



Northwest Fire Rescue District

Customer Service - Whatever It Takes



COMPREHENSIVE ANNUAL FINANCIAL REPORT
for the fiscal year ended June 30, 2007



***NORTHWEST FIRE DISTRICT
PIMA COUNTY, ARIZONA***

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
for the fiscal year ended June 30, 2007**

***Northwest Fire District
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Prepared by the Finance Department of Northwest Fire District

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Dale Voight, Budget Analyst***

NORTHWEST FIRE DISTRICT
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INTRODUCTORY SECTION

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NORTHWEST FIRE DISTRICT
LIST OF ELECTED AND APPOINTED OFFICIALS
JUNE 30, 2007

Board of Directors

	<u>Term Expires</u>
<i>Pat Jacobs, Chair</i>	<i>June 30, 2008</i>
<i>James Doyle, Vice-chair</i>	<i>June 30, 2008</i>
<i>Lee Mellor, Clerk</i>	<i>June 30, 2010</i>
<i>Vince Baker</i>	<i>June 30, 2010</i>
<i>Richard Nassi</i>	<i>June 30, 2008</i>

Emergency Services Commission

<i>Mark Boyce</i>	<i>December 31, 2007</i>
<i>Todd Canale</i>	<i>December 31, 2007</i>
<i>Karen Tenace</i>	<i>December 31, 2007</i>
<i>Vince Baker</i>	<i>December 31, 2007</i>
<i>Pat Jacobs</i>	<i>December 31, 2007</i>
<i>Chris Breen</i>	<i>December 31, 2007</i>
<i>Bernie Wiegandt</i>	<i>December 31, 2007</i>
<i>Terri Winger</i>	<i>December 31, 2007</i>
<i>Frank Brady</i>	<i>December 31, 2007</i>
<i>James Blake</i>	<i>December 31, 2007</i>

Administrative Offices
5225 W. Massingale Road
Tucson, AZ 85743

Registered Agent
Stephen J. Piechura
Fire Chief/Administrator

Legal Counsel
Benavidez Law Group, P.C.
7440 N. Oracle Road
Tucson, AZ 85704

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NORTHWEST FIRE/RESCUE DISTRICT

SERVING RESIDENTS OF THE NORTHWEST FIRE DISTRICT, THE FLOWING WELLS
COMMUNITY AND THE TOWN OF MARANA

ADMINISTRATION/LIFE SAFETY SERVICES 5225 W. MASSINGALE RD. TUCSON AZ 85743
PHONE: (520) 887-1010 FAX: (520) 887-1034 WWW.NORTHWESTFIRE.ORG

December 14, 2007

**To the Citizens, Board Chair Pat Jacobs and
Members of the Board of Directors**

We are pleased to submit the Comprehensive Annual Financial Report of Northwest Fire District for the fiscal year ended June 30, 2007. The responsibility for the completeness, fairness, and accuracy of the data presented and all accompanying disclosures rests with the District. To provide a reasonable basis for making these representations, the District's management has established a comprehensive internal control framework designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

This Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical.

The Introductory Section includes this Letter of Transmittal, a list of principal officials, and the District's organizational chart.

The Financial Section includes the independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements for the entity as a whole, notes to the basic financial statements, required supplementary information and supplemental information. MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is a special district established to provide a full range of fire protection and emergency response services to its citizens. This report has been prepared in accordance with accounting principles generally accepted in the United States of America and follows guidelines recommended by the Government Finance Officers Association of the United States of America and Canada.

Profile of the District

The District operates under Arizona Revised Statutes (ARS) Title 48, Chapter 5. The District is a community service organization funded through secondary assessed value property taxes. It is governed by a five member Board of Directors comprised of a Board Chair and four Directors, including a Vice-chair and a Clerk. The Board hires a Fire Chief/Administrator to manage day-to-day operations of the District. The governing Board appoints members of the community to serve on committees and commissions which include the Budget Committee and the Emergency Services Commission.

Northwest Fire District was formed in 1983 by residents of the northwest metropolitan Tucson area to ensure the community receives consistent, high-quality emergency services at a reasonable cost. On December 1, 1996, the District expanded by merging with the Flowing Wells Fire District.

The District currently operates eight fire stations and eight first-line fire engines, two first-line ladder trucks, four rescue units, three water tenders and several other pieces of equipment. These apparatus are complemented by additional training and reserve apparatus, which are utilized for training, maintenance, and other uses. District employees of approximately 225 in 2007 were supplemented by 25 seasonal firefighters.

The eight strategically located stations are staffed 365 days a year with over 100 full-time state certified firefighters that are Paramedics or Emergency Medical Technicians. Despite rapid growth in the community, the District's ratio of Paramedics to residents remains one of the best in the State of Arizona at 1:9000.

The District serves a population of an estimated 114,000 people and 1,900 commercial occupancies over a 140 square mile area.

The District is a multi-service district with services and programs tailored to meet the needs of the community. The District provides fire prevention, fire education, and emergency services operations, which includes fire suppression, emergency medical services, a technical rescue team, a hazardous material team, and a seasonal wild land fire team. Educational programs and community services offered to District residents include the following:

- CPR classes
- Desert pest removals
- Blood pressure checks
- Juvenile fire setter intervention
- Prevention programs in preschool
- Home inspections
- Fire extinguisher demonstrations

- Bike safety programs
- Drowning prevention programs
- Brush fire prevention programs
- Educational station tours

Local economy

Northwest Fire District has enjoyed a favorable economic environment the past several years. The growth in assessed value over the last six years has averaged 12.37%. The increase is largely due to a combination of explosive growth in the area in addition to a favorable real estate market. Over the past four years, 5,034 homes have been permitted and more than 1.2 million square feet of retail and commercial development have been approved by the Town of Marana. However, sub-prime lending practices and increases in mortgage rates have combined to slow down the local economy and housing prices. Home foreclosures are up significantly in Pima County over last year and the Tucson area is predicted by some to have one of the largest housing price decreases in the nation.

Despite this, unemployment in the District has stayed, and is expected to stay relatively stable. Rates have risen from a low of 2.6% in 2000, to a high of 4.8% in 2003, and gently descended to 4.4% in 2006. Rising gas prices and interest-rate hike fears are expected to slow job growth this year and even more slowly in 2008. Tucson-area job growth is projected at 2.2% (versus a 1.2% national average), falling to 1.1% in 2008. However, it is also expected that people will continue moving to the area and economic growth will continue, which should keep the unemployment rate stable.

