

Tualatin Valley Fire & Rescue

A Rural Fire Protection District, Oregon



Popular Annual Financial Report

For the Fiscal Year Ended June 30, 2022



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.

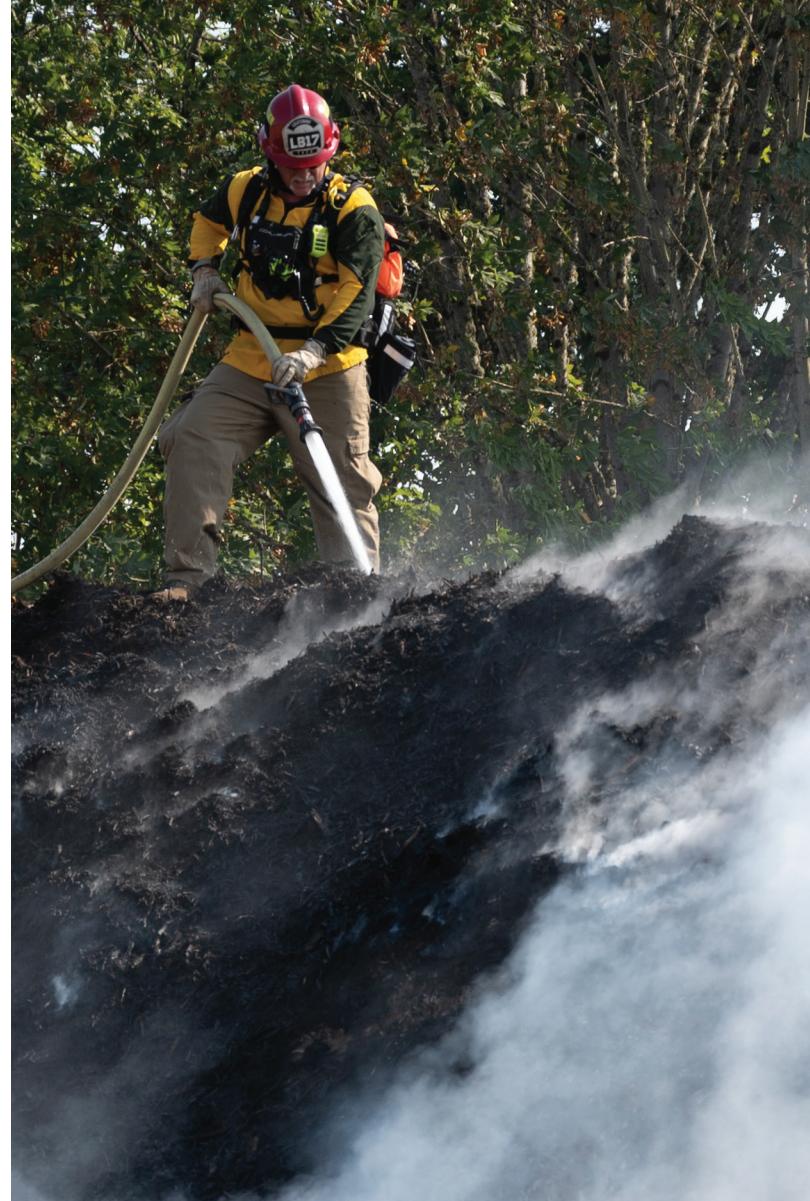
Vision

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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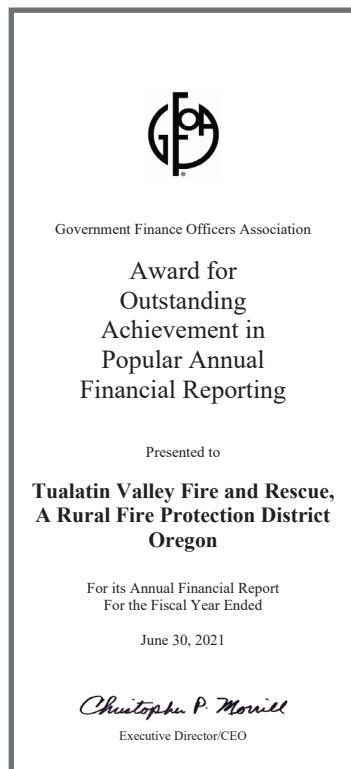
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Award

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 2021 PAFR, the ninth consecutive year for this achievement.

The information in this report on pages 10-15 is drawn from TVF&R's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2022, which was awarded the Certificate of Achievement for Excellence in Financial Reporting by GFOA for 2021. 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 2022-23 is also included, and this report can be found online at www.tvfr.com/176.





