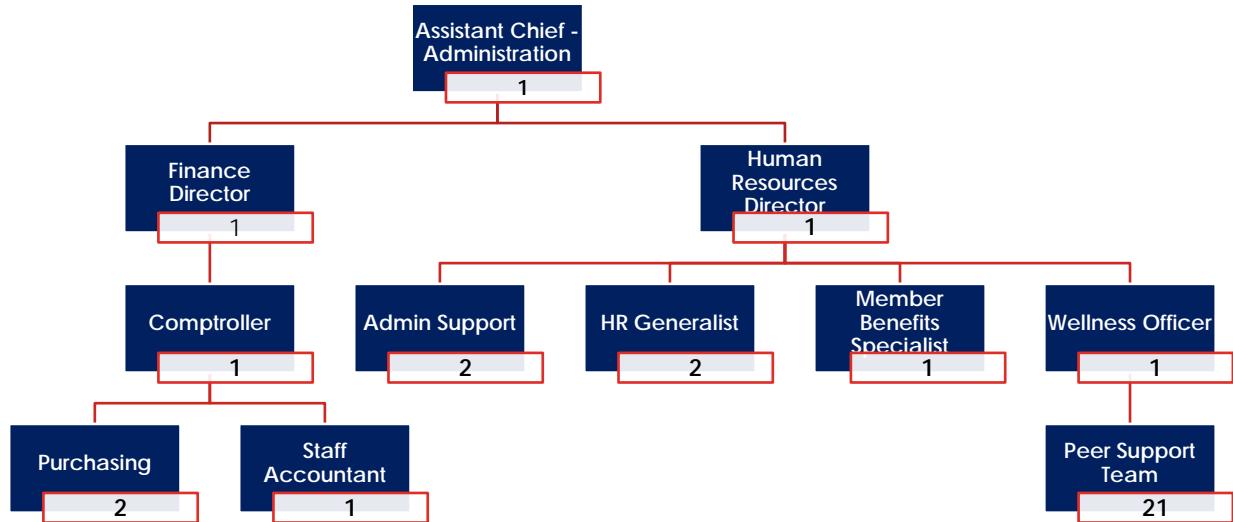
Table 36 – Marketing & Public Relations Expenses by Category

### Point of Interest:

1. Personnel costs

# Human Resources and Accounting

## Organizational Chart



## Personnel and Budget

The Human Resources (HR) team is devoted to providing effective policies, procedures, and people-friendly guidelines and support within the organization. The team also monitors developments in state and federal employment laws – such as tax regulations, health insurance requirements, overtime laws, unemployment restrictions, family and medical leave policies, and safety regulations. The team works in the best interests of both the members and the department, striving to create a productive, safe workplace. The Accounting staff is responsible for all accounting-related matters, including equipment purchasing and payment to vendors. Other functions under accounting include an annual financial audit, public auction, annual bid proposals, and other administrative operations.

The Department's Wellness initiative, THRIVE, is moved under HR.

### **Employee Summary Table**

|                                | 2022 |     | 2023 |     | 2024 |     |
|--------------------------------|------|-----|------|-----|------|-----|
|                                | FTE  | PRN | FTE  | PRN | FTE  | PRN |
| Human Resources and Accounting | 5    | 0   | 9    | 0   | 12   | 0   |

Table 37 – Budgeted Human Resources and Accounting Positions

## Human Resources and Accounting Budget

|                                      | 2022 Audited       | 2023 Budget        | 2024 Budget        |
|--------------------------------------|--------------------|--------------------|--------------------|
| Payroll - Wages, Taxes and Benefits  | \$1,632,692        | \$4,145,861        | \$5,222,175        |
| Health & Wellness                    | \$183,426          | \$666,750          | \$784,000          |
| Volunteer Incentive, Stipend & Meals | \$1,339,336        | \$315,000          | \$413,109          |
| Outside Services                     | \$180,459          | \$169,000          | \$395,960          |
| Training and Development             | \$101,626          | \$135,585          | \$140,000          |
| Professional Fees                    | \$92,159           | \$92,000           | \$50,000           |
| Utilities                            | \$42,649           | \$45,456           | \$48,000           |
| Commissioner Stipend                 | \$2,050            | \$36,000           | \$36,000           |
| Supplies & Materials                 | \$19,339           | \$21,000           | \$26,500           |
| Travel                               | \$6,430            | \$11,000           | \$11,000           |
| Dues and Publications                | \$2,986            | \$7,000            | \$6,000            |
| Other                                | \$2,900            | \$4,368            | \$0                |
| <b>Total HR and Accounting</b>       | <b>\$3,606,052</b> | <b>\$5,649,020</b> | <b>\$7,132,744</b> |