Long-term financial planning

The District is in the process of analyzing current financial policies in place and determining whether additional policies are needed. Furthermore, as a result of recommendations from staff, the District decided to fund a capital replacement reserve in each of the past two budget cycles. A five-year capital improvement program is being established to help ensure the District has adequate resources available to fund improvements and purchases necessary to accommodate District operations.

Cash management policies and practices

The District utilizes a system of consolidated cash management. Cash from all funds is pooled in a central disbursement fund. Cash to be used for payment of current expenditures is maintained in a checking account; the balance is invested in two local government investment pools (LGIP). Cash in both LGIP accounts are available upon 24 hours notice. The LGIP invests in U.S. Treasury Notes, U.S. Treasury Bills and federally guaranteed insurance contracts. During the year, the rate of return by both investment pools met District objectives.

Risk management

The District maintains insurance coverage for worker's compensation through SCF Arizona, and professional and general liability through The Mahoney Group. In addition, the District supports an active Employee Safety Committee program, which includes regular employee safety trainings, regular worksite safety inspections, and accident investigation procedures.

Pension and other post-employment benefits

The District contributes to the Public Safety Personnel Retirement System (PSPRS), agent multiple-employer public employee retirement system that acts as a common investment and administrative agent to provide retirement, death and disability benefits for all eligible suppression personnel. All benefit provisions and other requirements are established by state statutes. Employees were required to contribute 7.65% of their wages to PSPRS in FY 2006-07. The District is required to contribute the remaining amounts necessary to fund the PSPRS, as determined by the actuarial basis specified by statute. The employer rate for 2006-07 was 7.95% of covered payroll.

All non-suppression employees contribute to the Arizona State Retirement System (ASRS). The ASRS is a cost sharing, multiple-employer, public employee, tax qualified, defined benefit plan (with the exception of the defined contribution portion). The ASRS Board is the governing body of the ASRS and is responsible for the administration and management of the ASRS and its trust fund. Employees were required to contribute 8.60% for retirement and .50% for long-term disability. The District is required to contribute the same.

Acknowledgements

We would like to express our sincere gratitude to the personnel of the finance department who assisted and contributed to the preparation of this report. Appreciation is also extended to Board Chair Pat Jacobs, the Governing Board, the managers, employees and citizens of the District whose continued support is vital to the financial health of Northwest Fire District.

Respectfully Submitted,



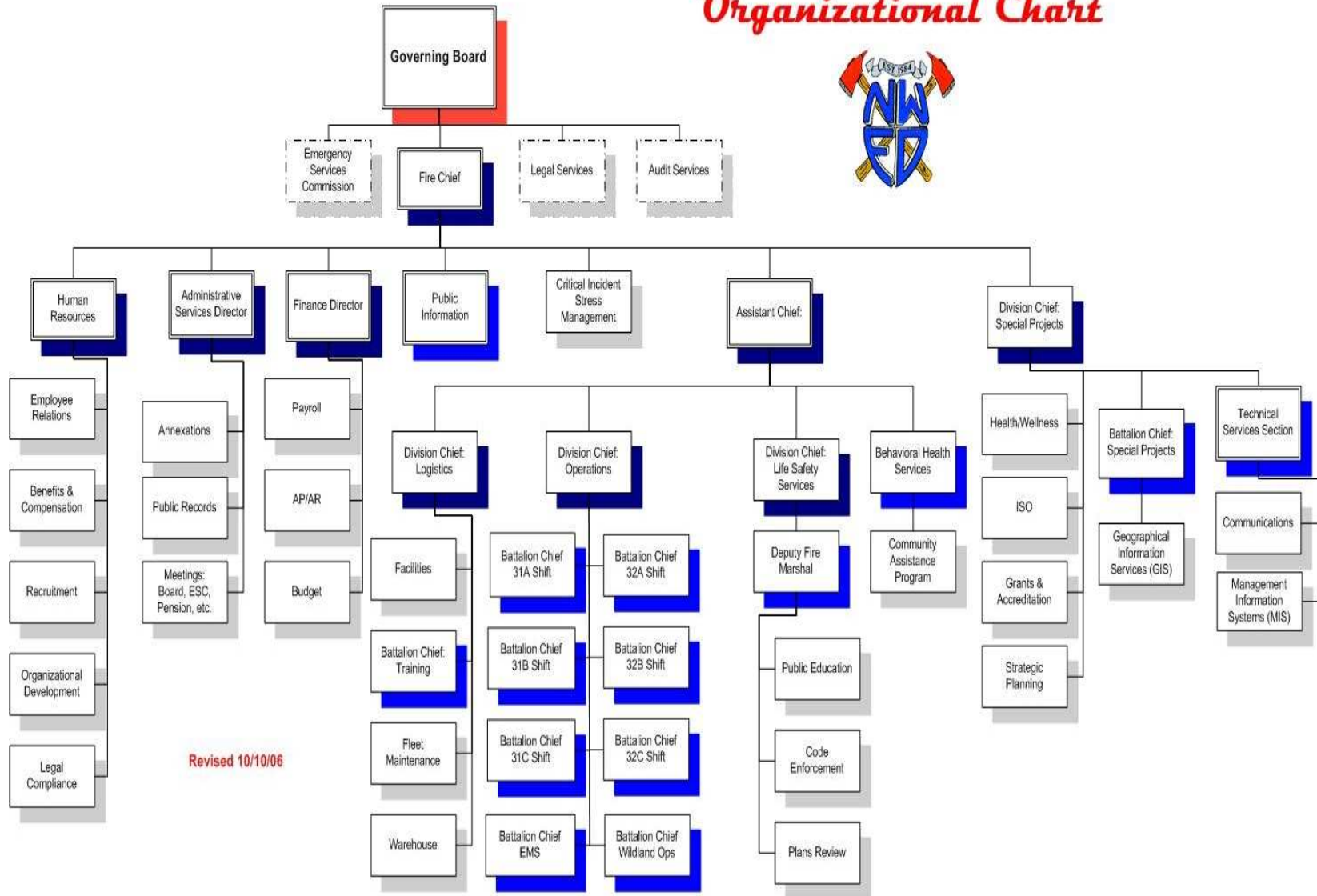
Stephen J. Piechura
Fire Chief/Administrator



David Gephart, CPA
Finance Director

NORTHWEST FIRE DISTRICT

Organizational Chart



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FINANCIAL SECTION

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Mark L. Landy, CPA
Stephen T. Harris, CPA
Thomas L. Friend, CPA
Robert N. Snyder, CPA

Robert L. Miller, CPA
(1931 - 1992)

Independent Auditor's Report

Governing Board
Northwest Fire District
Tucson, Arizona

We have audited the accompanying financial statements of the governmental activities, each major fund and aggregate remaining fund information of Northwest Fire District as of and for the year ended June 30, 2007, which collectively comprise Northwest Fire District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Northwest Fire District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and aggregate remaining fund information of Northwest Fire District as of June 30, 2007, and the respective changes in financial position thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

The Management's Discussion and Analysis on pages 13 through 20, the Schedule of Funding Progress – Agent Retirement Plans (PSPRS) on page 49 and the budgetary comparison information on page 51 are not required parts of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Northwest Fire District's basic financial statements. The introductory section, other supplementary information section and statistical section listed in the table of contents are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedules included in the other supplementary information

section have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Miller, Allen & Co., P.C.