Message from the Fire Chief

Dear Residents and Friends of Tualatin Valley Fire & Rescue,

Our Popular Annual Financial Report (PAFR) for the fiscal year that ended June 30, 2022 demonstrates our ongoing commitment to being transparent and accountable for our residents' investments in emergency services. The PAFR provides an overview of our financial practices and performance in key areas of our Strategic Plan. Our Comprehensive Annual Financial Report contains additional audited information. Budget and planning documents can be found at www.tvfr.com.

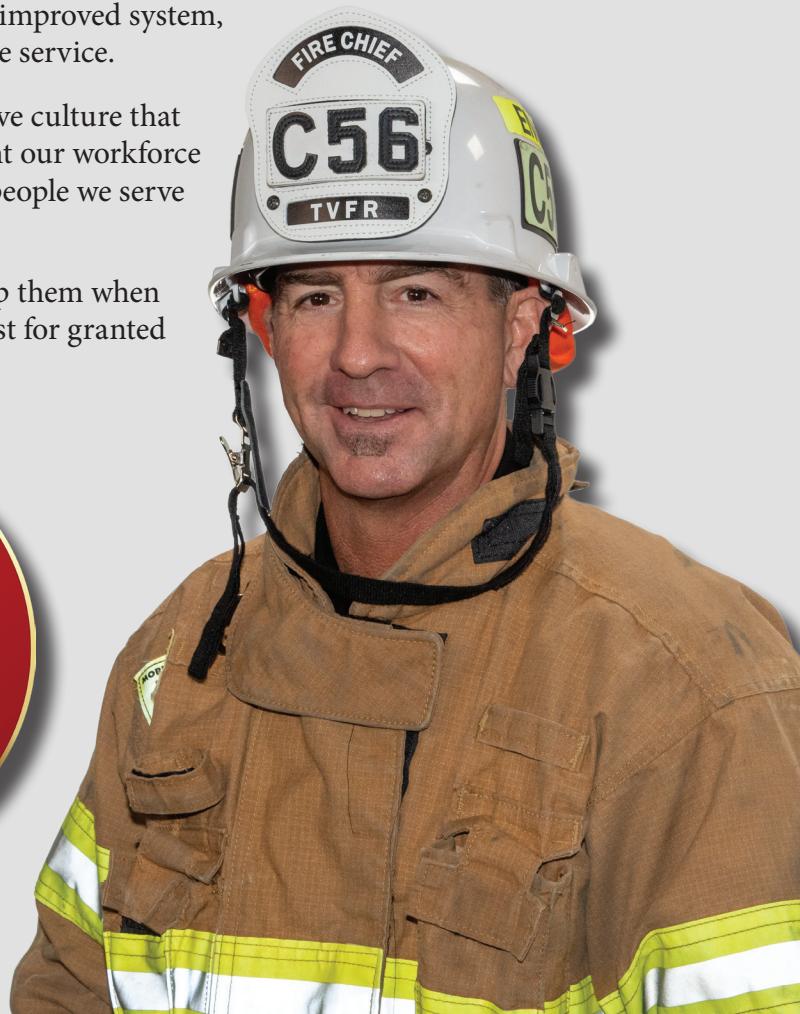
During this past year, our community has experienced lingering pandemic challenges including a strained healthcare system, inflation, supply chain difficulties, and staffing shortages. These same factors have impacted TVF&R's operations and business practices. We remain focused on response readiness, recruitment, working with health partners toward an improved system, and long-term planning to ensure effective and reliable service.

Of particular importance to me is fostering an inclusive culture that challenges traditional ways of doing business. We want our workforce to reflect the diversity, creativity, and strength of the people we serve so we can provide exceptional customer service.

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 and strive to remain worthy of it.