**Table 38 – Human Resources and Accounting Expenses by Category**

### Point of Interest:

1. Personnel costs
2. Wellness Program personnel and program costs were moved from the Safety budget to HR.

# Administration

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## Budget

State and county fees for tax collection, Legal, and Utilities for all facilities except Dispatch. There are no personnel assigned to this department.

### Administration Budget

|                                      | 2022 Actual        | 2023 Budget        | 2024 Budget        |
|--------------------------------------|--------------------|--------------------|--------------------|
| State Collection & Govt. Fees        | \$1,377,357        | \$1,701,500        | \$1,519,000        |
| Utilities                            | \$556,370          | \$569,000          | \$612,900          |
| Legal                                | \$510,547          | \$290,239          | \$563,700          |
| Outside Services                     | \$300,055          | \$479,574          | \$413,405          |
| Professional Fees                    | \$156,289          | \$230,000          | \$158,000          |
| Public Relations Services            | \$5,158            | \$8,300            | \$5,000            |
| Volunteer Incentive, Stipend & Meals | \$8,771            | \$25,000           | \$5,000            |
| Emergency Response                   | \$0                | \$35,000           | \$0                |
| Repairs and Maintenance              | \$0                | \$1,000            | \$0                |
| Tools, Equipment, And Supplies       | \$12,129           | \$36,000           | \$0                |
| Travel                               | \$0                | \$2,000            | \$0                |
| <b>Total Administration</b>          | <b>\$2,926,676</b> | <b>\$3,377,613</b> | <b>\$3,277,005</b> |

Table 39 – Administration Expenses by Category

Fiscal Year 2024  
**SUMMARY  
CAPEX  
BUDGET**



# **Capital Projects / Capital Improvement Plan**

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The Department has created a formal, comprehensive Capital Improvement Plan (CIP) for the expected growth necessary to support services.

## **2024 Capital Expenditure Budget**

### **Land**

After the Commissioners approved the Skinner/Greenhouse underpass, the Department budgeted \$500,000 to purchase land in the Towne Lake area. This land is being purchased at a discounted rate because HCESD9 agreed to contribute \$3,080,000 for the underpass project as a portion of match funds to receive a federal grant. The plan for this project was initially approved by commissioners in 2018. The current commissioners finalized and approved the project in July 2023. This cost-share investment is capped and will be within the budgeted amount. This project will assist with reduced response times once completed.

In addition, for 2024, the Department budgeted for land purchase for five stations: relocation, growth, and infill. We added architectural fees for two stations. The goal of these stations will be to provide an equitable response across the district and to reduce response times to the service delivery address.

In the CIP, additional land and construction costs are budgeted in the years 2025 – 2028 for both new and relocation stations.

### **Apparatus**

Delivery times for suppression apparatus are currently running 36-42 months. We have added replacement and new engines and ladder/towers to the 2024 budget for delivery in 2026 – 2027.

The Tables below include both the Sustaining and Growth Capital Expenditures by Department. We have included the known capital expenditure carryover from the 2023 budget. This number may increase as we get closer to the end of the year.