December 14, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

FISCAL YEAR ENDED JUNE 30, 2007

As management of the Northwest Fire District (District), we offer readers of the District financial statements this narrative overview and analysis of financial activities for the fiscal year ended June 30, 2007. We encourage readers to consider the information presented here in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The assets of Northwest Fire District exceeded its liabilities at the close of the most recent fiscal year by \$14,386,211. Of this amount, \$4,775,776 (*unrestricted net assets*) may be used to meet ongoing obligations of the District to citizens and creditors.
- Total net assets of the District increased by \$82,534, primarily due to increases in property tax revenue from assessed valuation growth within the District and increased earnings due to higher rates of interest earned on investments.
- As of the close of the current year, the governmental funds of the District reported combined ending fund balances of \$19,299,682, an increase of \$7,997,121 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$3,139,782, or 16.45% of total general fund expenditures.
- The total long-term debt of the District increased by a net amount of \$12,930,164. Of this increase, \$14,016,516 was due to the issuance of bonds through the Greater Arizona Development Authority (GADA). The difference of \$1,086,352 is due to regular payments on already-existing bonds and capital leases.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements of the District. These basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* (pages 23-25) present the financial picture of the District from the economic measurement resources focus using the accrual basis of accounting. These statements include all assets of the District (including capital assets) as well as all liabilities (including long-term debt). They are intended to provide a broad overview in a manner similar to a private sector business. Additionally, certain eliminations have occurred as prescribed by Statement No. 34 in regards to interfund activity, payables and receivables.

The *Statement of Net Assets* presents information on all of the assets and liabilities of the District, with the difference between the two being reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the net assets of the District changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements can be found on pages 23-25 of this report.

Fund financial statements. The fund financial statements provide detailed information about the most significant funds – not the District as a whole. Some funds are required to be established by State law and by bond covenants. However, management establishes other funds to help it control and manage resources for particular purposes or to show it is meeting legal responsibilities for using certain taxes, grants and other money. All of the funds of the District are considered governmental funds.

Governmental funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. All of the basic services of the District are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the operations and basic services provided to residents. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance programs of the District. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the near-term financing decisions of the District. The reconciliation of differences between the governmental fund financial statements and the government-wide financial statements is explained in a section following each governmental fund financial statement.

The District adopts an annual appropriated budget for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 26-33 and 51-57 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-46 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of the financial position of a government. In the case of Northwest Fire District, assets exceeded liabilities by \$14,386,211 at the close of the most recent fiscal year.

The largest portion of net assets of the District (66.80%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to residents; consequently, the assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

The remaining balance of unrestricted net assets (\$4,775,776) may be used to meet ongoing obligations of the District to citizens and creditors.

At the end of the current fiscal year, the District is able to report positive balances in both categories of net assets.

The following table reflects the condensed Statement of Net Assets.

	Governmental Activities		Increase/ (Decrease)
	2007	2006	
Cash and investments	\$ 19,593,435	\$ 8,272,863	\$ 11,320,572
Other assets	1,785,123	1,884,778	(99,655)
Capital assets	26,559,173	24,253,664	2,305,509
Total assets	<u>47,937,731</u>	<u>34,411,305</u>	<u>13,526,426</u>
Other liabilities	1,132,393	1,059,398	72,995
Long-term liabilities	32,419,127	19,048,230	13,370,897
Total liabilities	<u>33,551,520</u>	<u>20,107,628</u>	<u>13,443,892</u>
Net assets			
Investment in capital assets, net of debt	9,610,435	10,517,111	(906,676)
Unrestricted	4,775,776	3,786,566	989,210
Total net assets	<u>\$ 14,386,211</u>	<u>\$ 14,303,677</u>	<u>\$ 82,534</u>

Governmental activities. The net assets of the District from governmental activities increased .58%, from \$14,303,677 to \$14,386,211. Key elements of these activities are as follows:

- Unrestricted net assets increased by \$989,210 due to management of expenses in order to achieve fund balance targets.
- Investment in capital assets net of debt decreased by \$906,676 due to depreciation on existing assets and the issuance of long-term debt during the fiscal year.
- Property taxes increased as a result of increased assessed valuation of the District.
- Expenses for public safety increased reflecting personnel cost increases in wages and mandated retirement benefits, as well as increases in operating costs such as fuel.

Northwest Fire District
Condensed Statement of Activities
For the year ended June 30,

	Governmental Activities		Increase/ (Decrease)
	2007	2006	
Revenues			
Program revenues			
Charges for services	\$ 1,026,288	\$ 1,403,500	\$ (377,212)
Operating grants and contributions	231,466	12,000	219,466
Capital grants and contributions	217,437	231,877	(14,440)
General revenues			
Property taxes	20,070,897	17,013,036	3,057,861
Fire district assistance tax	519,629	515,931	3,698
Investment earnings	322,322	415,756	(93,434)
Miscellaneous	126,257	125,954	303
Total revenues	<u>22,514,296</u>	<u>19,718,054</u>	<u>2,796,242</u>
Expenses			
Public safety	21,739,818	17,716,623	4,023,195
Interest on long-term debt	691,944	827,146	(135,202)
Total expenses	<u>22,431,762</u>	<u>18,543,769</u>	<u>3,887,993</u>
Increase in net assets	82,534	1,174,285	(1,091,751)
Beginning net assets	<u>14,303,677</u>	<u>13,129,392</u>	<u>1,174,285</u>
Ending net assets	<u>\$ 14,386,211</u>	<u>\$ 14,303,677</u>	<u>\$ 82,534</u>

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The following statement provides the detail of the governmental funds:

Northwest Fire District
Governmental Funds - Fund Balances
As of June 30,

Major Funds	Fiscal Year June 30, 2007		Fiscal Year June 30, 2006	
	Amount	%	Amount	%
General	\$ 3,180,824	16%	\$ 2,319,619	29%
Capital improvement	2,059,860	11%	2,574,081	32%
Capital projects	13,845,434	72%	3,057,571	38%
GO debt service	82,425	0%	41,351	1%
Other	131,139	1%	4,499	0%
Total fund balances	<u>\$ 19,299,682</u>	<u>100%</u>	<u>\$ 7,997,121</u>	<u>100%</u>

At June 30, 2007, the governmental funds of the District reported combined fund balances of \$19,299,682, which is an increase of \$11,302,561, or 141.33% compared with last year.

