

Tualatin Valley Fire & Rescue

A Rural Fire Protection District, Oregon



Popular Annual Financial Report

For the Fiscal Year Ended June 30, 2021

TVF&R proudly serves the cities of Beaverton, Durham, King City, Newberg, North Plains, Rivergrove, Sherwood, Tigard, Tualatin, West Linn, and Wilsonville in addition to portions of Washington, Clackamas, Multnomah, and Yamhill counties.



Mission

Tualatin Valley Fire & Rescue is committed to creating safer communities through prevention, preparedness, and effective emergency response.

Vision

Developed jointly with the Board of Directors, the statements below comprise our shared vision for optimal safety in our community. We invite community members and partner governmental agencies to help us advance a community with the following attributes:

- Protection from fire, medical, and other emergencies is achieved through targeted, proactive risk-reduction strategies. When emergencies do happen, skilled personnel provide fast and effective response services.
- Education delivered to residents and businesses motivates their active role in emergency prevention, preparedness, and resilience measures. Our personnel take steps to ensure this in their own lives as well.
- Cooperative resource sharing and collaborative partnerships ensure a highly effective and efficient emergency response system.



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Award

The Government Finance Officers Association (GFOA) encourages governments to demonstrate accountability and transparency in the Popular Annual Financial Reporting program by making financial information of the highest quality readily accessible to the general public and other interested parties. The GFOA recognizes governments that meet certain standards based on information presented, reader appeal, understandability, distribution, and other elements. The District met these requirements and received an award for the 2020 PAFR, the eighth consecutive year for this achievement.

The information in this report on pages 10, 13, and 15 is drawn from TVF&R's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021, which was awarded the Certificate of Achievement for Excellence in Financial Reporting by GFOA. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized ACFR, whose contents conform to program standards. Such an ACFR must satisfy both generally accepted accounting principles and applicable legal requirements. This report can be found at www.tvfr.com/196. Information from the annual Budget Report for the fiscal year 2021-22 is also included, and this report can be found online at www.tvfr.com/176.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**Tualatin Valley Fire & Rescue
Oregon**

For its Annual Financial Report
for the Fiscal Year Ended

June 30, 2020

Christopher P. Morill
Executive Director/CEO



Message from the Fire Chief

Dear Residents and Friends of Tualatin Valley Fire & Rescue,

I am pleased to present our Popular Annual Financial Report (PAFR) for the fiscal year that ended June 30, 2021. This report reflects our ongoing commitment to being transparent and accountable for the investments made by our community. The PAFR aims to provide information in an easy-to-understand format that also highlights performance in key areas of our Strategic Plan.

The PAFR draws directly from our Annual Comprehensive Financial Report that contains more detailed, audited information. All budget documents and reports can be found at www.tvfr.com.

Since becoming your fire chief in 2019, TVF&R has been part of significant events from fighting wildfires to pandemic response to providing community vaccinations. Most recently, voters approved a bond measure that will allow us to make important infrastructure investments that will benefit our community for decades to come.

