

FINANCIAL OVERVIEW

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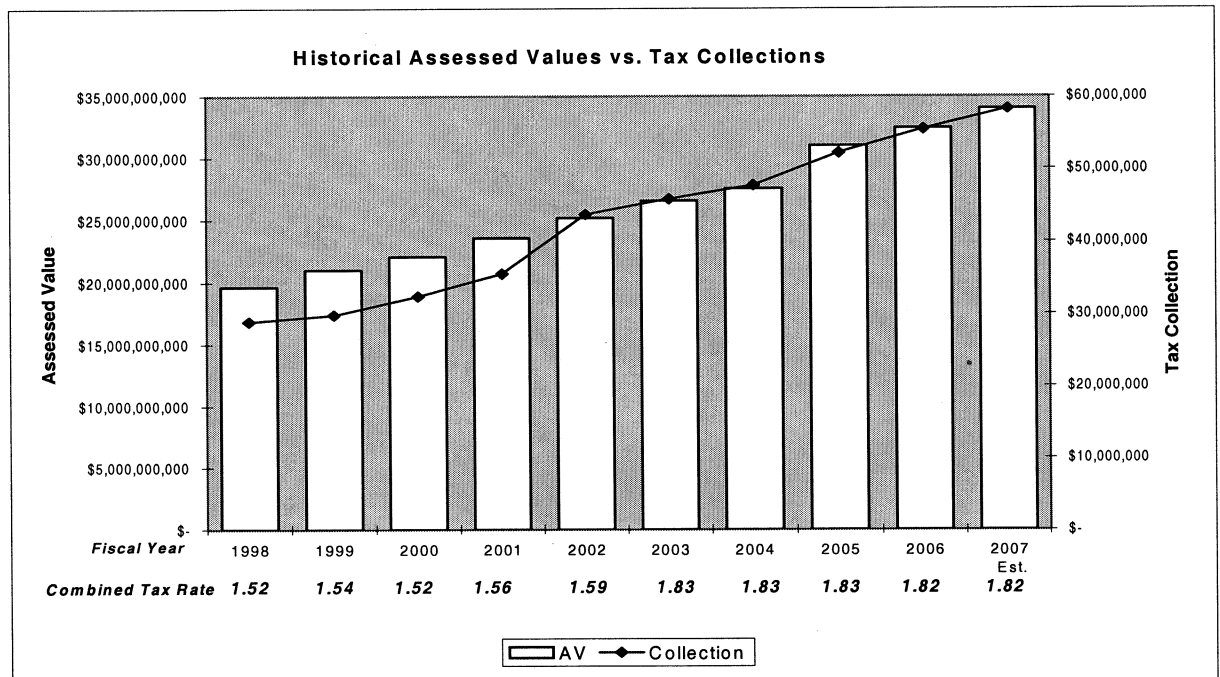
ANALYSIS OF TAX RATES AND COLLECTIONS

Tax Rates

General Fund – Permanent Rate	General Fund - Local Option Tax Levy	Bonded Debt
Expected Assessed Valuation: \$ 34,028,404,147	Expected Assessed Valuation: 34,028,404,147	Expected Assessed Valuation: \$ 34,028,404,147
General Fund Tax Rate Levied: \$ 1.5252/\$1,000	General Fund Tax Rate Levied: \$ 0.25/\$1,000	Est. Bonded Debt Tax Rate: \$ 0.0446/\$1,000
Estimated General Fund Total Levy: \$ 51,900,122	Estimated General Fund Total Levy: \$ 8,507,101	Bonded Debt Total Levy: \$ 1,518,512
Expected Collection Rate: 94.1%	Expected Collection Rate: 94.1%	Expected Collection Rate: 94.1%
Expected Collections: \$ 48,838,014	Expected Collections: \$ 8,005,182	Expected Collections: \$ 1,428,920