| 2024 Sustaining Capital Expenditures              |  | Total                | Breakdown            |
|---|--|----------------------|----------------------|
| IT  | Cisco network switch                         | \$ 148,500           | 148,500              |
| Safety  |  | -                    |                      |
| Public Relations                                  |  | -                    |                      |
| EMS   |  | -                    |                      |
| Communications                                    |  | -                    |                      |
| Human Resources / Accounting                      |  | -                    |                      |
| Facilities Maintenance                            |  | 258,000              |                      |
|   | Retro older florescent lighting with LED     |                      | 36,000               |
|   | Facility upgrades to dispatch                |                      | 50,000               |
|   | Commercial washer and dryer                  |                      | 22,000               |
|   | General remodel for facilities               |                      | 150,000              |
| Fleet Maintenance                                 |  | 88,000               |                      |
|   | Stretil Koni 30,000lb - Four post truck lift |                      | 88,000               |
| Quartermaster *2023 carryover \$2,043,720         |  | 2,731,000            |                      |
|   | Replace current 2007 or older SCBA           |                      | 2,731,000            |
| Suppression                                       |  | -                    |                      |
| Administration-Vehicles, Land & Stations          |  | 8,478,976            |                      |
|   | Medics * 2023 carryover \$2,225,851          |                      | 2,225,851            |
|   | Chief/Staff vehicles                         |                      | 239,840              |
|   | Station 8 relocation                         |                      | 2,615,000            |
|   | Engine                                       |                      | 1,371,441            |
|   | Aerial truck (bucket)                        |                      | 2,026,844            |
| <b>Total 2024 Sustaining Capital Expenditures</b> |  | <b>\$ 11,704,476</b> | <b>\$ 11,704,476</b> |

Table 40 - 2024 Sustaining Capital Expenditures

| 2024 Expansion Capital Expenditures              |  | Total                | Breakdown            |
|--|--|----------------------|----------------------|
| IT   |  | \$ 17,000            | \$ -<br>17,000       |
|  | Fiber network tester                     |                      |                      |
| Facilities Maintenance *2023 carryover           | \$112,500                                | 745,500              |                      |
|  | Warehouse cargo lift & Upgrade railing   |                      | 175,000              |
|  | Dispatch generator project               |                      | 112,500              |
|  | Mobile standby generator for stations    |                      | 225,000              |
|  | Tap Box(es) for generator power at 10710 |                      | 150,000              |
|  | Man lift                                 |                      | 25,000               |
|  | Boom Lift                                |                      | 58,000               |
| Fleet Maintenance                                |  | 26,000               |                      |
|  | Custom mobile service skid               |                      | 26,000               |
| Quartermaster                                    |  | 325,842              |                      |
|  | Portable PPE dryer                       |                      | 11,300               |
|  | Lucas compression device                 |                      | 60,000               |
|  | Stryker Power Pro 2 Cot                  |                      | 69,542               |
|  | Stryker Xpedition Stair Chair            |                      | 36,000               |
|  | Stryker LIFEPAK 15 Monitor Defibrillator |                      | 94,000               |
|  | Engine equipment                         |                      | 40,000               |
|  | General R&D                              |                      | 15,000               |
| Administration-Vehicles, Land & Stations         |  | 18,111,155           |                      |
|  | Towne Lake land & station                |                      | 500,000              |
|  | Towne Lake underpass                     |                      | 3,080,000            |
|  | Citygate Station A                       |                      | 2,615,000            |
|  | Citygate Station B                       |                      | 2,000,000            |
|  | Traders Village station                  |                      | 2,000,000            |
|  | Bridgeland station (West of 99)          |                      | 2,000,000            |
|  | Engines (3)                              |                      | 4,114,323            |
|  | Aerial truck (stick)                     |                      | 1,801,832            |
| <b>Total 2024 Expansion Capital Expenditures</b> |  | <b>\$ 19,225,497</b> | <b>\$ 19,225,497</b> |

Table 41 – 2024 Expansion Capital Expenditures

|  |                      |
|--|----------------------|
| Total 2023 Carryover                                     | 4,382,071            |
| Total 2024 Sustaining and Expansion Capital Expenditures | 26,547,902           |
| <b>Total Annual Budget FY 24 Capital Expenditures</b>    | <b>\$ 30,929,973</b> |