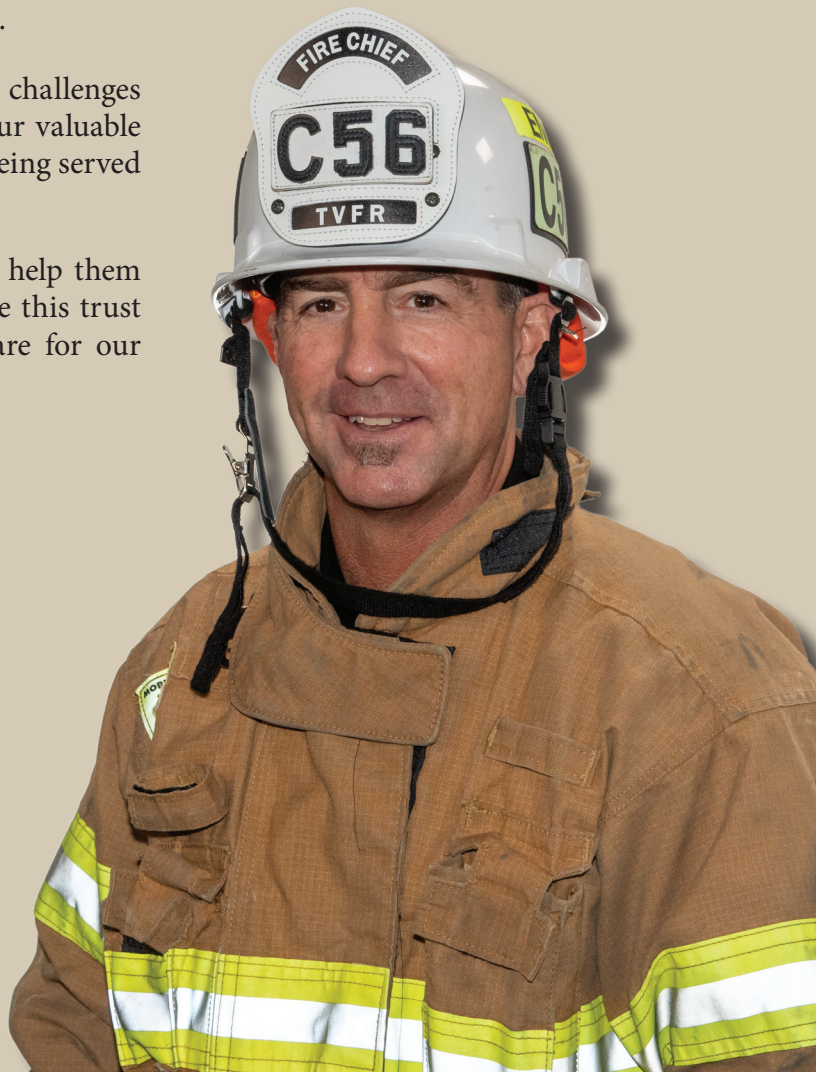
I will continue to promote an inclusive culture that challenges traditional ways of doing business so we can use our valuable resources strategically and better reflect the people being served by TVF&R.

Every day, members of our community trust us to help them when they're vulnerable or in crisis. We do not take this trust for granted. We will continue to work hard to care for our community and their resources.

Respectfully,

A handwritten signature in blue ink, appearing to read "Deric Weiss".

