



BUDGET MESSAGE

Fiscal Year 2026-2027

Economic Outlook

Portland’s 2026–2027 economic outlook points to continued cost-of-living pressures, with CPI-U trends in the broader Western region showing steady inflation and local structural challenges amplifying affordability concerns. The West region’s CPI-U rose 2.7% year-over-year as of February 2026, reflecting persistent price growth in housing, transportation, and services—categories that already weigh heavily on Portland households. While Portland-specific CPI-U data is not separately published, the city’s economic fundamentals—slowing job growth, reduced housing production, and stalled natural population growth—suggest that local inflationary pressures may be felt more acutely than the regional average. Housing affordability remains a central issue, with only 656 multifamily units in the development pipeline, the lowest level since 2011, limiting supply and keeping shelter costs elevated.

Looking ahead to fiscal year 2026–2027, Portland’s cost of living is expected to remain high as structural economic headwinds intersect with steady CPI-U inflation. Employment contraction—8,800 jobs lost in 2025, one of the worst performances among major U.S. metros—reduces household resilience against rising prices. Slower population growth and declining housing affordability further constrain economic momentum, making it likely that households will continue to feel pressure from rising costs in essentials such as rent, utilities, and transportation. While national inflation has moderated, Portland’s unique combination of weak job recovery, limited housing supply, and declining economic competitiveness suggests that the region may experience a more challenging cost-of-living environment than the broader West region in the coming fiscal year.

The Sauvie Island Fire District is dedicated to proactively securing new funding opportunities that strengthen and sustain its essential services. By actively pursuing grants, continuing its current local levy, building strong community partnerships, and engaging in State deployments, the district is positioning itself

for valuable resources that support long-term needs such as equipment modernization and facility enhancements.

Successes

As mentioned last year, part of the Oregon State Covid Relief Fund Grant, two of the three goals for this fund have been completed. A new fire engine and rescue boat/ tow vehicle were researched and purchased. The third project is a new satellite station. The permitting process through Multnomah County has been long and drawn out. At the time of writing this, we have received our Zoning permit and are now working on securing a pre-engineered building vendor so we can move into the building permit process. We are still optimistic this project shall be mostly completed by Q4 of 2026.

We have applied again this year, for the Oregon State Fire Marshal's Seasonal Firefighter Program. The awards announcement will occur in late April, but expectation of receiving this grant again is high due to the fact we have been awarded funding for the last three years in a row. This grant allows us to hire three full-time firefighters to cover peak months visitors come to the island. This program usually runs July, August and September.

Our membership has hit a new high this year with 40 members. We continue to work hard towards certifications. Another 3 certified as FF 1, 1 certified as Engine Drivers, 2 more EMT and 4 more EMR certifications.

In December, the Board of Directors participated in a planning workshop. This helped define the direction, operationally and administrative, in which the Fire District will focus. The top concerns are; **membership** (aging members, recruiting and succession planning), **response times** (where we are at and where we need to be, how to get there), **funding** (continue to seek alternate funding opportunities and explore creative options), **facilities and infrastructure** (keeping up with changing environment and looking to the future), and **communications** (improve internal and external). The Board and Chief seek out and take opportunities which address these concerns.

Highlight of the New Budget

Here are some highlights for this year's proposed budget:

We follow the recommendation of the Tax Supervising and Conservation Commission by only budgeting for 95% of estimated taxes.

Under the General Fund (first page) of the budget, Personnel Services looks different, but remains the same. Wages are rolled up together, but in the workbook will be tracked separately. The Fire Chief will increase his hours by 5 hours per week resulting in an increase in wages. If we are successful again with the Oregon State Fire Marshall seasonal firefighter program funding, we should receive the maximum \$35,000 grant. We have budgeted on top of the grant funds, another \$7,000 to allow for hiring 3 full-time seasonal positions allowing 7 day per week coverage for three months. Other Wages has been reduce as the Administrative Officer position has been eliminated. \$50,000 has been put into the Conflagration Wages incased we are deployed again by the State of Oregon. This money will only be used if we are deployed. Insurance now covers both Workmans Comp and Liability. Workman's Comp was increased by 30%. This is based on the previous year to cover seasonal workers and possible conflagration wages. Liability is estimated to be \$5,700. Payroll Taxes was increased by 46%. This is based on the previous year to cover seasonal workers and possible conflagration wages.

Maintenance of Equipment is back down to what is typically spent, \$31,000. This account was increased last year to help get caught up with prolonged maintenance issues.

Volunteer Services has been increased by \$4,000 specifically to Length of Service Awards Program (LOSAP) disbursements. Typically, the District has budgeted \$8,000 for this and has not increased this amount in years. The new amount for LOSAP disbursements is \$12,000.

Capital Expense for Building has a requested appropriation of \$50,000 for unforeseen expense above what grant funds cover that might arise during the construction of the satellite station. This allows for the money to be spend without needing to reconvene the Budget Committee only if needed.

Future

Our facilities, vehicles, and emergency response equipment form the backbone of our ability to protect the Sauvie Island community, and maintaining them remains a core responsibility reflected in this budget. We continue to prioritize diligent upkeep, ensuring that every station, apparatus, and tool is safe, reliable, and ready when our volunteers and residents need them most. While we recognize that major upgrades and replacements must be timed carefully and pursued only when financially feasible, we remain committed to thoughtful planning that positions the district to modernize responsibly. By caring for what

we have and investing strategically in the future, we strengthen our readiness and preserve the operational excellence our community deserves.

At the heart of the Sauvie Island Fire District are our volunteers—the dedicated individuals who give their time, skill, and compassion to protect this community. As we plan for the year ahead, our highest priority remains supporting their health, safety, and overall well-being. Continued investment in training, modern equipment, and meaningful engagement ensures they stay prepared, confident, and connected to the mission that drives them. By strengthening the systems that sustain our volunteers, we safeguard not only their ability to serve but the resilience of the entire district. Their commitment is our greatest asset, and this budget reflects our unwavering responsibility to care for those who care for all of us.

As we look ahead, the Sauvie Island Fire District remains committed to strengthening our resilience and expanding the services our community depends on. By deepening partnerships with neighboring fire agencies, we gain access to shared expertise, additional resources, and coordinated response capabilities that make every resident safer. Continued investment in training, equipment, and emergency preparedness will ensure we are ready for the challenges of tomorrow, from wildfires to medical calls. Most importantly, our progress is only possible through the involvement of the community we serve—your support, your engagement, and your willingness to prepare alongside us. Together, we can build a safer, more connected future for Sauvie Island.

The Fire District Board of Directors and myself would like to thank the Sauvie Island Fire District membership for their unwavering commitment in filling this important duty for our community.

Submitted respectfully,

A handwritten signature in blue ink, appearing to read 'Chris Lake', with a stylized, flowing script.

Chris Lake, Fire Chief
Sauvie Island Fire District