Respectfully,

Deric Weiss
Fire Chief

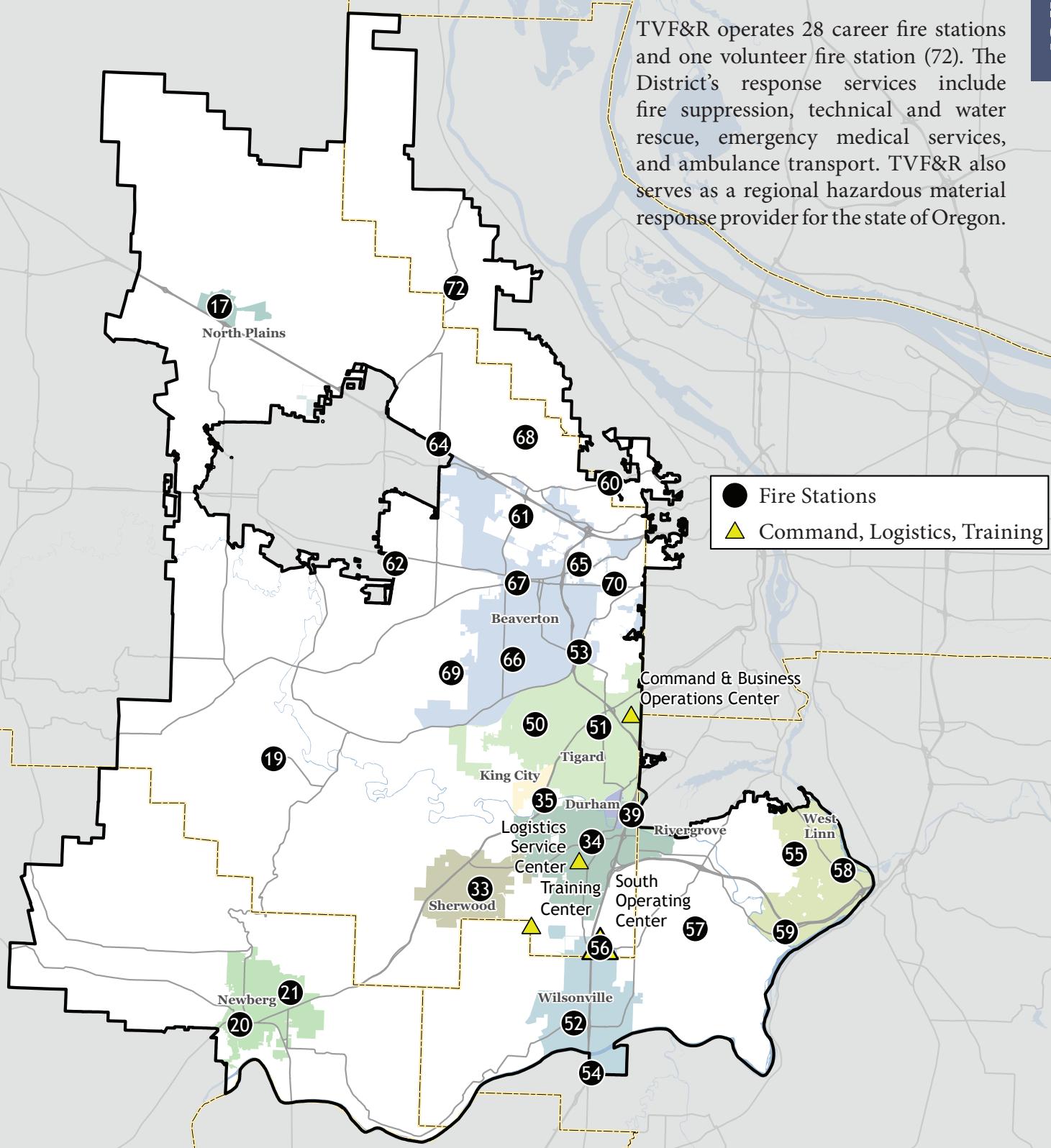


About TVF&R

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 **542,524 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 primarily 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 28 career fire stations and one volunteer fire station (72). 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.





FLIR K65 THERMAL IMAGER DEPLOYMENT



LIFEPAK 15 CARDIAC MONITOR TRAINING

Strategic Goals

During the fiscal year ended June 30, 2022, 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.

TVF&R was able to further initiatives and accomplish several goals identified in the plan during the fiscal year. Some of those accomplishments included referring Measure 34-308 to voters in November 2021 to fund \$122 million in general obligation bonds for critical capital improvements, purchasing and deploying new thermal imagers to aid crews in difficult conditions, and the upgrade and deployment of new cardiac monitors throughout the District to replace old monitors nearing their end of life. The District also participated on EMS integration and strategic planning work groups in Washington and Clackamas counties, incident command teams for wildfire conflagration, state-level wildfire legislative and planning initiatives, Washington County Consolidated Communications Agency's radio system migration initiative, and worked with external partners on COVID-19 response and vaccination services. We completed three recruit academies to help fill vacancies resulting from retirements and were able to welcome community members back into our fire stations for open houses and public safety education events.

Leadership as of July 1, 2022

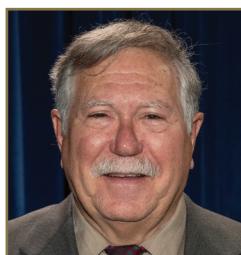
The District is led by an elected Board of Directors.