Table 42 – 2024 Total Annual Budget FY24 Capital Expenditures

## 5 YEAR CAPITAL IMPROVEMENT PLAN

| <u>Sustaining Capital Expenditures</u>           | <u>2024</u>          | <u>2025</u>          | <u>2026</u>          | <u>2027</u>          | <u>2028</u>          | <u>Total</u>          |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------------|
| Dispatch   | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                  |
| IT   | 148,500              | -                    | -                    | -                    | -                    | 148,500               |
| Safety   | -                    | -                    | -                    | -                    | -                    | -                     |
| Public Relations                                 | -                    | -                    | -                    | -                    | -                    | -                     |
| EMS  | -                    | -                    | -                    | -                    | -                    | -                     |
| Communications                                   | -                    | -                    | -                    | -                    | -                    | -                     |
| Human Resources / Accounting                     | -                    | -                    | -                    | -                    | -                    | -                     |
| Facilities Maintenance                           | 258,000              | -                    | -                    | -                    | -                    | 258,000               |
| Fleet Maintenance                                | 88,000               | -                    | -                    | -                    | -                    | 88,000                |
| Quartermaster *2023 Carryover \$2,043,720        | 2,731,000            | -                    | -                    | -                    | -                    | 2,731,000             |
| Suppression                                      | -                    | -                    | -                    | -                    | -                    | -                     |
| Administration-Vehicles, Land & Stations         |                      |                      |                      |                      |                      | -                     |
| Medics * 2023 carryover \$2,225,851              | 2,225,851            | 417,528              | 221,477              |                      |                      | 2,864,856             |
| Chief/Staff vehicles                             | 239,840              | 310,000              | -                    | 350,000              |                      | 899,840               |
| Station 10 relocation                            |                      |                      |                      |                      | 10,615,000           | 10,615,000            |
| Station 8 relocation                             | 2,615,000            | 10,000,000           | -                    |                      |                      | 12,615,000            |
| Engines  | 1,371,441            | 1,454,962            |                      | 5,485,764            |                      | 8,312,167             |
| Aerial truck (bucket)                            | 2,026,844            |                      |                      |                      |                      | 2,026,844             |
| Rescue truck                                     |                      |                      | 1,639,559            |                      |                      | 1,639,559             |
| Total Administration                             | 8,478,976            | 12,182,490           | 1,861,036            | 5,835,764            | 10,615,000           | 38,973,266            |
| <b>Total Sustaining Capital Expenditures</b>     | <b>\$ 11,704,476</b> | <b>\$ 12,182,490</b> | <b>\$ 1,861,036</b>  | <b>\$ 5,835,764</b>  | <b>\$ 10,615,000</b> | <b>\$ 42,198,766</b>  |
| <u>Expansion Capital Expenditures</u>            | <u>2024</u>          | <u>2025</u>          | <u>2026</u>          | <u>2027</u>          | <u>2028</u>          | <u>Total</u>          |
| Dispatch   | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                 | \$ -                  |
| IT   | 17,000               | -                    | -                    | -                    | -                    | 17,000                |
| Safety   | -                    | -                    | -                    | -                    | -                    | -                     |
| Public Relations                                 | -                    | -                    | -                    | -                    | -                    | -                     |
| EMS  | -                    | -                    | -                    | -                    | -                    | -                     |
| Communications                                   | -                    | -                    | -                    | -                    | 2,000,000            | 2,000,000             |
| Human Resources / Accounting                     | -                    | -                    | -                    | -                    | -                    | -                     |
| Facilities Maintenance *2023 carryover \$112,500 | 745,500              | -                    | -                    | -                    | -                    | 745,500               |
| Fleet Maintenance                                | 26,000               | -                    | -                    | -                    | -                    | 26,000                |
| Quartermaster                                    | 325,842              | -                    | 277,980              | 1,749,755            | 1,170,764            | 3,524,341             |
| Suppression                                      | -                    | -                    | -                    | -                    | -                    | -                     |
| Administration-Vehicles, Land & Stations         |                      |                      |                      |                      |                      | -                     |
| Towne Lake land & station                        | 500,000              | -                    | 10,615,000           |                      |                      | 11,115,000            |
| Towne Lake underpass                             | 3,080,000            |                      | -                    |                      |                      | 3,080,000             |
| Citygate Station A                               | 2,615,000            | 10,000,000           | -                    |                      |                      | 12,615,000            |
| Citygate Station B                               | 2,000,000            |                      |                      | 10,615,000           |                      | 12,615,000            |
| Traders Village station                          | 2,000,000            | -                    | -                    |                      | 10,615,000           | 12,615,000            |
| Citygate Station C                               |                      | 2,000,000            | 10,615,000           |                      |                      | 12,615,000            |
| Bridgeland station (West of 99)                  | 2,000,000            |                      |                      | 10,615,000           |                      | 12,615,000            |
| Engines  | 4,114,323            | 4,364,886            |                      |                      |                      | 8,479,209             |
| Aerial truck (stick)                             | 1,801,832            |                      |                      |                      |                      | 1,801,832             |
| Medic unit                                       |                      |                      | 544,859              | 1,122,410            | 1,156,082            | 2,823,351             |
| Total Administration                             | 18,111,155           | 16,364,886           | 21,774,859           | 22,352,410           | 11,771,082           | 90,374,392            |
| <b>Total Expansion Capital Expenditures</b>      | <b>\$ 19,225,497</b> | <b>\$ 16,364,886</b> | <b>\$ 22,052,839</b> | <b>\$ 24,102,165</b> | <b>\$ 14,941,846</b> | <b>\$ 96,687,233</b>  |
| <b>Total Capital Expenditures</b>                | <b>\$30,929,973</b>  | <b>\$28,547,376</b>  | <b>\$23,913,875</b>  | <b>\$29,937,929</b>  | <b>\$25,556,846</b>  | <b>\$ 138,885,999</b> |