General fund. The General Fund accounts for all of the financial resources of the District, which are not accounted for in any other fund. At the end of the current fiscal year, unreserved fund balance was \$3,139,782. As a measure of the fund's liquidity, it may be useful to compare the fund balance to the fund's expenditures. Unreserved fund balance represents 16.45% of the total general fund expenditures.

Capital improvement fund. The Capital Improvement Fund accounts for financial resources to be used for the acquisition or construction of major capital assets. The primary sources of income are from property taxes and charges for services. The primary expenditures are capital expenditures and debt service.

Capital projects fund. The Capital Projects Fund accounts for expenditures from proceeds of the District's general obligation bonds. The primary source of income is debt issuance proceeds while the primary source of expenditures is capital outlay.

GO debt service fund. The GO Debt Service Fund accounts for the property tax levy dedicated to the payment of principal and interest on general obligation bonds.

BUDGETARY HIGHLIGHTS

There were no significant changes or variances from the original to the final budget for the general fund (for more detailed information see budget to actual comparisons on page 51).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. As of June 30, 2007, the investment in capital assets for governmental activities amounts to \$26,559,173 (net of accumulated depreciation). This investment in capital assets includes land and improvements, buildings and improvements, and vehicles, furniture and equipment. The total increase in capital assets for the current fiscal year was \$2,305,509, or 9.51%.

Major capital events during the current fiscal year included the following:

- Construction of Station 38
- Vehicle and apparatus additions

	Northwest Fire District Capital Assets as of June 30, (net of depreciation)		
	Governmental Activities		Increase/ (Decrease)
	<u>2007</u>	<u>2006</u>	
Land and improvements	\$ 5,032,986	\$ 3,989,416	\$ 1,043,570
Buildings	11,663,560	12,200,678	\$ (537,118)
Equipment	15,362,231	15,488,826	\$ (126,595)
Construction in progress	4,025,887	542,344	\$ 3,483,543
Accumulated depreciation	(9,525,491)	(7,967,600)	\$ (1,557,891)
Net capital assets	<u>\$ 26,559,173</u>	<u>\$ 24,253,664</u>	<u>\$ 2,305,509</u>

For more detailed information, see page 41 in the notes to the financial statements. The following table is a summarized reconciliation of the changes in capital assets.

Northwest Fire District
Changes in Capital Assets
Year Ended June 30,

	2007	2006
Beginning balance	\$ 24,253,664	\$ 18,334,528
Additions	4,087,247	7,466,077
Retirements	(187,295)	-
Depreciation	(1,594,443)	(1,546,941)
Ending balance	\$ 26,559,173	\$ 24,253,664

The District depreciates all capital assets except for land and construction in progress.

Long-term debt. At the end of the current fiscal year, the District had total debt outstanding of \$30,838,352. The entire amount of the debt is backed by the full faith and credit of the District. During the current year, the District issued \$13,470,000 in new bonds for the construction of Station 33 and a new training/administration campus.

Northwest Fire District
Outstanding Debt
As of June 30,

	Governmental Activities		Increase/ (Decrease)
	2007	2006	
General Obligation Bonds	\$ 27,924,290	\$ 13,955,132	\$ 13,969,158
Capital Leases	2,914,062	3,953,056	(1,038,994)
	\$ 30,838,352	\$ 17,908,188	\$ 12,930,164

Additional information regarding the long-term debt of the District can be found in the notes to the financial statements on pages 42-43 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Rapid growth in the area due to new residential construction appears to be slowing due to a tightening of the credit markets, however, commercial construction appears to be largely unaffected at this point by the slowdown. Increases in foreclosures are a product of suspect lending practices by the mortgage industry that have the potential to negatively impact the housing market and assessed valuation for the District. Additionally, increases in fuel costs are adversely affecting economic growth in the form of inflation and contributing to the increase in foreclosures.

Due to the above, it is anticipated that the assessed valuation for the District will continue to grow, albeit in a slower manner.

Next year's budget reflects this, as well as standard projected increases in expenses due to cost of living and wage adjustments, benefit cost increases for both healthcare and retirement, and fuel.

FINANCIAL CONTACT

The financial statements of the District are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the finances of the District and to demonstrate accountability. If you have questions regarding the report or need additional financial information, please contact the Finance Director of the District at 5225 W. Massingale Road, Tucson, AZ 85743.

BASIC FINANCIAL STATEMENTS

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NORTHWEST FIRE DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2007

	<u>Governmental Activities</u>
ASSETS	
Cash and investments	\$ 19,593,435
Accounts receivable	557,982
Property taxes receivable	675,414
Prepaid expenses	182,774
Bond issue costs	368,953
Capital assets	
Land, improvements, and construction in progress	9,058,873
Other capital assets (net of accumulated depreciation)	17,500,300
	<u>47,937,731</u>
<i>Total Assets</i>	
 LIABILITIES	
Accounts payable and accrued expenses	1,116,127
Unearned revenue	16,266
Noncurrent liabilities:	
Due within one year:	
Capital lease payable	744,162
Bonds payable	-
Compensated absences	1,580,775
Due in more than one year:	
Capital lease payable	2,169,900
Bonds payable, net of unamortized premium	27,924,290
	<u>33,551,520</u>
<i>Total Liabilities</i>	
 NET ASSETS	
Investment in capital assets (net of related debt)	9,610,435
Unrestricted	4,775,776
	<u>14,386,211</u>
<i>Total Net Assets</i>	<u>\$ 14,386,211</u>

The accompanying notes are an integral part of the financial statements.

