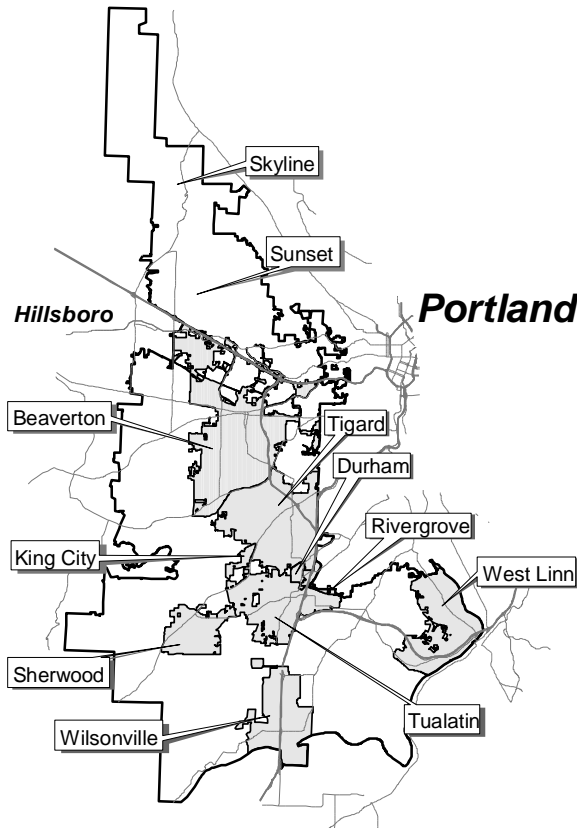


# District Overview

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## TUALATIN VALLEY FIRE & RESCUE

Tualatin Valley Fire & Rescue (The District) operates under Oregon Revised Statutes Chapter 478 as a separate municipal corporation and is managed by a Board of Directors composed of a President and four Directors, who include a Vice-President and a Secretary-Treasurer. The Board hires a Fire Chief/Administrator to manage the day-to-day operations of the District. The governing board appoints members of the community to serve on boards and commissions, which include the Budget Committee and the Civil Service Commission.



The District was **formed in 1989**, through the merger of Washington County Fire Protection District No. 1 and Tualatin Rural Fire Protection District. The District has subsequently expanded its service area through the annexation of the City of Beaverton Fire Department, Valley View Water District, Rosemont Fire District, and the mergers of Multnomah County Fire Protection Districts No. 4 and No. 20. The District's most recent annexation was the City of West Linn, effective July 1, 2004. The City of West Linn's preceding fire protection contract, in place since July 1, 1998, called for the conditional transfer of all fire department employees to the District. Under the prior fire protection contract, the City retained ownership of its assets, including apparatus and facilities, but the District utilized and operated their equipment and facilities. Upon annexation, the title to the equipment and facilities transferred to the District.

The District's total service area is approximately **210 square miles**. It provides services to northeast **Washington County**, northwest **Clackamas County**, and the western edge of **Multnomah County**. Tualatin Valley Fire & Rescue is a **special service district** supported by the property owners within its boundaries, serving an estimated population of **447,334**.

The District will have approximately **437** employees, supplemented by approximately 100 volunteers. Fire and rescue services are provided from 23 career and volunteer fire stations, 32 fire engines, four ladder trucks, three aerial pumpers, three hazardous materials response units, four technical rescue units, seven water tenders, seven brush rigs, and several other pieces of equipment, including medics and water rescue, a Mobile Command Unit, and a large fleet utilized to supplement response needs.