Deric Weiss
Fire Chief



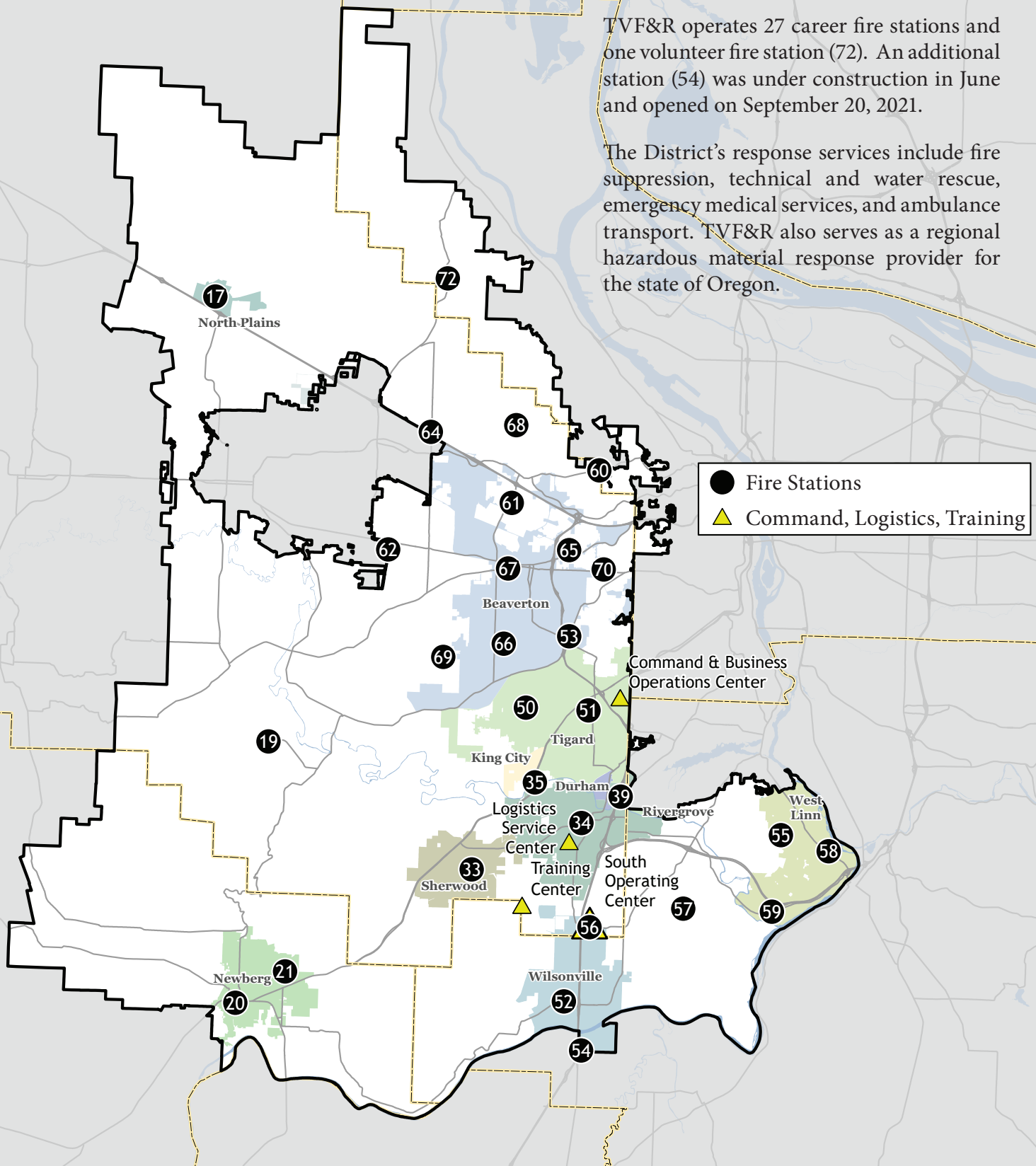
About the District

Tualatin Valley Fire & Rescue was established in 1989 through the merger of two regional fire districts. The District has subsequently grown to cover a broad geographic area through additional mergers and annexations.

TVF&R provides fire protection and emergency medical services to **535,723 residents** in approximately **390 square miles**, which includes **11 cities** and portions of **four counties** in Oregon. TVF&R is a special service district supported by the property owners within its boundaries. Residents served by TVF&R benefit from the sophistication, economies of scale, and resources of a large fire district with the accessibility and community involvement of a small-town fire department.

TVF&R operates 27 career fire stations and one volunteer fire station (72). An additional station (54) was under construction in June and opened on September 20, 2021.

The District's response services include fire suppression, technical and water rescue, emergency medical services, and ambulance transport. TVF&R also serves as a regional hazardous material response provider for the state of Oregon.



Leadership as of July 1, 2021

The District is led by an elected Board of Directors.



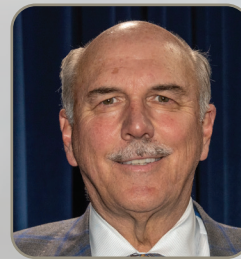
President
Randy J. Lauer
Term Ends:
June 30, 2023



Vice President
Gordon L. Hovies
Term Ends:
June 30, 2025



Secretary/Treasurer
Justin Dillingham
Term Ends:
June 30, 2023



Board Member
Clark I. Balfour
Term Ends:
June 30, 2025



Board Member
Robert C. Wyffels
Term Ends:
June 30, 2025

Strategic Goals

During the fiscal year ended June 30, 2021, all TVF&R divisions and departments contributed toward accomplishing goals set forth in the 2020-22 Strategic Plan. The main goals, supplemented by supporting strategies and organizational tactics, as outlined in the District's 2020-22 Strategic Plan are:

1. **Health** — Advance a healthy organization through a unified mission, effective communication, resilient people, and responsible resource management.
2. **Performance** — Advance a high-performing organization and workforce with particular focus on the core functions that improve fast and effective emergency response and community risk reduction.
3. **Opportunities** — Carefully evaluate and then execute, or dismiss, emerging opportunities.