**Table 43 – 5-Year Capital Improvement Plan**

## Projected Changes in General Fund Balance

Changes in the General Fund balance (cash and investments) are illustrated in Figure 11 below. Overall, the General Fund balance is healthy, with the fund increasing between 2019 and 2023 through a longstanding tradition of responsible financial management. The General Fund balance is projected to decrease as the District continues to grow to meet the objectives of the long-term plans, as outlined in Citygate's Fire Services Master Plan.

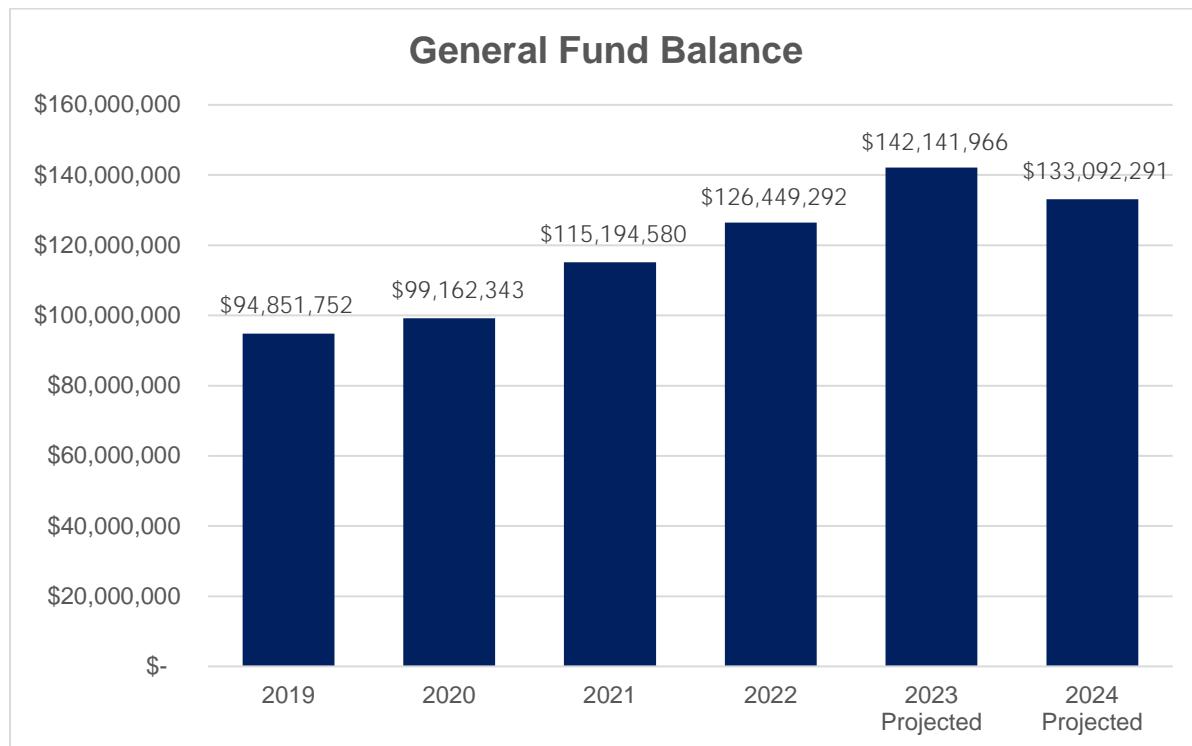


Figure 11 – General Fund Balance