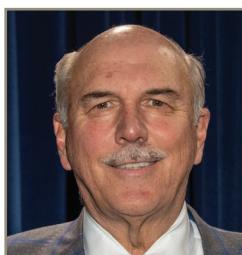
President
Randy J. Lauer
Term Ends:
June 30, 2023



Vice President
Justin Dillingham
Term Ends:
June 30, 2023



Secretary/Treasurer
Robert C. Wyffels
Term Ends:
June 30, 2025



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

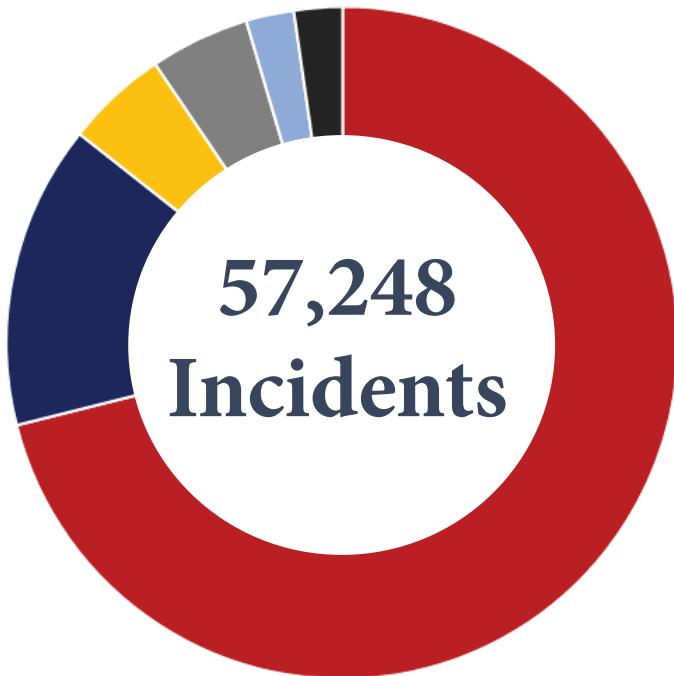


Board Member
Gordon L. Hovies
Term Ends:
June 30, 2025

QUICK FACTS

TVF&R Personnel

- **453** Fire, Medical, and Rescue Services
- **22** Fire Prevention and Training
- **97** Administrative and Support
- **60** Volunteers



2021 Incident Responses (Calendar Year)

■ Emergency Medical Services, Rescue Call.....	40,675
■ Good Intent.....	8,394
■ Other Situation or False Call	2,813
■ Service Call	2,718
■ Hazardous Condition	1,352
■ Fire	1,296

More than **7** out of **10** incidents involve medical care.

Finances at a Glance

- Assessed Value.....\$70.1 billion
- Tax Rate.....\$2.12/\$1,000 assessed value
- Operating Budget.....\$148 million
- Bonded Debt.....\$78 million

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 **259** community events in 2021 that had a total of **9,129** attendees.



TVF&R operates **122** apparatus, including trucks, engines, rescues, medic units, and cars.



The Fire and Life Safety Division completed **990** commercial inspections in 2021. These were limited due to the COVID-19 pandemic.



Focus on Recruitment

This is an exciting time to explore a career with TVF&R. With 38 percent of management and chief officers eligible for retirement in the next five years, the opportunity for advancement is at an all-time high.

The District has seen a record number of promotions within the frontline ranks and several divisions. For example, when a battalion chief retires, there is a cascade of promotions, including a new captain, lieutenant, apparatus operator, firefighter, and potentially a single-role paramedic.

TVF&R is in the process of recruiting, hiring, and training the next wave of responders, support personnel, and future leaders.

Beginning December 2021 through January 2022, TVF&R held a single-role paramedic Recruit Academy 21-01 that included eight paramedic recruits. From February through May, 24 firefighter recruits comprised Recruit Academy 22-01 and joined TVF&R's ranks prior to the end of the fiscal year.

In August, Recruit Academy 22-02, which included 20 firefighter recruits, three TVF&R single-role paramedics who promoted to firefighter recruits, and a single-role paramedic recruit, began training. And, in October, TVF&R welcomed members of Recruit Academy 22-03, which includes five single-role paramedic recruits.

In December 2022, the District began seeking diverse, qualified firefighter and firefighter paramedic candidates for a future firefighter recruit academy.

Recruitments for positions in finance, community risk reduction, public affairs, fire & life safety, capital construction projects, logistic services, and other operational support divisions were also active during the fiscal year.

"We want quality people here at TVF&R," said Steven Partain, human resources manager. "What makes us unique is that we are a mission-focused organization. We offer employment opportunities that have meaning. We're also fortunate to have solid community support."