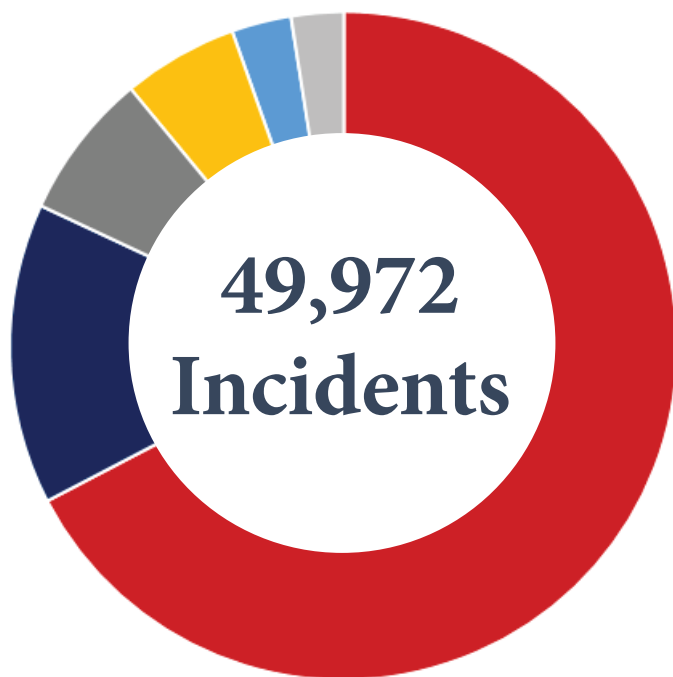
Accomplishments during the fiscal year ended June 30, 2021, as a result of these goals included implementation of a Technology Services Steering Committee, began planned projects for various physical and technological security measures, incorporated additional and increased COVID-19 and other contaminant measures into policy and processes, conducted research and master planning to inform the bond team on proposed capital bond projects, refined the 2iS application supporting EMS response, and participated in cooperative initiatives related to the radio system replacement, Washington County's EMS Alliance, and other state and local partnerships. Work continued to support operational enhancements through additional firefighters, response units, and fire stations, and ongoing public safety messaging. In addition, in line with the priorities of the State of Oregon and county public health officials, the District partnered with three of its counties to manage vaccine delivery point of distribution (PODs) in dispensing over 71,000 COVID-19 vaccine doses to the community.



QUICK FACTS

TVF&R Personnel

- **447** Fire, Medical, and Rescue Services
- **24** Fire Prevention and Training
- **95** Administrative and Support
- **60** Volunteers



2020 Incident Responses (Calendar Year)

■ Emergency Medical Services, Rescue Call.....	33,904
■ Good Intent.....	7,621
■ Service Call	3,447
■ Other Situation or False Call	2,676
■ Fire	1,185
■ Hazardous Condition	1,139

Nearly **7** out of **10** incidents involve medical care.

Finances at a Glance

■ Assessed Value	\$67,478,228,365
■ Tax Rate	\$2.12/\$1,000 assessed value
■ Operating Budget.....	\$147,417,096
■ Bonded Debt.....	\$28,095,326

Moody's Bond Rating — Aaa

TVF&R has a Moody's Bond rating of Aaa — the highest available. This rating demonstrates credit worthiness and allows TVF&R to issue debt at lower interest rates and pass that savings on to taxpayers.



Station crews and the Safety Education Team participated in

106
community events
in 2020 that had a
total of
4,890
attendees.



TVF&R operates **120** apparatus, including trucks, engines, rescues, medic units, and cars.