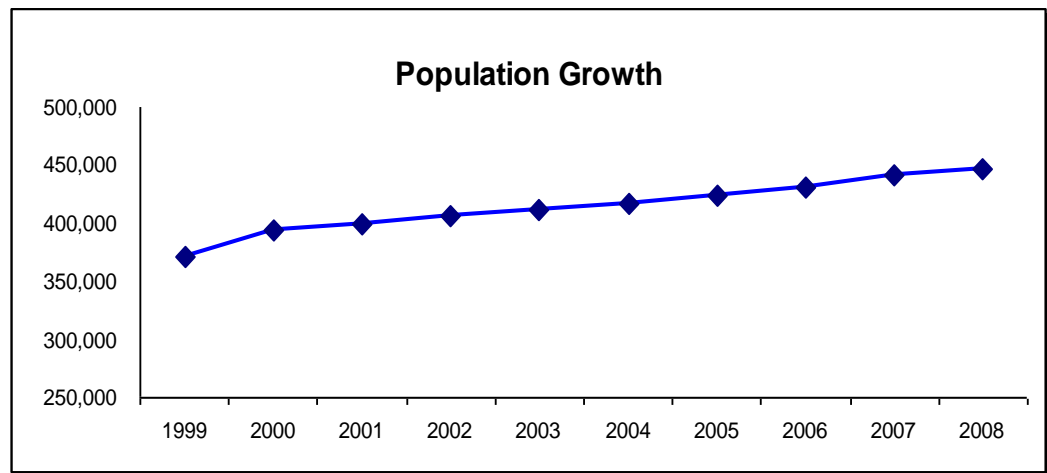
## SERVICE AREA

The area served, which includes the **cities of Beaverton, Durham, King City, Sherwood, Tigard, Tualatin, Rivergrove, West Linn, and Wilsonville** lies within one of the fastest growing regions of the state of Oregon. It is an area encompassing densely populated suburbs, rural farmlands, retail and commercial establishments, and growing industrial complexes.

## District Overview, continued

### POPULATION

*The District lies within one of the fastest growing regions of the state of Oregon.*



Fire stations are strategically placed throughout the District to protect high property value and population densities. Two operating division headquarters are also placed strategically in the District so that citizens have a local source for burn permit information and other interactions with their fire marshals and staff for community fire and safety information.

As a result of the high quality of services provided, training standards, equipment, staffing, and related support functions, the District is among the leaders in Oregon in obtaining a favorable insurance classification and carries a rating of 2 out of a scale of 1-10 (1 being the most favorable, according to the standards set forth by the Insurance Services Office). This classification results in very low premium rates for fire insurance to homeowners within the District.

### ECONOMY

The District, through its broad geographic base, serves a relatively strong part of Oregon's economic base. While the recent national credit crisis and resultant economic downturn has significantly slowed the pace of assessed valuation growth, TVF&R's service area has and is expected to continue to grow and develop as the economy again improves. Currently, the District has lowered its projected revenue forecasts for property tax revenue based on reduced projected growth of assessed value and lower collection rates.

The local economy is affected by the slowdowns in almost all business sectors from high technology to finance and construction. Oregon's unemployment rate a 12.4 percent across the state as of May 31, 2009, is the second highest in the nation.

By law, increases in assessed valuation of existing property are limited to 3% a year. Accordingly, growth beyond 3% in the District's assessed valuation must come from continued development within its service boundaries. Assessed value grew almost 4.9% for the property tax year 2008-09, but it is conservatively forecasted to grow at only 3.3% for 2009-10, based upon information from the Washington County Assessor's office.

The District's population is expected to continue to grow over the next decades. Staff is working proactively and cooperatively with other governments and regional planning groups to ensure continued ability to service this future population. This includes neighborhood and street planning, emergency access, and road construction as well as evaluating and working across jurisdictional boundaries to ensure closest force response to population centers regardless of city and county boundaries. This is one reason the District has begun purchasing land for future fire station sites. However, the question of how local regional governments will pay for the development costs of the necessary infrastructure is of utmost concern. Many of TVF&R's partner local governments have adopted tax

increment financing (TIF), specifically in the form of “urban renewal,” as a financing tool to both develop and redevelop areas within their jurisdictions. While some urban renewal plans are designed to address blight, as statutorily intended, others are broader in their application. In either event, once a plan is established, the District forgoes all future increases in property tax revenue until the urban renewal plan is complete. In the interim, the District must continue to serve the area(s). Concerns over the impact of TIF prompted TVF&R to work with other urban renewal stakeholders who secured passage of House Bill 3056 in the 2009 Oregon legislature. HB 3056 establishes new limitations on urban renewal plans and provides for greater participation of overlapping taxing districts.