Property Tax Levies and Collections Last Ten Fiscal Years

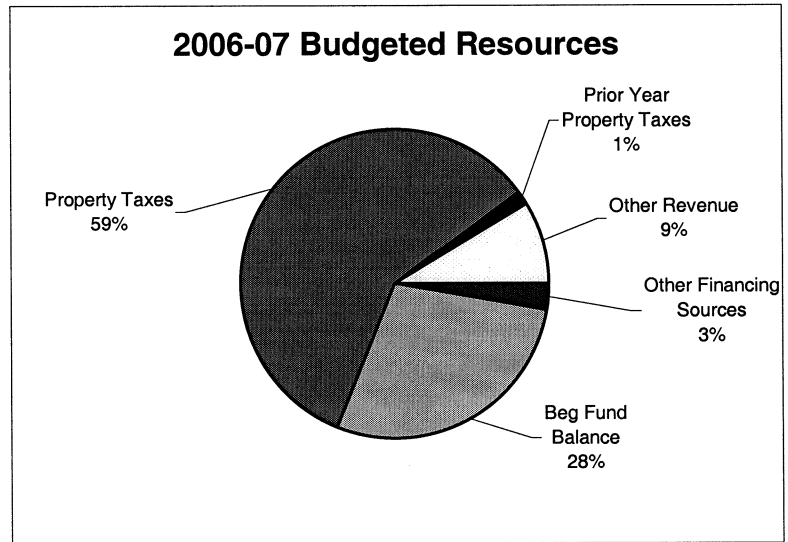
Fiscal Year	Total Tax Levy	Current Tax Collections	% of Levy Collected	Delinquent Tax Collections	Total Tax Collections	% of Total Collections to Levy	Outstanding Delinquent Taxes	% Delinquent to Levy
2005	\$56,843,613	\$53,918,038	94.85 %	\$1,438,746	\$55,356,784	97.38 %	\$1,829,053	3.22 %
2004	50,483,968	47,697,565	94.48	1,225,232	48,922,797	96.91	1,983,519	3.93
2003	48,507,471	45,798,106	94.41	1,292,291	47,090,397	97.08	1,956,395	4.03
2002	46,251,187	43,682,532	94.45	1,060,463	44,742,995	96.74	1,937,221	4.19
2001	37,636,823	35,530,538	94.40	1,030,065	36,560,603	97.14	1,667,491	4.43
2000	34,545,771	32,402,208	93.80	1,007,526	33,409,734	96.71	1,702,281	4.93
1999	31,717,895	29,844,244	94.09	898,003	30,742,247	96.92	1,564,702	4.93
1998	30,441,705	28,890,186	94.90	896,869	29,787,055	97.85	1,284,172	4.22
1997	34,427,434	32,583,593	94.64	747,893	33,331,486	96.82	1,305,546	3.79
1996	26,332,686	24,908,081	94.59	872,042	25,780,123	97.90	1,112,671	4.23



TUALATIN VALLEY FIRE & RESCUE
FUND SUMMARIES

2006-07 Budgeted Resources

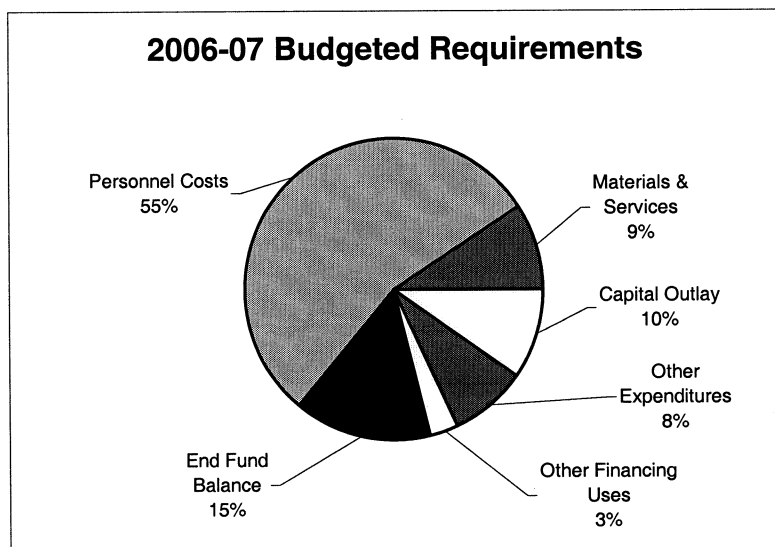
	Beginning Fund Balance	Property Taxes	Prior Years Property Taxes	Other Revenue	Other Financing Sources	Total Resources
Major Funds						
General	\$ 19,902,987	\$ 56,843,196	\$ 1,266,122	\$ 1,652,830		\$ 79,665,135
Non Major Funds						
Apparatus	165,000			5,850		170,850
Capital Improvements	912,500			34,100	\$ 2,482,500	3,429,100
Emergency Management					43,700	43,700
Grants				1,501,145	200,000	1,701,145
Bonded Debt Service	776,840	1,428,920	34,378	14,737		2,254,875
Insurance	653,220			42,420		695,640
Retiree Medical Ins. Stipend	260,890			6,901	85,809	353,600
Capital Projects				5,000,000		5,000,000
Property and Building	3,089,299			123,572		3,212,871
Pension Trust	1,610,210			41,075		1,651,285
Volunteer LOSAP	611,120			23,640	60,000	694,760
2006-07 Budgeted Resources	\$ 27,982,066	\$ 58,272,116	\$ 1,300,500	\$ 8,446,270	\$ 2,872,009	\$ 98,872,961
2005-06 Budgeted Resources	\$ 29,940,183	\$ 55,463,539	\$ 1,463,073	\$ 2,209,649	\$ 4,160,723	\$ 93,237,167
2004-05 Actual Resources	\$ 31,430,600	\$ 54,187,832	\$ 1,245,710	\$ 2,058,471	\$ 4,062,535	\$ 92,985,148