The Fire and Life Safety Division completed

1,913
commercial
inspections in
2020. These were
limited due to the
COVID-19 pandemic.



Focus on Vaccinations

In late 2020, TVF&R was faced with a dilemma — determine how to quickly vaccinate frontline firefighters and paramedics to help protect patients. The good news was that COVID-19 vaccines would soon be arriving in Oregon, but the logistical challenge of giving vaccinations was a different story.

At the time, there was a surge in COVID-19 cases with more than 14 million confirmed across the U.S. and more than 195,000 in Oregon. The District decided to become a state-approved vaccinating agency through the Oregon Health Authority. What followed was hundreds of hours of work spent learning about vaccines, proper dispensing techniques, and storage requirements.

The District's initial goal was to vaccinate TVF&R personnel as well as local law enforcement partners, neighboring fire departments, and other healthcare providers to protect the people they serve. That goal expanded upon realizing the high demand for vaccine delivery to the public.

"We decided to be our own advocate and play a larger role in vaccine delivery," said TVF&R Fire Chief Deric Weiss. "I knew it was the right thing to do and a huge benefit to the community."

To make it happen, the District stood up vaccination clinics. The process proved to be challenging with multiple considerations for staffing, scheduling, data collection, and overall logistics. Simply securing a freezer alone that met the cold storage requirements for the vaccines took close to two months.

The District's South Operating Center in Wilsonville was completely taken over and transformed into the initial point of distribution (POD). From that point, equipment, signage, documents, and supplies were acquired or created, but ultimately staff and volunteer dedication to the vaccination mission is what made it successful.

Working in partnership with Clackamas, Washington, and Yamhill counties, TVF&R dispensed more than 71,000 COVID-19 vaccine doses. Firefighters also vaccinated more than 500 vulnerable homebound residents. TVF&R began to scale back efforts in June with increased vaccination rates and locations.

Partners Step Up

In addition to Washington, Yamhill, and Clackamas county partners, multiple volunteer groups and agencies helped make COVID-19 vaccination efforts a success. TVF&R recognizes the support of the following partners who assisted in helping to create safer communities:

- Yamhill County CERT
- Yamhill County Amateur Radio Emergency Service
- Yamhill County Volunteer Response Unit
- Yamhill County Search & Rescue Cadets
- Yamhill County Mounted Posse
- Tigard CERT
- Beaverton CERT
- Medical Reserve Corps
- Nike
- Clackamas Community College
- City of Wilsonville
- Evergreen Aviation Museum
- Yamhill County Fairgrounds
- City of Beaverton
- Tualatin Hills Park & Recreation District



TVF&R personnel from various departments and dedicated volunteers from a number of community partners helped ensure that the point of distribution locations ran efficiently and safely. The District is grateful to all those who contributed to the vaccination effort.

Clackamas Community College hosted one of the point of distribution locations for TVF&R to provide COVID-19 vaccinations to the public. The image below shows where community members checked in, vaccination booths, a waiting area to monitor any reactions, and a place to checkout with POD personnel.



Balance Sheet / Statement of Net Position

The Statement of Net Position reflects the District's financial position as a snapshot in time. At June 30, 2021, the assets and deferred outflows exceeded the liabilities and deferred inflows by \$50.7 million, which is the net position. The overall decline in net position from the prior year is largely attributable to changes in the future outlook of the District's pension and post employment liabilities as calculated by independent actuaries on a recurring basis. A detailed analysis of the District's financial position is included in the Management's Discussion and Analysis starting on page 19 of the ACFR.

A significant portion of the \$50.7 million net position is comprised of the District's net investment in capital assets less any related debt used to acquire those assets that is still outstanding. The District used these capital assets to provide fire and emergency medical services to residents; consequently, these assets are not available for future spending. The District's largest liabilities are for the long-term portion of general obligation bonded debt, pension, and other post-employment benefit liabilities. The detailed components of the District's net position can be viewed on pages 31-32 of the ACFR.