This area serves as the home to internationally recognized companies such as Nike, Mentor Graphics, InFocus, Tektronix, and Planar Systems, in addition to several growing companies such as Digimarc, Pixelworks, and Jana’s Classics. Top metropolitan area employers include Intel, Fred Meyer, Quest Communications International, Portland General Electric, IBM, Kaiser Permanente, Providence Health System, U.S. Bank, Freightliner, Tektronix, Nike, and Maxim Integrated Products. The area has attracted significant retail and wholesale marketers such as Costco Wholesale Clubs, Dayton-Hudson Stores, and Rite-Aid Drug Stores, and companies, such as Pacific Realty Associates, LP, have continued development of acres of land adjacent to the Sunset Highway. The Nike World Headquarters complex houses thousands of employees in office buildings bordering a seven-acre man-made lake and five acres of wetlands. Intel has continued to invest in multi-million dollar facility expansions to manufacture state-of-the-art computer chips, largely in the neighboring City of Hillsboro.

### **MULTI-SERVICE DISTRICT**

Tualatin Valley Fire & Rescue is a multi-service district with services and programs tailored to meet the needs of the community. The District provides services in:

- Fire suppression
- Emergency medical services
- Fire prevention
- Public education
- Hazardous materials
- Water rescue
- High angle rescue
- Heavy rescue

The District also serves as a Hazardous Materials Response provider for the state of Oregon, with a service response area ranging from the City of Portland boundary on the east to the Pacific Ocean on the west and from the District’s northern boundary in Multnomah County southwest to Marion County.

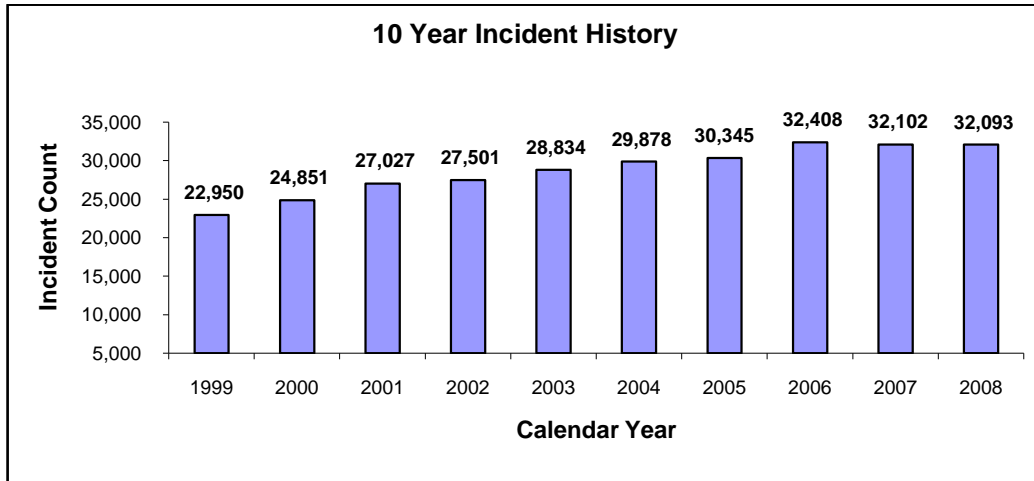
Within the Fire Prevention Division, the District coordinates all of the state mandates concerning the investigation of fires, inspection of commercial and retail occupancies, and education of the citizens within its boundaries. The Deputy Fire Marshals and Inspectors provide code enforcement inspections and manage several proactive programs, such as the Apartment Manager Training program, in order to educate landlords in fire safe building management practices.

To deal with emergencies, both fire and medical, the District’s Emergency Operations division staffs a team of professional firefighters and paramedics 24 hours a day, with skills and equipment necessary to deal with a wide variety of emergencies. Approximately **170** professional firefighters are certified as **advanced life support (ALS) paramedics**, while 100% of the remaining fire suppression personnel are certified at the basic life support (BLS) level. Under the guidance of physician advisors, emergency medical service personnel (all of whom are firefighters) maintain a highly certified skill level through several specialized programs.

## District Overview, continued

### EMERGENCY INCIDENTS

The District's responses to emergency incidents over the past 10 years are reflected below.