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NORTHWEST FIRE DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2007

	<u>Governmental Activities</u>
EXPENSES	
Public safety	
Salaries and wages	\$ 13,116,442
Employee benefits	3,059,361
Materials and supplies	905,196
Professional services	603,301
Utilities and communications	1,325,737
Insurance	153,631
Repairs and maintenance	747,305
Lease agreements	36,371
Loss on disposition of assets	187,295
Amortization	10,736
Depreciation	1,594,443
Interest on long-term debt	691,944
<i>Total program expenses</i>	<u>22,431,762</u>
PROGRAM REVENUES	
Charges for services	1,026,288
Operating grants and contributions	231,466
Capital grants and contributions	217,437
<i>Total program revenues</i>	<u>1,475,191</u>
<i>Net program expenses</i>	(20,956,571)
GENERAL REVENUES	
Property taxes	20,070,897
Fire district assistance tax	519,629
Investment earnings	322,322
Miscellaneous	126,257
<i>Total general revenues</i>	<u>21,039,105</u>
<i>Change in net assets</i>	82,534
<i>Net assets, July 1, 2006</i>	14,303,677
<i>Net assets, June 30, 2007</i>	<u>\$ 14,386,211</u>

The accompanying notes are an integral part of the financial statements.

NORTHWEST FIRE DISTRICT
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2007

	<u>General</u>	<u>Capital Improvement</u>	<u>Capital Projects</u>
ASSETS			
Cash and investments	\$ 3,396,541	\$ 2,266,226	\$ 13,845,093
Accounts receivable	397,495	8,336	-
Property taxes receivable	656,662	-	-
Prepaid expenses	41,042	-	141,732
	<u>41,042</u>	<u>-</u>	<u>141,732</u>
<i>Total Assets</i>	<u>\$ 4,491,740</u>	<u>\$ 2,274,562</u>	<u>\$ 13,986,825</u>
 LIABILITIES AND FUND BALANCES			
<i>Liabilities</i>			
Accounts payable	\$ 305,301	\$ 214,702	\$ 141,391
Accrued payroll and related benefits	317,159	-	-
Unearned revenue	-	-	-
Deferred revenue	688,456	-	-
	<u>688,456</u>	<u>-</u>	<u>-</u>
<i>Total Liabilities</i>	1,310,916	214,702	141,391
 <i>Fund Balances</i>			
Reserved for:			
Prepaid expenses	41,042	-	141,732
Debt service	-	-	-
Unreserved, reported in:			
General fund	3,139,782	-	-
Special revenue funds	-	-	-
Capital project funds	-	2,059,860	13,703,702
	<u>3,139,782</u>	<u>2,059,860</u>	<u>13,703,702</u>
<i>Total Fund Balances</i>	<u>3,180,824</u>	<u>2,059,860</u>	<u>13,845,434</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 4,491,740</u>	<u>\$ 2,274,562</u>	<u>\$ 13,986,825</u>

GO Debt Service	Nonmajor Governmental Fund	Totals
\$ 73,284	\$ 12,291	\$ 19,593,435
-	152,151	557,982
18,752	-	675,414
-	-	182,774
<u>\$ 92,036</u>	<u>\$ 164,442</u>	<u>\$ 21,009,605</u>
\$ -	\$ 17,037	\$ 678,431
-	-	317,159
-	16,266	16,266
9,611	-	698,067
<u>9,611</u>	<u>33,303</u>	<u>1,709,923</u>
-	-	182,774
82,425	-	82,425
-	-	3,139,782
-	131,139	131,139
-	-	15,763,562
<u>82,425</u>	<u>131,139</u>	<u>19,299,682</u>
<u>\$ 92,036</u>	<u>\$ 164,442</u>	<u>\$ 21,009,605</u>

The accompanying notes are an integral part of the financial statements.

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NORTHWEST FIRE DISTRICT

***RECONCILIATION OF BALANCE SHEET – GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
JUNE 30, 2007***

<i>Fund Balances</i>	\$ 19,299,682
The Statement of Net Assets reports receivables at their net realizable value. However, receivables not available to pay for current-period expenditures are deferred in governmental funds.	698,067
Capital assets are not financial resources in governmental funds, but are reported in the Statement of Net Assets at their net depreciable value.	26,559,173
The unamortized portion of issuance costs is not available to pay for current period expenditures, and therefore, is not reported in the governmental funds.	368,953
Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but is recognized as an expenditure when paid. These liabilities consist of the following:	
Accrued interest payable	(120,537)
Accrued compensated absences payable	(1,580,775)
Capital lease payable	(2,914,062)
Bonds payable	(27,924,290)
	<u>(32,539,664)</u>
<i>Net assets of governmental activities</i>	<u>\$ 14,386,211</u>

The accompanying notes are an integral part of the financial statements.

NORTHWEST FIRE DISTRICT**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2007**

	<u>General</u>	<u>Capital Improvement</u>	<u>Capital Projects</u>
REVENUES			
Taxes and assessments	\$ 18,362,522	\$ 1,438,312	\$ -
Charges for services	1,447,276	74,516	-
Intergovernmental	-	-	-
Donations	6,046	-	-
Rental income	21,720	-	-
Interest earned	174,981	16,615	121,012
Miscellaneous	89,846	8,645	-
	<u>20,102,391</u>	<u>1,538,088</u>	<u>121,012</u>
<i>Total Revenues</i>			
EXPENDITURES			
Public safety:			
Administration	3,452,926	-	203,522
Emergency operations	12,391,971	138,965	-
Community safety services	1,414,223	-	-
Support resources	1,829,568	-	-
Capital outlay	-	741,293	3,146,143
Debt service	-	1,172,051	-
	<u>19,088,688</u>	<u>2,052,309</u>	<u>3,349,665</u>
<i>Total Expenditures</i>			
REVENUES OVER (UNDER) EXPENDITURES	1,013,703	(514,221)	(3,228,653)
OTHER FINANCING SOURCES/(USES)			
Transfers in/(out)	(152,498)	-	-
Issuance of debt	-	-	13,470,000
Premium on debt issuance	-	-	546,516
	<u>(152,498)</u>	<u>-</u>	<u>14,016,516</u>
<i>Total Other Financing Sources (Uses)</i>			
NET CHANGE IN FUND BALANCES	861,205	(514,221)	10,787,863
FUND BALANCES, Beginning of year	<u>2,319,619</u>	<u>2,574,081</u>	<u>3,057,571</u>
FUND BALANCES, End of year	<u>\$ 3,180,824</u>	<u>\$ 2,059,860</u>	<u>\$ 13,845,434</u>

GO Debt Service	Nonmajor Governmental Fund	Totals
\$ 635,977	\$ -	\$ 20,436,811
-	-	1,521,792
-	448,903	448,903
-	-	6,046
-	-	21,720
9,714	-	322,322
-	-	98,491
645,691	448,903	22,856,085
429	-	3,656,877
-	274,951	12,805,887
-	-	1,414,223
-	-	1,829,568
-	199,810	4,087,246
604,188	-	1,776,239
604,617	474,761	25,570,040
41,074	(25,858)	(2,713,955)
-	152,498	-
-	-	13,470,000
-	-	546,516
-	152,498	14,016,516
41,074	126,640	11,302,561
41,351	4,499	7,997,121
\$ 82,425	\$ 131,139	\$ 19,299,682

The accompanying notes are an integral part of the financial statements.