Enhancing Patient Care

In 2021, TVF&R crews responded to 57,248 incidents. You might be surprised to learn that 71 percent of those calls required medical care.

This is why our firefighters and paramedics spent 12,368 hours training on emergency medical procedures in 2021, and why every response vehicle has at least one paramedic. It ensures that you and your loved ones receive the highest quality medical care within minutes of a 911 call.

TVF&R is committed to continually looking at ways to enhance patient care, improve outcomes, and incorporate best practices, treatments, and new technology in emergency medical services.

At the beginning of 2022, the District launched a new Community Health and Resource Management (CHARM) Program. As part of the program, CHARM paramedics began home visits with an identified group of high utilizers of the 911 system to identify their non-emergent health and social service needs and work to build a bridge between clients and support organizations.

To help manage patient contacts associated with the CHARM Program, the District is utilizing a cloud-based reporting and data tracking program. This will allow crews to input patient contacts, the number of times we see each individual patient, and store information on the different services that a patient has been offered and is utilizing.

Under the guidance of TVF&R's medical director, Dr. Mohamud Daya, TVF&R also remains at the frontline of improving the quality of EMS it provides to our patients. In 2021, the District evaluated a number of potential studies to improve care and determined it would be beneficial to participate in a lung ultrasound for smoke inhalation study and pragmatic airway control trial with Oregon Health & Science University.

“We are always working to enhance patient care and foster relationships with partner agencies to help create the best EMS system possible for our patients,” said Medical Services Chief Ben Sorenson.



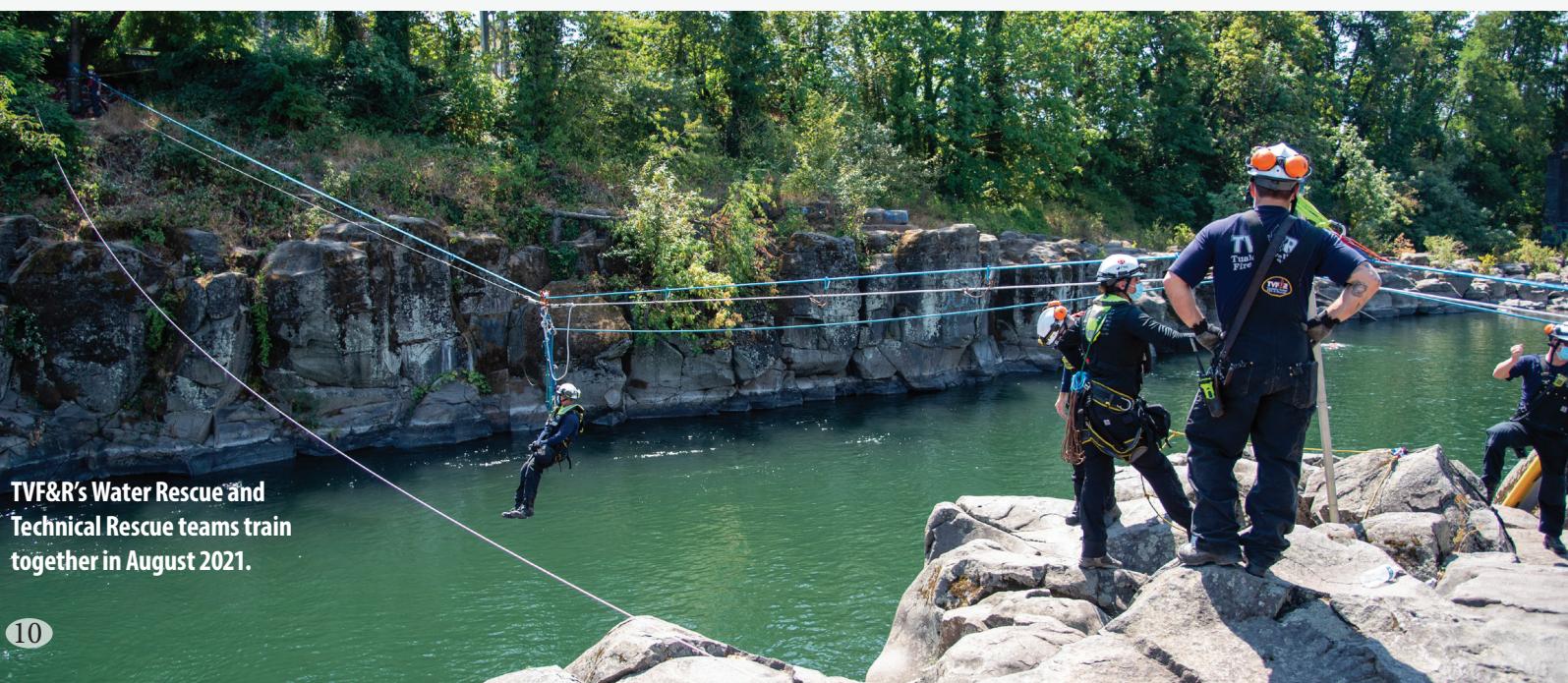
Balance Sheet / Statement of Net Position

The Statement of Net Position reflects the District's financial position as a snapshot in time. At June 30, 2022, the assets and deferred outflows exceeded the liabilities and deferred inflows by \$63 million, which is the net position. This net position increased by \$12.4 million during the year as discussed on the next page.