Note: Incident totals also include automatic and mutual aid responses to areas located outside of TVF&R's jurisdictional boundary (e.g., Hillsboro Fire & Rescue, Lake Oswego Fire Department, and Portland Fire & Rescue).

### TRAINING

The District's training facilities include a six-story training tower, a burn building for live fire training, a 19-acre Training Center, and a live television studio, which provide personnel with constant training to maintain and improve their skills to the highest level possible. The Training Center, which was constructed in several phases using public funding and private donations, provides advanced training opportunities in flammable liquids and gases with the usage of live props, including a tanker truck, driving courses, propane rail cars, a bridge, and excavation tunnels. The construction of a sophisticated burn structure and tower at the site using local option levy proceeds was completed during the summer of 2002, which allows live fire training in interior attack and other areas of firefighting. The project included extensive foundation work to support the tower, as well as water recycling and reclamation components to support the extensive water usage in firefighting tactics training. In the 2009-10 budget, continued investment in props to practice live fire training are proposed.

### BOARD POLICIES

The District operates under a comprehensive **Board Policy Manual**, which is adopted, annually reviewed, and, as required, revised by the Board of Directors. Each section of the Board Policy Manual provides policy direction concerning the day-to-day operations of the District and specifically addresses the following areas:

- District Board Operations
- Bylaws of the Board
- Budget, Finance, and Business Operations
- Personnel Policy
- Training Division
- Fire Chief Role and Executive Functions
- Emergency Services
- Fire Prevention
- Purchasing
- Maintenance
- Community Services

### **MISSION STATEMENT**

*Tualatin Valley Fire & Rescue...Dedicated to providing exceptional emergency prevention, preparedness, and response services through cost-effective innovation, individual excellence, and outstanding customer service.*

### **VISION STATEMENTS**

Building on the mission statement, the membership was asked to identify vision statements, thus establishing targets of excellence for the future. The following were among the identified **vision statements**:

- Where safety from fire and medical emergencies is increasingly achieved through prevention, yet when emergencies occur, the speed and quality of response is always outstanding.
- Where every home and business is equipped with effective life safety technology and maintained in a manner that assures early detection and warning if fire occurs.
- Where every neighbor and every business does their part and participates with the District in an active emergency preparedness partnership.
- Where cooperative resource sharing and collaborative partnerships ensure both a highly effective emergency response system and an efficient one as well.
- The District anticipates, influences, and adapts to change in order to ensure that excellent service is continually available to every community it serves.
- TVF&R remains aligned to the single purpose of serving the greater community good, where the actions of every member models the highest values of public service and, together, it is recognized as an organization that exemplifies the concept of good government.

### **ORGANIZATIONAL VALUES**

The Board, management, and members of TVF&R are committed to upholding the following **values**:

- We value honesty and integrity.
- We value responsibility, and initiative by every individual and by our organization as a whole.
- We value a workforce that reflects the diversity of our community. We value respect and tolerance.
- We value teamwork and the strength of decisions developed through open and collaborative processes.
- We value innovation and risk-taking (taking a chance, not a hazard) in the pursuit of excellence.
- We value each individual's effort to achieve their highest potential and support continuing education and skill development throughout each employee's career.
- We value a positive work environment for all employees and volunteers. We value collaborative labor/management relations.
- We value development of future leaders, leadership excellence, and performance accountability.
- We value cooperation with neighboring responders so that great service and efficiency are never hampered by territorialism or parochialism.
- We value a healthy and safe working environment.