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NORTHWEST FIRE DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES YEAR ENDED JUNE 30, 2007

<i>Net change in fund balances - total governmental funds</i>	\$	11,302,561
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds defer revenues that do not provide current financial resources. However, the Statement of Activities recognizes such revenues at their net realizable value when earned, regardless of when received.		(341,789)
Governmental funds do not report expenditures for unpaid compensated absences since they do not require the use of current financial resources. However, the Statement of Activities reports such expenses when incurred, regardless of when settlement ultimately occurs.		(440,733)
Capital outlays are reported as expenditures in governmental funds. However, the Statement of Activities allocates the cost of capital outlay over their estimated useful lives as depreciation expense.		
Expenditures for capital assets	\$	4,087,246
Loss on disposition of capital assets		(187,295)
Less current year depreciation		<u>(1,594,443)</u>
		2,305,508
In the Statement of Activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as an interest expenditure when paid.		45,301
Proceeds from the issuance of long-term debt provide current financial resources to governmental funds and are reported as revenues. In the same way, repayments of long-term debt use current financial resources and are reported as expenditures in governmental funds. However, neither the receipt of debt proceeds nor the payment of debt principal affect the Statement of Activities, but are reported as increases and decreases in noncurrent liabilities in the Statement of Net Assets.		
Bond proceeds	\$	(13,816,572)
Amortization		(10,736)
Principal repayments		<u>1,038,994</u>
		(12,788,314)
<i>Change in net assets of governmental activities.</i>	\$	<u><u>82,534</u></u>

The accompanying notes are an integral part of the financial statements.

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NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Northwest Fire District (District), a Suburban Fire Protection District, is an Arizona Special Taxing District operating under Arizona Revised Statutes Title 48, Chapter Five, and provides fire protection to residents of the northwest unincorporated Tucson area and residents of the Town of Marana.

The power and authority given to the District is vested in a Board of Directors, each member being elected for a four-year term. The Board of Directors has the statutory authority to adopt and modify the budget; levy taxes; control all assets, including facilities and properties; authorize borrowing, or long-term debt issuances; sign contracts, and develop the programs to be provided. The responsibility and accountability over all funds and fiscal matters are vested in the Board of Directors. The District is responsible for its debts and is entitled to surpluses. No separate agency receives a financial benefit from nor imposes a financial burden on the District.

The Board of Directors appoints the Fire Chief of the District. The activities under the purview of the Fire Chief are within the scope of the reporting entity and the Fire Chief is accountable to the Board of Directors for the activities being managed.

The District is the primary, special purpose government responsible for all fire protection within its service areas. As a result, all significant activities have been included in the government-wide financial statements. The District's financial statements represent those of a stand-alone government, as there are no component units.

Government-wide and Fund Financial Statements

The government-wide financial statements report information on all of the governmental activities of the District. Eliminations have been made to minimize the double counting of internal activities. Governmental activities are financed primarily through property taxes, investment earnings, grants and contributions, and charges for services to other governments.

The Statement of Activities presents a comparison between direct expenses of the public safety program of the District and program revenues. Direct expenses are those that are specifically associated with the public safety function and, therefore, are clearly identifiable to that function. Program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Property taxes, investment earnings, insurance refunds, and other items that are not properly classified as program revenues, are presented as general revenues.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus, whereby all assets and liabilities are included in the Statement of Net Assets. The increases and decreases in those net assets are presented in the government-wide Statement of Activities. These statements are reported on the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The governmental fund financial statements are accounted for using a current financial resources measurement focus, whereby only current assets and current liabilities generally are included in the Balance Sheet, and the Statement of Revenues, Expenditures and Changes in Fund Balances present increases and decreases in those net current assets. These funds use the modified accrual basis of accounting whereby revenues are recorded only when susceptible to accrual (both measurable and available). "Measurable" means that the amount of the transaction can be determined. "Available" is defined as being collectible within the current period or soon enough thereafter (60 days) to be used to liquidate liabilities of the current period. Expenditures other than interest on non-current obligations, are recorded when the fund liability is incurred.

Real and personal property taxes are levied on or before the third Monday in August that become due and payable in two equal installments. The first installment is due on the first day in October and becomes delinquent after the first business day of November. The second installment is due on the first day of March of the next year and becomes delinquent after the first business day of May. A lien assessed against real and personal property attaches on the first day of January preceding assessment and levy. All property taxes are billed and collected by Pima County and remitted to the District. In the governmental fund financial statements, property taxes are reflected as revenues in the fiscal period for which they were levied, provided they are due, or past due and receivable within the current period, and collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days). Otherwise they are reported as deferred revenues.

Intergovernmental revenues are recognized as revenues when all eligibility requirements are met. There are, however, essentially two types of intergovernmental revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the District; therefore, all eligibility requirements are determined to be met when the underlying expenditures are recorded. In the other, monies are virtually unrestricted as to the purpose of the expenditure and are usually revocable only for failing to comply with prescribed requirements; therefore, all eligibility requirements are determined to be met at the time of receipt or earlier if the susceptible to accrual criteria are met.

When both restricted and unrestricted resources are available for use, it is the policy of the District to use restricted resources first, then unrestricted resources as they are needed.

The District reports the following major governmental funds:

- The General Fund is the primary operating fund of the District. It accounts for all financial resources of the District, except those required to be accounted for in another fund, either legally or by Board direction. The principal revenue source is property taxes. Primary expenditures are for public safety.
- The Capital Improvement Fund accounts for financial resources to be used for the acquisition or construction of major capital assets. The principal revenue source is property taxes, while primary expenditures are for capital outlay. In previous years, this fund was titled the *Capital Projects fund*.
- The Capital Projects Fund accounts for proceeds from general obligation bonds issued by the District, thus the principal revenue source is bond proceeds. Primary expenditures are for capital outlay. In previous years, this fund was titled the *2004 General Obligation Bond fund*.