A significant portion of the \$63 million net position, reflects the District's net investment in capital assets less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide fire and emergency medical services to residents; consequently, these assets are not available for future spending. This is offset by a deficit unrestricted net position of \$40,410,730, which reflects the District's obligations exceeding assets. The District's largest liabilities are for the long-term portion of general obligation bonded debt, pensions, and other post-employment benefit (OPEB) liabilities.

The detailed components of the District's net position can be viewed on pages 33-34 of the ACFR.

	Fiscal Year		
	2022	2021	2020
Assets — What we own			
Current and other assets	\$ 152,667,250	\$ 93,055,210	\$ 96,149,604
<i>Cash and investments, receivables, and inventories</i>			
Capital assets	122,709,048	120,323,600	116,323,328
<i>Land, buildings, vehicles, and equipment</i>			
Total assets	275,376,298	213,378,810	212,472,932
Deferred outflows			
Expenses incurred, but applicable to a future period	66,299,345	74,420,997	59,947,265
Total assets and outflows	341,675,643	287,799,807	272,420,197
Liabilities — What we owe			
Current and other liabilities	32,833,184	32,477,279	29,695,846
<i>Payables and unearned revenue</i>			
Long-term liabilities	172,238,941	194,691,989	174,895,243
<i>Bonds, leases, OPEB, and pensions</i>			
Total liabilities	205,072,125	227,169,268	204,591,089
Deferred inflows			
Income received, but applicable to a future period	73,541,722	9,940,623	6,406,762
Total liabilities and inflows	278,613,847	237,109,891	210,997,851
Total net position	\$ 63,061,796	\$ 50,689,916	\$ 61,422,346





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, 2022, the District's overall net position increased \$12.4 million primarily attributable to decreases in public safety expense, related to a significant reduction in actuarial calculated pension expense offset by increases in personnel services expense. Impacts from decreases in program revenues, primarily related to one-time FEMA operating grants and COVID-19 vaccine administration charges for services were offset by increases in general revenues from property taxes.

Further analysis of the District's financial position is provided in Management's Discussion and Analysis on page 19 of the ACFR.

	Fiscal Year		
	2022	2021	2020
Revenues — Where our money comes from			
Program revenues	\$ 7,643,318	\$ 11,631,408	\$ 10,127,623
<i>Charges for transport services and grants</i>			
General revenues	144,217,355	139,441,649	130,113,507
<i>Property taxes, earnings on investments, insurance refunds, and miscellaneous income</i>			
Total revenues	151,860,673	151,073,057	140,241,130
Expenses — Where our money goes			
Public safety/fire protection	138,388,012	160,985,973	155,501,062
<i>Salaries and benefits, materials and services</i>			
Interest on long-term debt	1,100,781	819,514	423,008
Total expenses	139,488,793	161,805,487	155,924,070
Change in net position	12,371,880	(10,732,430)	(15,682,940)
Net position — July 1	50,689,916	61,422,346	77,105,286
Net position — June 30	\$ 63,061,796	\$ 50,689,916	\$ 61,422,346