## District Overview, continued

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### BUDGET COMMITTEE AS OF JUNE 30, 2009

<b>Board Members</b>	<b>Term Expiration</b>
Robert C. Wyffels, <i>President</i>	June 30, 2013
Carol A. Gearin, <i>Vice-President</i>	June 30, 2011
Brian J. Clopton, <i>Secretary-Treasurer</i>	June 30, 2011
Clark I. Balfour, <i>Member</i>	June 30, 2013
Larry G. Goff, <i>Member</i>	June 30, 2009
Gordon L. Hovies, <i>Member-elect</i>	June 30, 2013
<b>Citizen Members</b>	
Leland H. Ascher, <i>Member</i>	June 30, 2011
Daniel M. Lewis, <i>Member</i>	June 30, 2009
Christopher D. Harris, <i>Member</i>	June 30, 2009
Michael D. Smith, <i>Member</i>	June 30, 2010
Jon R. Walsh, <i>Member</i>	June 30, 2010

### DISTRICT STAFF

- **Jeffrey D. Johnson**, Fire Chief/Administrator
- **Michael R. Duyck**, Assistant Chief
- **Debra L. Guzman**, Chief Financial Officer
- **Kirk A. Hale**, Assistant Chief
- **Dustin E. Morrow**, Assistant Chief

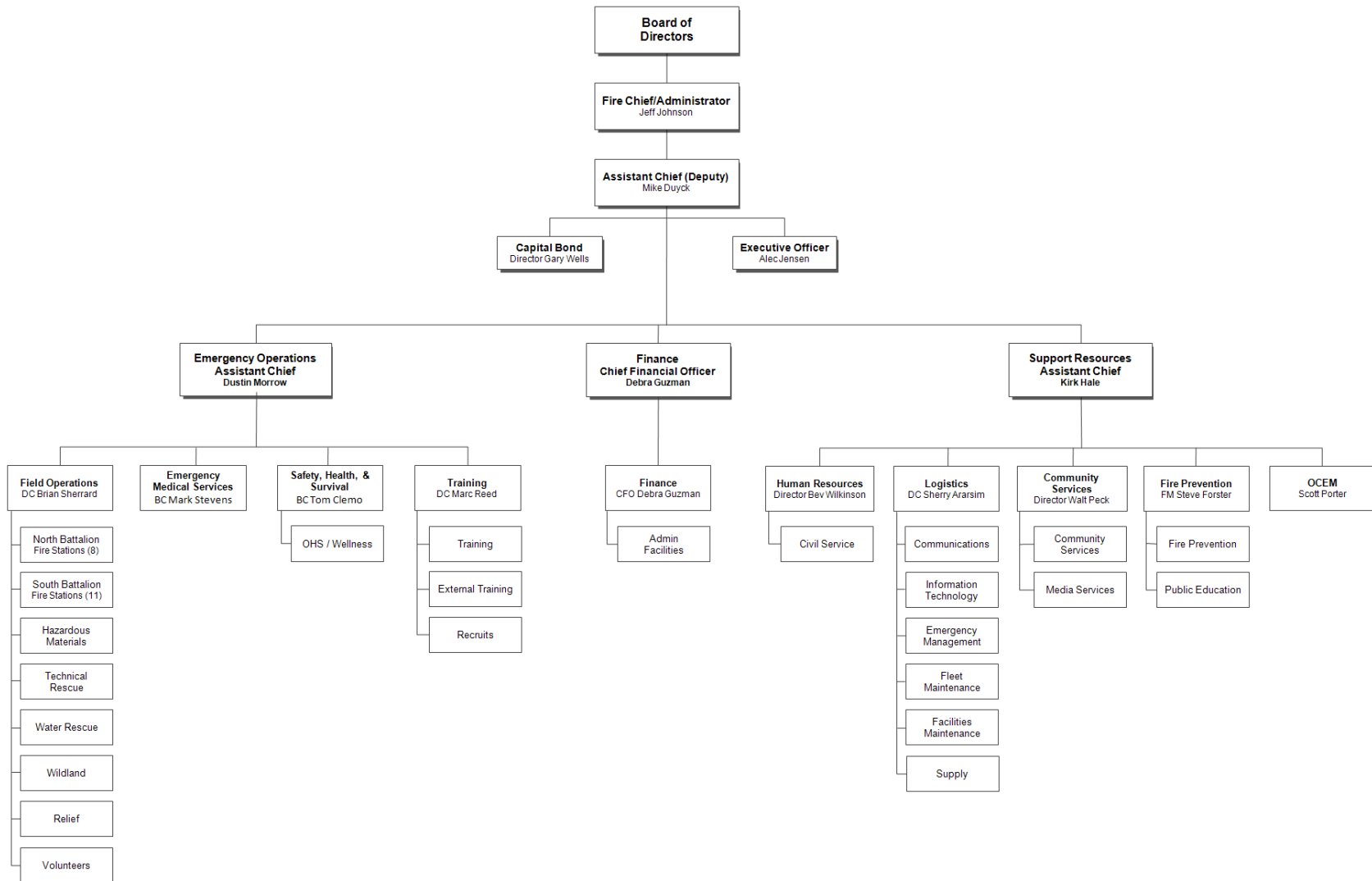
TVF&R is an internationally accredited agency.