FINANCIAL OVERVIEW – FUND SUMMARIES, CONTINUED

2006-07 Budgeted Requirements

	Personnel Costs	Materials and Services	Capital Outlay	Other Expenditures	Other Financing Uses	Ending Fund Balance	Total Requirements
Major Funds							
General	\$ 52,881,406	\$ 8,178,848		\$ 4,189,209	\$ 2,872,009	\$ 11,543,663	\$ 79,665,135
Non Major Funds							
Apparatus				170,850			170,850
Capital Improvements			\$2,034,421	437,729		956,950	3,429,100
Emergency Management	36,536	7,164					43,700
Grants	8,400	142,935	1,549,810				1,701,145
Bonded Debt Service				1,450,200		804,675	2,254,875
Capital Projects		150,000	3,560,000	1,290,000			5,000,000
Property and Building			2,457,500	755,371			3,212,871
Insurance		695,640					695,640
Retiree Medical Ins. Stipend	152,740					200,860	353,600
Pension Trust	361,025	5,000				1,285,260	1,651,285
Volunteer LOSAP	592,870					101,890	694,760
2006-07 Budgeted Requirements	\$ 54,032,977	\$ 9,179,587	\$ 9,601,731	\$ 8,293,359	\$ 2,872,009	\$ 14,893,298	\$ 98,872,961
2005-06 Budgeted Requirements	\$ 50,506,289	\$ 8,711,281	\$ 9,626,277	\$ 5,771,672	\$ 4,160,723	\$ 14,460,925	\$ 93,237,167
2004-05 Actual Requirements	\$ 44,644,823	\$ 6,603,665	\$ 4,622,077	\$ 1,869,632	\$ 4,062,535	\$ 31,182,416	\$ 92,985,148



FINANCIAL OVERVIEW – FUND SUMMARIES, CONTINUED

2006-07 Fund Balance Budgeted

	Beginning Fund Balance	Ending Fund Balance	Change in Fund Balance	Percent Change in Fund Balance
Major Funds				
General	\$ 19,902,987	\$ 11,543,663	\$ (8,359,324)	-42%
Non Major Funds				
Apparatus	165,000		(165,000)	-100%
Capital Improvements	912,500	956,950	44,450	5%
Emergency Management				
Grants				
Bonded Debt Service	776,840	804,675	27,835	4%
Capital Projects				
Property and Building	3,089,299		(3,089,299)	-100%
Insurance	653,220		(653,220)	-100%
Retiree Medical Ins. Stipend	260,890	200,860	(60,030)	-23%
Pension Trust	1,610,210	1,285,260	(324,950)	-20%
Volunteer LOSAP	611,120	101,890	(509,230)	-83%
2006-07 Budgeted				
Change in Fund Balance	\$ 27,982,066	\$ 14,893,298	\$ (13,088,768)	-47%