Revenue Sources

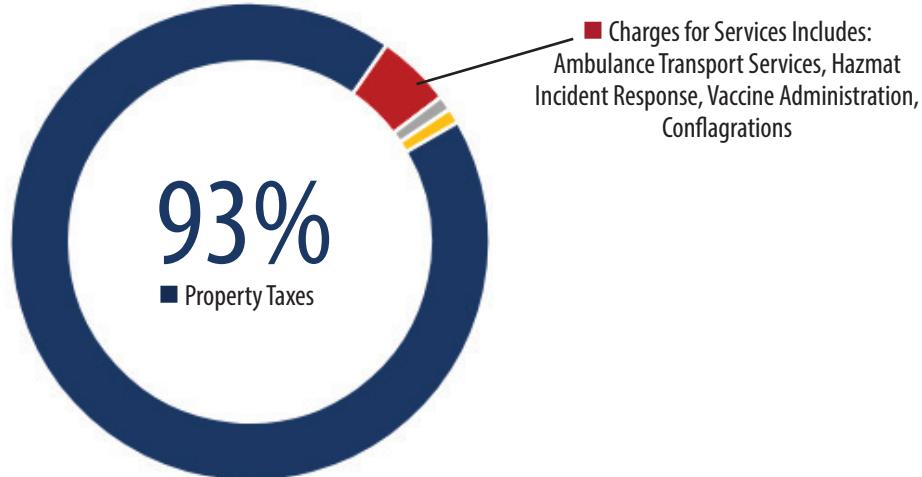
Property taxes levied on assessed value of the TVF&R service area provides the majority of funding for District operations. In 2021-22, 93% of revenues for operations were from property taxes. Although property tax-dependent, TVF&R operates in four counties serving suburban residential, industrial, and rural areas. The diversified property base provides a stable revenue source for operations, in turn allowing the District to provide continuity in service.

	Fiscal Year		
	2022-23	2021-22	2020-21
Permanent Tax Rate	\$ 1.5252	\$ 1.5252	\$ 1.5252
Local Option Levy	0.4500	0.4500	0.4500
Bonded Debt	0.1375	0.1411	0.1415
Total Tax Rate	\$ 2.1127	\$ 2.1163	\$ 2.1167

General Fund Revenue Sources	2022-23	2021-22	2020-21
Property Taxes	\$ 135,674,419	\$ 132,432,468	\$ 128,208,780
Interest on Taxes	79,000	95,312	97,189
Charges for Services	4,342,916	6,937,161	6,539,314
Insurance Reimbursements	350,000	693,889	1,101,587
Investment Earnings	255,000	273,696	302,116
Grants and Contributions	25,000	1,212,244	1,825,243
Rental Income	60,000	74,820	69,649
Miscellaneous	303,950	307,741	278,108
Total	\$ 141,090,285	\$ 142,027,331	\$ 138,421,986

Note: Information for the 2022-23 fiscal year has been included to provide a look forward to the next period and can be found on page 65 of the Annual Budget Document. Detailed information for sources and uses of the General Fund can be found on page 36 of the 2021-22 Annual Comprehensive Financial Report.

General Fund Revenue Sources



■ Property Taxes ■ Charges for Services ■ Grants ■ Investments, Insurance Reimbursements, Miscellaneous

Through a grant, TVF&R obtained four mechanical CPR devices called the LUCAS. The LUCAS provides mechanical CPR freeing up hands to perform other lifesaving tasks during a cardiac arrest and prevents the possibility of responder injuries while performing CPR, especially while in a moving vehicle.





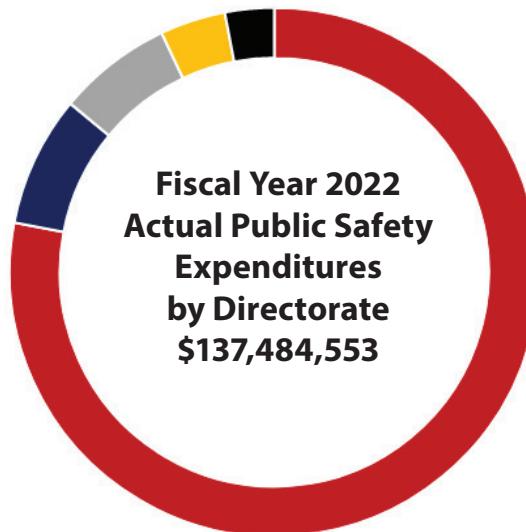
In the summer of 2022, TVF&R hosted Portland Metro Fire Camp for 34 young women to explore careers in the fire service. Participants received instruction from professional female firefighters from multiple agencies across the West Coast during the three-day camp.

Operating Costs

	Fiscal Year					
	2023		2022		2021	
General Fund	Budget	Budget	Actual	Budget	Actual	
Personnel Services	\$ 134,893,723	\$ 126,139,055	\$ 123,745,084	\$ 127,424,805	\$ 123,380,870	
Materials and Services	16,363,722	15,538,398	12,798,320	15,195,776	12,689,186	
Capital Outlay*	-	1,040,025	748,914	-	-	
Debt Service*	-	193,900	192,235	-	-	
Transfers	2,234,000	5,107,257	5,105,333	4,796,515	4,789,967	
Total Operating Costs	\$ 153,491,445	\$ 148,018,635	\$ 142,589,886	\$ 147,417,096	\$ 140,860,023	

Note: Information for the 2022-23 fiscal year has been included to provide a look forward to the next period and can be found on page 65 of the Annual Budget Document. Detailed information for sources and uses of the General Fund can be found on pages 36-37 of the 2021-22 Annual Comprehensive Financial Report.