Commission on  
Fire Accreditation  
International

# District Overview, continued

## ORGANIZATIONAL CHART



## ***Message from the Fire Chief***

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**JUNE 23, 2009**

Budget Committee Members and Citizens  
Tualatin Valley Fire and Rescue  
Washington, Clackamas, and Multnomah Counties

### **DEAR BUDGET COMMITTEE MEMBERS AND CITIZENS:**

I am pleased to transmit to you the 2009-10 proposed budget for Tualatin Valley Fire and Rescue, a Rural Fire Protection District (District), for your review at the legally required public budget hearing. Consistent with the District's mission statement and strategic plan, we have prepared this budget with priorities and resources directed toward the continuing accomplishment of our eight strategic goals and outcomes:

#### **COMMUNITY GOALS & OUTCOMES**

- I. Reduce the number and severity of emergency incidents.
- II. Increase citizens' participation in their safety and preparedness, and knowledge of the District's services.

#### **ORGANIZATIONAL GOALS & OUTCOMES**

- III. Enhance preparedness for catastrophic and unforeseen events.
- IV. Ensure the health and safety of all members.
- V. Develop and enhance a workforce that honors and respects our individual and group differences and reflects the community we serve.
- VI. Promote craftsmanship, innovation, and excellence throughout the organization.
- VII. Leverage use of existing resources for the greatest community good.
- VIII. Ensure ongoing financial and business operations stability and predictability.

These goals drive our process of resource allocation and balancing of needs during every budget process. Every budget year brings unique challenges as we strive to provide the most effective firefighting, emergency medical service, rescue, and prevention programs to our citizens, while maintaining fiscal efficiencies in order to serve our duty as our taxpayers' government.

## ***Message from the Fire Chief, continued***

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### **BUDGET OVERVIEW**

In the midst of almost daily economic news detailing the impacts to both our local and national economy from the credit crisis and business downturn, we find ourselves in a position of relative financial strength to weather the economic cycle and prepared to support the operations of the District, in order to provide the essential services our citizens need. The proposed 2009-10 budget funds continuing emergency response deployment improvements, management of the voter approved capital bond program, and continued investment in the quality and effectiveness of District operations. As an organization whose funding is almost completely dependent upon property taxes, the District relies upon continued support of a five-year local option levy of 25 cents per thousand, which supplements our permanent levy rate of \$1.5252 per thousand dollars of assessed value. This levy, first approved by our voters for fiscal year 2001-02, was renewed at the same rate of 25 cents per thousand dollars of assessed value a third time by our voters last November, thus ensuring relative financial stability through fiscal year 2014-15. Property taxes are essentially the sole funding source of the District and are not directly linked to the economic cycle, because in prior years the assessed value was delinked from the market value of property. Nonetheless, we are being cautious in both our projected collection rate of property taxes (dropping it to 92% from a more normal 94%), and in dropping our projected combined assessed valuation growth rate, which comes from a combination of new growth and increases in value. The Washington County May 1, 2009 Department of Assessment and Taxation Projected Assessed Values by Tax District report for fiscal year 2009-10 indicates that the assessed value ratio to actual market value is 57.7% in Washington County. The report forecasts for the District an overall projected growth rate in assessed valuation of 3.3% within the county. We have lowered our projections to reflect these lower levels. We will continue to proactively monitor our collection rates and assessed valuation actual percentage change results, which we will receive in late October 2009, and are prepared to make adjustments that would be necessary to ensure that we meet our fund balance target of five full months of ending fund balance at the end of each year.