	Fiscal Year		
	2021	2020	2019
Assets — What we own			
Current and other assets	\$ 93,055,210	\$ 96,149,604	\$ 104,548,449
<i>Cash and investments, receivables, and inventories</i>			
Capital assets	120,323,600	116,323,328	109,269,622
<i>Land, buildings, vehicles, and equipment</i>			
Total assets	213,378,810	212,472,932	213,818,071
Deferred outflows	74,420,997	59,947,265	48,718,017
<i>Expenses incurred, but applicable to a future period</i>			
Total assets and outflows	287,799,807	272,420,197	262,536,088
Liabilities — What we owe			
Current and other liabilities	32,477,279	29,695,846	27,682,386
<i>Payables and unearned revenue</i>			
Long-term liabilities	194,691,989	174,895,243	152,018,855
<i>Bonds, other post-employment benefits, and pensions</i>			
Total liabilities	227,169,268	204,591,089	179,701,241
Deferred inflows	9,940,623	6,406,762	5,729,561
<i>Income received, but applicable to a future period</i>			
Total liabilities and inflows	237,109,891	210,997,851	185,430,802
Total net position	\$ 50,689,916	\$ 61,422,346	\$ 77,105,286

The Chehalem Mountain-Bald Peak fire became the largest wildfire within TVF&R's service area in the District's history. On September 8, 2020, firefighters began battling the fire that threatened multiple structures and required evacuations. The fire impacted 875 acres within a 1,555-acre area. Fortunately, there were no injuries to residents, firefighters, or animals, and no homes were lost.





Income Statement / Statement of Activities

The Statement of Activities reports all money received and spent by the District during the fiscal year. As of June 30, 2021, the District's net position decreased \$10.7 million, which is primarily attributable to public safety expenses of increased salaries, benefits, pension, and other post-employment benefits. These were mostly offset by revenue increases mostly in property taxes. COVID-19 vaccine initiatives caused increases in both revenue and expenditures during fiscal year 2021.

	Fiscal Year		
	2021	2020	2019
Revenues — Where our money comes from			
Program revenues	\$ 11,631,408	\$ 10,127,623	\$ 6,482,320
Charges for transport services and grants			
General revenues	139,441,649	130,113,507	132,907,713
Property taxes, earnings on investments, insurance refunds, and miscellaneous income			
Total revenues	151,073,057	140,241,130	139,390,033
Expenses — Where our money goes			
Public safety/fire protection	160,985,973	155,501,062	134,235,643
Salaries and benefits, materials and services			
Interest on long-term debt	819,514	423,008	1,545,144
Total expenses	161,805,487	155,924,070	135,780,787
Change in net position	(10,732,430)	(15,682,940)	3,609,246
Net position — July 1	61,422,346	77,105,286	71,788,507
Special item: transfer of operations*	-	-	1,707,533
Net position — June 30	\$ 50,689,916	\$ 61,422,346	\$ 77,105,286

* The transfer of operations of the City of Newberg Fire Department on July 1, 2018, caused a special item.



Despite the challenges COVID-19 brought in 2020, TVF&R opened a 40,000-square-foot Logistics Service Center in a new location more central to our service area. Since December 2020, it has been occupied by the District's supply warehouse, fleet maintenance, communications, facilities maintenance, and support personnel, who help ensure fast emergency response.

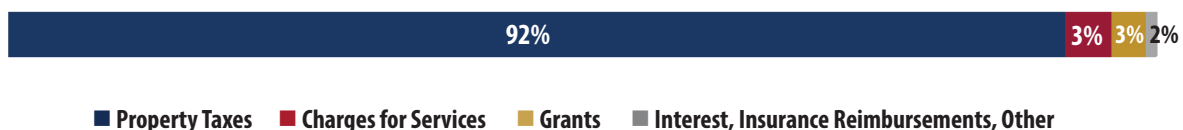
Revenue Sources

Property taxes levied on assessed value of TVF&R's service area provide the majority of funding for District operations. In 2020-21, 92% of revenues for operations were from property taxes. Although property tax dependent, TVF&R operates in four counties serving suburban residential, industrial, and rural communities. The diversified property base provides a stable revenue source for operations, in turn allowing the District to provide continuity in service.