* Capital Outlay and Debt Service reported in the General Fund are related to costs of operating leases, previously reported as rent expense in the Materials and Services category in prior years. The classification change is due to a required change in accounting principle implemented in fiscal year 2022.

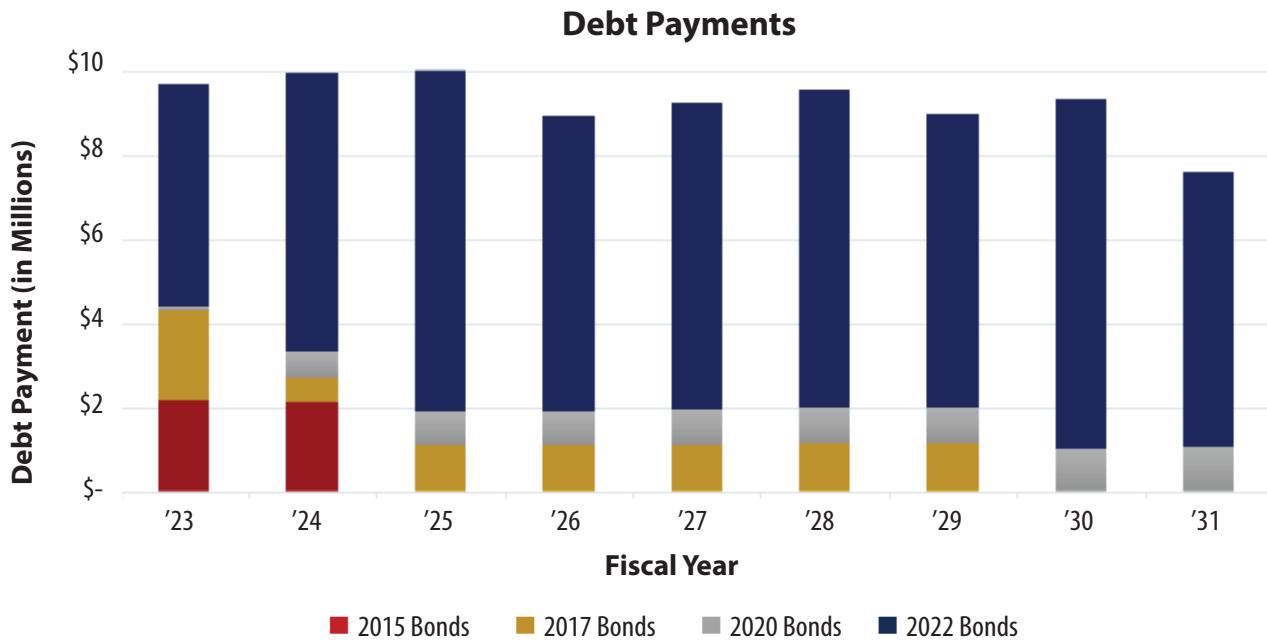


■ Operations ■ Business ■ Finance ■ Community Services ■ Command



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. In November 2021, the District was authorized by its voters to issue \$122 million of general obligation bonds. The District issued Series 2022 of \$49.7 million of bonds payable in March 2022. All debt issued 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, 2022, the District's debt limit was \$1.5 billion. As of June 30, 2022, the total general obligation bonded debt subject to the limit was \$77.7 million, which is 4.91% of the total debt limit. Future payments on existing bonded debt including both principal and interest, illustrated in the graph below, total \$83 million.





Station 54 serving Charbonneau and Wilsonville opened in September 2021. The 2,592-square-foot station houses a two-person crew operating Rescue 54. A rescue is a medical transport unit staffed with two firefighter paramedics who can also respond to fires.

Capital

In 2021-22, notable capital improvements included the addition of two Pierce pumper engines placed in service (\$699,000 each), and the opening of Station 54 in the Charbonneau community of Wilsonville. The District renovated existing building space to establish an operating fire station (\$900,000). Additionally, the District replaced critical aging emergency medical services equipment, placing in service 60 new LifePak 15 cardiac monitor/defibrillators (approximately \$1.3 million).

Note: Information on all District capital assets can be found on page 59 of the ACFR.

THANK YOU! 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. With your support, the District issued bonds in March 2022. In the months following, TVF&R began putting those funds to work ordering two new Pierce Quantum pumper engines and planning for the relocation of Station 62 in Aloha.





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www.tvfr.com



TualatinValleyFireandRescue



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Tualatin Valley Fire & Rescue



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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.