The District budgets for a significant decrease in fund balance while not expecting the decrease to occur from actual operations. The District budgets for a sizeable contingency available for appropriation consistent with our emergency preparedness philosophy because ending fund balance is not available for appropriation but contingency is allowed to be appropriated with Board of Director approval. We expect to return to fund balance the majority of any contingency budgeted, unless we were to experience a catastrophic, emergency event. Within the General Fund, we expect actual personnel services to be 5-7% less than budgeted and materials and services to be 12-18% under budget. Should the voters not approve a general obligation bond at the November 2006 election, we have appropriated a repayment debt service for financing through a temporary debt installment to ensure operations could continue uninterrupted. We currently anticipate the budgeted general fund debt service to return to fund balance to provide the Board policy directed five months of fund balance. The forecasted result of General Fund operations for 2006-07 and in the future is depicted on page 31. The Apparatus and Property and Building Funds' ending fund balances are expected to significantly decrease as the District anticipated utilizing funds provided by a general obligation bond for projects authorized by the voters and transfers are not made into the funds from the General Fund. The Insurance Fund is expected to remain level; however, for purposes of budgeting for a disaster, the fund is appropriated to allow for self insurance needs should such catastrophic event occur. The Pension Trust Fund and Retiree Medical Stipend Fund are planned to wind down as these *fiduciary funds* meet their obligations. The Volunteer LOSAP fund is appropriated to be able to meet the obligations of cashing out pension benefits, should we experience higher than normal retirements. We do not expect this to occur.

TUALATIN VALLEY FIRE & RESCUE
ADOPTING RESOLUTIONS

RESOLUTION 2006-06

**RESOLUTION OF TUALATIN VALLEY FIRE AND RESCUE,
 A RURAL FIRE PROTECTION DISTRICT
 TO ADOPT 2006-2007 BUDGET AND AUTHORIZE APPROPRIATIONS**

WHEREAS, the Tualatin Valley Fire and Rescue, A Rural Fire Protection District, (“District”) budget for the fiscal year beginning July 1, 2006 and ending June 30, 2007, was approved by the District budget committee on May 18, 2006.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of Tualatin Valley Fire and Rescue hereby adopts the budget as approved by the Budget Committee.

NOW THEREFORE BE IT ALSO RESOLVED, the Board of Directors of Tualatin Valley Fire and Rescue hereby adopts total appropriations for the 2006-2007 fiscal year, in the amount of \$83,979,663, and which is now on file in the Administration Office at 20665 Southwest Blanton Street, Aloha, Oregon.

BE IT ALSO RESOLVED, that the amounts for the fiscal year beginning July 1, 2006, for the purposes shown are hereby appropriated as follows:

GENERAL FUND

By Fund

Personnel Services	\$52,881,406
Materials and Services	8,178,848
Debt Service	483,431
Transfers	2,872,009
Contingency	<u>3,705,778</u>
Total	\$68,121,472

By Function

Administration Division	
Personnel Services	\$ 750,653
Materials and Services	<u>408,206</u>
Total	\$ 1,158,859

District Non-Organizational	
Materials and Services	\$ 8,961
Debt Service	483,431
Transfers	2,872,009
Contingency	<u>3,705,778</u>
Total	\$ 7,070,179
 Emergency Operations Division	
Personnel Services	\$ 43,036,096
Materials and Services	<u>2,382,757</u>
Total	\$ 45,418,853
 Finance Division	
Personnel Services	\$ 797,102
Materials and Services	<u>769,575</u>
Total	\$ 1,566,677
 Community Services Division	
Personnel Services	\$ 842,912
Materials and Services	<u>269,720</u>
Total	\$ 1,112,632
 Fire Prevention Division	
Personnel Services	\$ 2,826,331
Materials and Services	<u>292,051</u>
Total	\$ 3,118,382
 Support Resources Division	
Personnel Services	\$ 4,628,312
Materials and Services	<u>4,047,578</u>
Total	\$ 8,675,890

BONDED DEBT SERVICE FUND

Debt Service - Principal	\$ 1,280,000
Debt Service - Interest	<u>170,200</u>
Total	\$ 1,450,200

APPARATUS FUND

Contingency	\$ <u>170,850</u>
Total	\$ 170,850

CAPITAL IMPROVEMENTS FUND

Capital Outlay	\$ 2,034,421
Contingency	<u>437,729</u>
Total	\$ 2,472,150

EMERGENCY MANAGEMENT

Personnel Services	\$ 36,536
Materials and Services	<u>7,164</u>
Total	\$ 43,700

GRANTS

Personnel Services	\$ 8,400
Materials and Services	142,935
Capital Outlay	<u>1,549,810</u>
Total	\$ 1,701,145

INSURANCE FUND

Materials and Services	\$ <u>695,640</u>
Total	\$ 695,640

RETIREE MEDICAL INSURANCE STIPEND FUND

Personnel Services	\$ <u>152,740</u>
Total	\$ 152,740

CAPITAL PROJECTS FUND

Materials and Services	\$ 150,000
Capital Outlay	3,560,000
Contingency	<u>1,290,000</u>
Total	\$ 5,000,000