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

- The General Obligation Debt Service Fund accounts for repayment of general obligation debt. The principal revenue source is property taxes, while primary expenditures are for principal and interest debt service payments.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect reported amounts of certain assets, liabilities, revenues and expenses as of and for the year ended June 30, 2007. Actual results may differ from such estimates.

Cash and Investments

The District considers cash on hand, demand deposits and short-term highly liquid investments with a maturity of three months or less, when purchased, to be cash and cash equivalents. Investments maintained in the Arizona Local Government Investment Pool or Pima County Investment Pool, are carried at cost, which approximates fair value, and are classified as a cash equivalent. Fair value of the investments in these pools is the same as the value of the pool shares. Short-term investments classified as cash equivalents are carried at amortized cost. Fair value is defined as the amount at which an investment could be exchanged between willing parties, other than in a forced or liquidation sale.

Receivables and Deferred Revenues

All accounts and property tax receivables are shown net of any allowance for uncollectible accounts. Property taxes receivable for the governmental fund types, which have been remitted within 60 days subsequent to year end, are considered measurable and available and recognized as revenues. All other property taxes are offset by deferred property tax revenues and, accordingly, have not been recorded as revenue. Real and personal property taxes are levied upon all taxable property within the District and become liens against the property on the first day of January preceding assessment and levy.

Federal and state grants and contracts are recorded as intergovernmental receivables and revenues when the related expenditures are incurred. The portion of reimbursement in excess of expenditures is recorded as deferred revenues.

All other revenues are recognized when earned.

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Capital Assets

Capital assets are stated at cost or estimated historical cost. Donated items are recorded at fair market value at date of donation. Estimated fair market value of donated assets is determined based on engineering estimates of current cost or price indexed cost.

Normal maintenance and repairs are charged to operations as incurred. Major additions, improvements and replacements are capitalized. Gains or losses from sales or retirements of fixed assets are included in operations.

Capital assets include land, buildings, improvements, equipment, and other tangible assets costing over \$5,000 (land, buildings and improvements) or \$1,000 (vehicles, furniture and equipment) and that have initial useful lives extending beyond a single reporting period.

Depreciation is computed on assets in service, using the straight-line method over their estimated useful lives:

Land and construction in progress	non-depreciable
Vehicles, furniture and equipment	5-15 years
Buildings and facilities	5-50 years

Compensated Absences

It is the policy of the District to permit employees to accumulate earned but unused paid time off. A liability is reported for paid time off that the District will pay upon termination or retirement. None of the liability for compensated absences is expected to be liquidated with expendable available financial resources. Accordingly, compensated absences are accrued as a liability only in the government-wide financial statements.

Long-Term Debt

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the related debt. Bonds payable are reported net of applicable bond premium or discount.

In the fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized when incurred and not deferred. The face amount of the debt issued, premiums and discounts received on debt issuances, are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The District budgets all funds in accordance with the requirements of state law. All funds are budgeted on the modified accrual basis of accounting.

The Board of Directors adopts the original budget by resolution prior to the beginning of the fiscal year of the District. The Board resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total personal services, materials and services, capital outlay, and other expenditures for the fund are the levels of control established by the resolution with the exception of the General Fund, where those same appropriation levels are defined by division levels. The detailed budget document, however, is required to contain more specific detailed information for the above mentioned expenditure categories and management may revise the detailed line item budgets within appropriation categories.

Appropriations lapse at year-end and may not be carried over to subsequent years.

CASH AND INVESTMENTS

The District maintains a cash and investment pool that is available for use by all funds. Each fund's portion of this pool is displayed on the Statement of Net Assets as part of "cash and investments". Cash and investments are comprised of the following at June 30, 2007:

	<u><i>Fair Value</i></u>
<i>Cash</i>	
Cash on hand	\$ 500
Deposits with financial institutions	426,020
<i>Investments</i>	
Local government investment pools	19,166,915
	<u>\$ 19,593,435</u>

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

CASH AND INVESTMENTS (Continued)

Deposits

At June 30, 2007, deposits with financial institutions have a bank value of \$798,952, and a book value of \$426,020. The difference of \$372,932 represents deposits in transit, outstanding checks, and other reconciling items at June 30, 2007. The total bank balance was covered by federal depository insurance or collateral held by agents of the District in the District's name.

Investments

The District invests money into a State of Arizona Local Government Investment Pool and a Pima County Local Government Investment Pool. The State Board of Investment provides oversight for the State Treasurer's pool. The fair value of a participant's position in the pool approximates the value of that participant's shares and the participant's shares are not identified with specific investments. No comparable oversight is provided for the Pima County investment pool, nor does the structure of the pool provide for shares. Participation in the Pima County investment pool is involuntary.

The amounts invested with both the State and County was as follows at June 30, 2007:

Local Government Investment Pool	Fair Value	Rating	Rating Agency
State Treasurer	\$ 9,256	Unrated	Not applicable
County Treasurer	19,157,659	Unrated	Not applicable
	\$ 19,166,915		

Interest rate risk

At June 30, 2007, the District had the following investments in debt securities:

Local Government Investment Pool	Amount	Weighted Average Maturity in Years
State Treasurer	\$ 9,256	0.14
County Treasurer	19,157,659	0.69
	\$ 19,166,915	

The District does not have a formal investment policy with respect to credit risk, custodial credit risk, concentration of credit risk, interest rate risk, or foreign currency risk for investments.