	Fiscal Year		
	2021-22	2020-21	2019-20
Washington County	\$ 54,472,141,184	\$ 52,528,311,331	\$ 50,132,060,675
Clackamas County	11,181,135,285	10,716,727,602	10,347,958,739
Multnomah County	1,008,246,590	976,818,550	936,917,670
Yamhill County	3,396,903,938	3,256,370,882	3,099,435,998
Total Assessed Value	\$ 70,058,426,997	\$ 67,478,228,365	\$ 64,516,373,082
Total tax levy	\$ 146,190,827	\$ 140,534,690	\$ 131,557,299
Total tax collected	139,448,826	136,470,198	127,516,172
Percent of total tax collections to levy	95.4%	97.1%	96.9%
Permanent tax rate	\$ 1.5252	\$ 1.5252	\$ 1.5252
Local option levy	0.4500	0.4500	0.4500
Bonded debt	0.1411	0.1415	0.0973
Total Tax Rate	\$ 2.1163	\$ 2.1167	\$ 2.0725

Note: Information for the 2020-21 fiscal year has been included to provide a look forward to the next period.

General Fund Revenue Sources

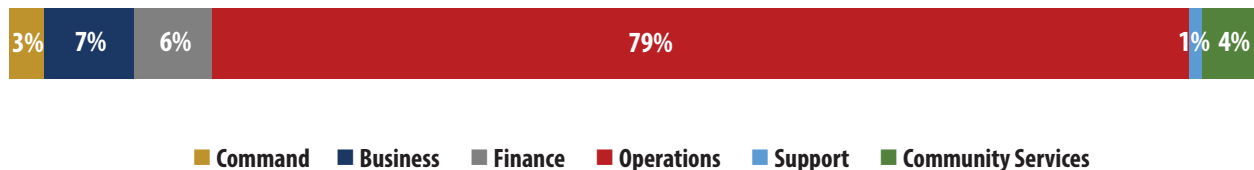


Operating Costs

	Fiscal Year				
	2022	2021		2020	
	Budget	Budget	Actual	Budget	Actual
General Fund					
Personnel Services	\$ 125,089,055	\$ 127,424,805	\$ 123,380,870	\$ 114,024,773	\$ 110,913,321
Materials and Services	15,732,298	15,195,776	12,689,186	14,788,575	12,174,351
Transfers	5,107,257	4,796,515	4,789,967	6,109,816	5,974,537
Total Operating Costs	\$ 145,928,610	\$ 147,417,096	\$ 140,860,023	\$ 134,923,164	\$ 129,062,209

Note: Information for the 2021-22 fiscal year has been included to provide a look forward to the next period. Detailed information for sources and uses of the General Fund can be found on page 34 of the 2020-21 Annual Comprehensive Financial Report.