PROPERTY AND BUILDING FUND

Capital Outlay	\$ 2,457,500
Contingency	<u>755,371</u>
Total	\$ 3,212,871

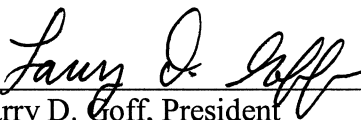
PENSION TRUST FUND

Personnel Services	\$ 361,025
Materials and Services	<u>5,000</u>
Total	\$ 366,025

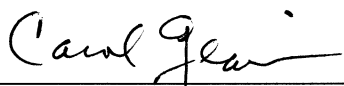
VOLUNTEER LOSAP FUND

Personnel Services	\$ <u>592,870</u>
Total	\$ 592,870

APPROVED AND ADOPTED, on June 27, 2006



Larry D. Goff, President

ATTEST: 

Carol A. Gearin, Secretary - Treasurer

RESOLUTION 2006-07

**RESOLUTION OF TUALATIN VALLEY FIRE AND RESCUE,
A RURAL FIRE PROTECTION DISTRICT
TO LEVY AND CATEGORIZE TAXES**

BE IT RESOLVED, that the Board of Directors of Tualatin Valley Fire & Rescue, a Rural Fire Protection District, hereby levies the taxes provided for in the adopted budget in the rate of \$1.7752 per \$1,000 of assessed value for operations (comprised of \$1.5252 permanent rate and \$.25 local option tax rate) and \$1,518,512 for bonds, and that these taxes are hereby imposed and categorized for tax year 2006-07 upon the assessed value of all taxable property with the District.

Subject to the General Government Limitation:

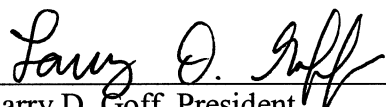
General Fund Levy:	\$1.5252/\$1,000
Local Option Tax Levy:	\$.25/\$1,000

Excluded from the General Government Limitation:

Debt Service Fund Levy	\$ 1,518,512
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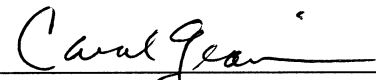
NOW THEREFORE BE IT RESOLVED, that the Budget Officer certify the County Clerk or other recording officer, County Assessor or other assessing officer, of Washington, Clackamas, and Multnomah Counties, Oregon, and the Department of Revenue of the State of Oregon, the tax levy created by the resolution and shall file with them a copy of the adopted budget.

APPROVED AND ADOPTED, on June 27, 2006



Larry D. Goff, President

ATTEST:



Carol A. Gearin, Secretary-Treasurer

TUALATIN VALLEY FIRE & RESCUE
FINANCIAL FORECAST

General Fund

	2005-06	2006-07	2007-08	2008-09	2009-10
Beginning Fund Balance	\$ 19,600,000	\$ 19,900,000	\$ 21,900,000	\$ 23,100,000	\$ 21,400,000
Property Tax Revenue	55,800,000	58,900,000	62,000,000	65,400,000	69,000,000
Investment and Interest Income	700,000	1,300,000	1,400,000	1,500,000	1,400,000
Charges for Services	600,000	700,000	700,000	700,000	800,000
Insurance Refunds	100,000	200,000	200,000	200,000	200,000
Miscellaneous	100,000	100,000	100,000	100,000	100,000
Total Revenues	\$ 76,900,000	\$ 81,100,000	\$ 86,300,000	\$ 91,000,000	\$ 92,900,000
Personnel Costs	\$ 46,200,000	\$ 49,200,000	\$ 52,500,000	\$ 57,900,000	62,700,000
Materials and Services	6,600,000	7,000,000	7,500,000	8,300,000	8,900,000
Transfers Out	4,200,000	3,000,000	3,200,000	3,400,000	3,500,000
Total Expenditures	57,000,000	59,200,000	63,200,000	69,600,000	75,100,000
Ending Fund Balance	\$ 19,900,000	\$ 21,900,000	\$ 23,100,000	\$ 21,400,000	\$ 17,800,000
Months of Fund Balance	4.6	4.7	4.6	3.9	3.0

The District prepares financial forecasts on an ongoing basis to provide staff and policy makers the most current projected results of economic variables. The District constantly evaluates projected property tax growth rates, property tax levy collection rates, interest rates, and projected labor inflation rates as well as the need for enhanced service levels in both emergency responses and support of emergency operations.