Conversely, due to the lag in the development of biennial PERS actuarial reports for rate setting purposes, the District will experience a PERS rate reduction for the period July 1, 2009 through June 30, 2011, of 1.04%. These rates were based upon the very strong market returns in 2006 and 2007. Because the District fully expects the 2008 and 2009 investment returns to have a dramatic negative impact upon the PERS rates for the period beginning after July 1, 2011, the District has budgeted to keep charging the operating units the prior PERS rates and allocate the difference to the District's PERS rate reserve fund previously established when the State PERS system was projecting significant increases. We anticipate the PERS reserve funds will help us smooth the impact of the actuarially projected 6-7% PERS rate increases now forecasted for the 2011 and 2013 bienniums on the District's budget, so that we will not impact core services.

The proposed budget for 2009-10 reflects the addition 6.2 firefighters, and one Administrative Assistant in Emergency Operations. Within the Finance Division, a Controller position to add depth to the finance department and a Purchasing Manager position to support the organization-wide contract administration, bid management, and purchasing requirements of Oregon statutes for governmental entities were recommended on a permanent basis, reflecting the continuing complexity of the financial and legal operations of the District. A Facilities Technician position has been long planned as part of the long-term financial plan to support the core facility maintenance needs of the District's facility infrastructure. In addition, the District's continued goal of strong project management of the District's capital bond program has had dramatic impacts upon the workload of many departments, and a Logistics Manager – Facilities is proposed to assist the District in these endeavors by allowing the reassignment of an existing Facilities Manager. For the financial system conversion, in the Supply department, there is a temporary increase of .5 FTE to supplement staff time to work on the inventory and purchasing modules. These increases were offset in part by a net .37 decrease in Fire Prevention and a .50 decrease in a Training Officer. As the District reorganized where Public Education was best aligned and moved it from a separate program sharing Media personnel to the Fire Prevention division, and a Training Officer retired who was supporting the District's part-time behavioral health position, the District made several realignments of personnel and job functions. We are nearing the end of succession planning for top management transitions, with contracts for retirements for three top managers. We now begin focusing on the next wave of retirements in the next five years in the mid-management group, and will continue to grow, develop, and revise job functions to best align operations to District citizen needs.

## ***Message from the Fire Chief, continued***

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The District issued the second series of general obligation bonds in the amount of \$14,000,000 in March 2009, to fund construction of stations 53, 59, and 59. Because this issuance was in the midst of the national and world-wide credit crisis, the District elected to issue at that time only for the specific construction projects that were to go to bid this spring. The District received a very strong response to the debt issuance with a net true interest cost of 3.7% and affirmation of our Moody's rating as an Aa1 credit. A recent opportunity to purchase a building for a Command and Business Operations Center at a significantly lower cost than originally projected to construct it, coupled with the strong response we received in the March sale, led the District to sell another \$15,000,000 of bonds in June 2009. Because the sale was not finalized until June 2009, the District had presented estimated tax levy requirements for Budget Committee review and at budget adoption at the June 23, 2009 budget hearing, reduced the tax levy and budget to match the actual terms of the sale. The District received a net true interest cost of 3.82903%. The proceeds of the bond sales and the usage on projects are being accounted for in the Capital Projects Fund. Those issues of \$14,000,000 and \$15,000,000 respectively, brings the amount issued to \$34,000,000 of the total of \$77.5 million authorized by our voters in the November 2006 election to fund capital infrastructure needs of the District through approximately 2015-16, through a series of bond issuances matched to project timing.

The largest cost component of our financial forecasts is the cost of personnel. Local 1660 represents all career firefighters, Training, and Fire Prevention staff. The District and Union have negotiated a new three-year contract beginning July 1, 2009. The contract continues to tie the 2009-10 raises to the CPI-W All Cities Annual for 2008, which is an average of the average of the last 12 months of average monthly CPI-W. This contract provides significant operational flexibility to the District to deploy one and two person units and protects the District with wage and healthcare caps and the employees with a minimum wage increase, but with a later years' redirection to retirement savings. As a result, the District and union personnel will be assured of relative financial stability for the next three years. Effective June 23, 2009, a commensurate increase in the range was approved for the non-union work force for 2009-10.