Fiscal Year 2021 Actual Public Safety Expenditures by Directorate \$136,070,056



■ Command ■ Business ■ Finance ■ Operations ■ Support ■ Community Services

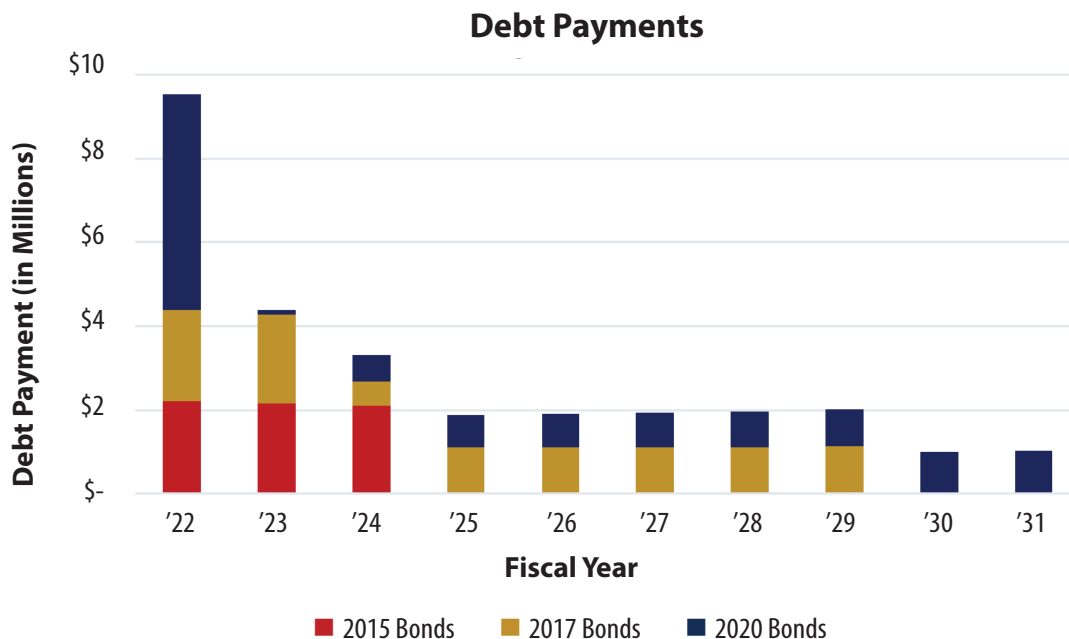
In the summer of 2021, TVF&R hosted Portland Metro Fire Camp for 35 young women to explore careers in the fire service. Participants received instruction from professional female firefighters from multiple agencies across the West Coast during the three-day camp at the District's Training Center in Sherwood.





Debt Service

The District was authorized by its voters in November 2006 to issue \$77.5 million of general obligation bonds. The proceeds were fully spent as of May 2017 to fund fire station seismic improvements, construction, and command center projects, and to purchase fire apparatus and land for future stations. All debt from the \$77.5 million that was approved by voters in 2006 is scheduled to be fully paid by 2031. By Oregon law, the District is subject to a debt limit that is 1.25% of real market value of taxable property. On June 30, 2021, the District's debt limit was \$1.5 billion. As of June 30, 2021, the total general obligation bonded debt subject to the limit was \$28 million, which is 1.87% of the total debt limit. Future payments on existing bonded debt, including both principal and interest, illustrated in the graph below total \$29 million.

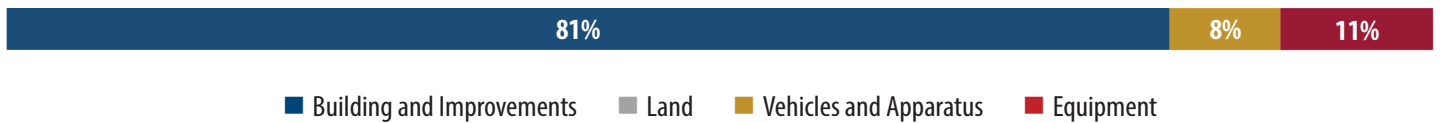


Capital

Investing in quality apparatus and equipment is key in providing effective emergency response. In 2020-21, notable capital improvements included the addition of a fire pump testing and training unit called a draft commander (\$118,000), purchase of two Pierce pumper engines (\$672,000 each), and opening of the newly constructed Logistics Service Center that consolidated fleet maintenance, supply warehouse, communications, and facilities maintenance services and personnel in a central location of the District.



New Assets in Service by Type \$20,950,447



Note: Information about all District assets in service can be found on page 55 of the 2020-21 ACFR.

On November 2, 2021, voters approved a \$122 million bond measure, which will allow TVF&R to continue investing in critical capital projects throughout the District's service area. Bond proceeds will be used to replace response vehicles, fund fire station improvements, fund safety upgrades for the training center, and purchase land for future fire stations where growth is expected to occur.





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Copies of the Popular Annual Financial Report, Annual Comprehensive Financial Report, and Budget Document are available online at www.tvfr.com.

Hard copies can be requested by calling (503) 649-8577.

This report was prepared by the Tualatin Valley Fire & Rescue Finance Division.