### **CFAI ACCREDITATION**

First awarded in August 2000, Tualatin Valley Fire & Rescue achieved accreditation through the Center for Public Safety Excellence's Commission on Fire Accreditation International (CFAI) for a second time in March 2006, after an intensive and comprehensive self-assessment exercise and an on-site peer review. The District's commitment to being an accredited organization ensures that our taxpayers are getting the best service possible as determined by national standards. The current five-year accreditation period is effective through August 31, 2010. Less than one percent of the nation's fire departments have received this distinctive designation, which reflects well upon the quality of services provided by our firefighters and employees, and the support of the Board of Directors and their commitment to excellence. Our ongoing involvement in the reporting processes for maintaining CFAI certification requires that we annually monitor and assess our actual performance in all aspects of our business, including toward industry and self-defined standards and District-adopted goals. The District has budgeted for an on-site visit by the accreditation team late in fiscal year 2009-10, where the assessment team will conduct an in-depth review of our operations. The associated costs of the team's travel and site expenses are included in the Fire Chief's Office budget.

### **SIGNIFICANT BUDGET ITEMS**

**Personnel.** This budget represents a total of approximately 437 personnel, including an increase of approximately 11 people planned to add to Emergency Operations, provide staffing for strong fiscal and project management of the \$77.5 million capital bond program, and provide temporary staffing to allow current staff to work on the complete system conversion of multiple separate accounting, inventory, work order, and other systems through an Enterprise Resource Planning system. The District has long-planned to add staff at key points in our long-term financial and

## ***Message from the Fire Chief, continued***

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building planning and built reserves to provide appropriations for these personnel. While it may seem incongruent to add staff during a national and local economic slowdown, it is through the reserves, strong fiscal management, and foresight of our voters and elected officials that we can do so, and in doing so, manage most prudently our limited resources for the highest benefit of the taxpayers. We also continue funding for local option levy supported firefighter and support staff positions and have proposed additional positions in areas of the business operations whereby the complexity demands it.

**Apparatus Investment.** Support by our voters of our general obligation bond and local option levy has allowed us to standardize and improve our fleet and decrease the average age of our apparatus to meet our goal of less than 12 years average age. We have budgeted for three water tenders, two rehabilitation units, one medic unit, and several alternative deployment rapid intervention units, such as motorcycle and small car units.

**Facilities Remodels and Relocation.** The budget reflects the construction of the two new City of West Linn fire Stations 58 and 59, the seismic reconstruction of Station 53 in the Progress area, funded with March 2009 general obligation bond proceeds, and continued design and development of Station 56 in Wilsonville, Station 65 in West Slope, and Station 34 in Tualatin.

**Command Center Building Purchase, Seismic Enhancement and Improvements.** The District used budgeted funds of \$15,000,000 from the June 2009 bond sale to purchase a building for the Command and Business Operations Center in central Tigard. Seismic reinforcement and tenant improvements of the building will occur during fiscal year 2009-10. Staff research showed that due to recent real estate market conditions as a result of the significant economic slowdown in the local economy; the purchase of the building, its seismic reinforcement and tenant improvements to construct the inner offices, walls, and infrastructure could be accomplished in a site central to the District and would save several million dollars over the projected construction costs on a different site.

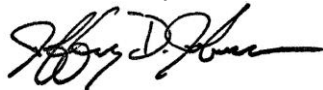
### **BUDGET SUMMARY**

This budget proposes our permanent tax rate of \$1.5252 per \$1,000 of assessed valuation for our operating levy, the local option levy of \$0.25 per \$1,000 of assessed valuation, and a levy for debt service for outstanding bond issues, which is estimated to total approximately 12 cents per thousand. We anticipate tax receipts of the levies at a 92% collection rate and assessed value growth of 3.3%.

We have proposed a budget that allows us to continue to deliver outstanding fire and rescue services to our citizens in a fiscally conservative and prudent manner. I recommend the 2009-10 fiscal year budget to you for your approval.

Sincerely,

**Tualatin Valley Fire and Rescue**



Jeffrey D. Johnson  
Fire Chief/Administrator