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

CAPITAL ASSETS

The changes in capital assets for the year ended June 30, 2007 were as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Reclassifications</u>	<u>Ending Balance</u>
NON-DEPRECIABLE					
Land and improvements	\$ 3,989,416	\$ -	\$ -	\$ 1,043,570	\$ 5,032,986
Construction in progress	314,251	3,670,838	-	40,798	4,025,887
Equipment	228,093	-	(187,295)	(40,798)	-
<i>Total non-depreciable</i>	<u>4,531,760</u>	<u>3,670,838</u>	<u>(187,295)</u>	<u>1,043,570</u>	<u>9,058,873</u>
DEPRECIABLE					
Buildings	12,200,678	22,745	-	(559,863)	11,663,560
Equipment	15,488,826	393,664	(40,000)	(480,259)	15,362,231
<i>Total depreciable</i>	<u>27,689,504</u>	<u>416,409</u>	<u>(40,000)</u>	<u>(1,040,122)</u>	<u>27,025,791</u>
ACCUMULATED DEPRECIATION					
Buildings	(1,352,683)	(216,317)	-	-	(1,569,000)
Equipment	(6,614,917)	(1,378,126)	40,000	(3,448)	(7,956,491)
<i>Total accumulated depreciation</i>	<u>(7,967,600)</u>	<u>(1,594,443)</u>	<u>40,000</u>	<u>(3,448)</u>	<u>(9,525,491)</u>
<i>Total capital assets being depreciated</i>	<u>19,721,904</u>	<u>(1,178,034)</u>	<u>-</u>	<u>(1,043,570)</u>	<u>17,500,300</u>
<i>Capital assets, net of depreciation</i>	<u>\$ 24,253,664</u>	<u>\$ 2,492,804</u>	<u>\$ (187,295)</u>	<u>\$ -</u>	<u>\$ 26,559,173</u>

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The interfund transfer activity for fiscal year ended June 30, 2007 is as follows:

	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ -	\$ 152,498
Grant & Contracts	152,498	-
	<u>\$ 152,498</u>	<u>\$ 152,498</u>

The transfer was made to repay an interfund receivable and liability from the prior year.

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

LONG-TERM DEBT

General Obligation Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the District. The District has outstanding general obligation bonds payable from a \$13,105,000 issuance of callable 20-year bonds dated February 23, 2005 with interest rates ranging from 2.75-5.00%, and a \$13,470,000 issuance of callable 20-year bonds dated May 9, 2007 with interest rates ranging from 4.00-5.00%. Principal and interest is paid semi-annually. The bonds are repaid from secondary property taxes and used to fund station construction projects and purchase fire apparatus.

On November 2, 2004, voters of the District approved and authorized the issuance of general obligation bonds in an amount not to exceed \$37,525,000. Accordingly, \$10,950,000 remains available to be issued, if needed, for future projects.

Annual debt service requirements to maturity for general obligation bonds are as follows:

Governmental Activities

Fiscal Year Ending June 30,	Principal	Interest	Total
2008	\$ -	\$ 1,057,039	\$ 1,057,039
2009	965,000	1,210,470	2,175,470
2010	995,000	1,177,020	2,172,020
2011	1,035,000	1,141,676	2,176,676
2012	1,070,000	1,099,501	2,169,501
2013-17	6,130,000	4,692,596	10,822,596
2018-22	7,710,000	3,066,138	10,776,138
2023-27	7,610,000	1,066,023	8,676,023
2028-32	1,060,000	26,500	1,086,500
	<u>\$ 26,575,000</u>	<u>\$ 14,536,963</u>	<u>\$ 41,111,963</u>

Capital Leases

The assets acquired through capital leases are as follows:

	Governmental Activities
Asset:	
Land, Buildings, Equipment	\$ 4,796,064
Less: Accumulated Depreciation	<u>(113,377)</u>
Total	<u>\$ 4,682,687</u>

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

LONG-TERM DEBT (Continued)

Capital Leases (Continued)

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2007, were as follows:

Year Ending June 30,	Land, Buildings & Equipment
2008	\$ 846,772
2009	1,160,905
2010	733,706
2011	161,293
2012	161,293
2013-2017	80,646
Net minimum payments	<u>3,144,615</u>
Less: Interest	(230,553)
Present value of minimum payments	<u><u>\$ 2,914,062</u></u>

Changes in Long-term Liabilities

Long-term liability activity for the year ended June 30, 2007, was as follows:

	Outstanding July 1, 2006	Issued	Matured/ Redeemed During Year	Outstanding June 30, 2007	Due Within One Year
Governmental activities					
Series 2005A General Obligation Bonds	\$ 13,105,000	\$ -	\$ -	\$ 13,105,000	\$ -
Series 2007A General Obligation Bonds	-	13,470,000	-	13,470,000	-
Unamortized deferred amounts	850,132	546,516	(47,358)	1,349,290	-
	<u>13,955,132</u>	<u>14,016,516</u>	<u>(47,358)</u>	<u>27,924,290</u>	<u>-</u>
Capital leases payable	3,953,056	-	(1,038,994)	2,914,062	744,162
Compensated absences	1,140,042	1,580,775	(1,140,042)	1,580,775	1,580,775
	<u>19,048,230</u>	<u>15,597,291</u>	<u>(2,226,394)</u>	<u>32,419,127</u>	<u>2,324,937</u>

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

LINE OF CREDIT

The District has a line of credit for \$2,500,000 with Bank of America which is secured by property taxes of the District. No amounts were drawn on the line during the fiscal year, thus the outstanding balance as of June 30, 2007 was \$0.

RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District carries commercial insurance for all such risks of loss, including workers' compensation and employees' health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

EXCESS OF EXPENDITURES OVER APPROPRIATIONS

The below listed funds had expenditures in excess of related appropriations. The over expenditures were all funded through available fund balances.

Capital Improvements Fund	
Materials and services	(138,965)
Capital Projects Fund	
Materials and services	(203,522)
General Obligation Bond Fund	
Materials and services	(429)
Grant and Contracts Fund	
Personal services	(135,884)

COMMITMENTS

As of June 30, 2007, the District had entered into a construction agreement related to the construction of a new fire station. The total amount of this agreement is \$3,289,779. The total expended on this contract as of June 30, 2007 was \$2,824,886.

As of June 30, 2007, the District had entered into a design/architectural agreement related to the construction of a new fire station. The total amount of this agreement is \$187,528. The total expended on this contract as of June 30, 2007 was \$113,231.

CONTINGENT LIABILITY

As of June 30, 2007, the District had a contingent liability for retainage subject to final completion and approval of construction of a new fire station. According to the construction contract the amount of the retainage is calculated at 10% of work completed by the contractor. At June 30, the amount of the retainage was \$308,737.

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

RETIREMENT PLANS

Plan Descriptions

The District contributes to the Arizona State Retirement System (ASRS) and the Public Safety Personnel Retirement System (PSPRS). Benefits are established by Arizona Revised Statutes (ARS) and generally provide retirement, death, long-term disability, survivor, and health insurance benefits.

The ASRS administers a cost-sharing multiple employer defined benefit pension plan that covers general employees of the District. The ASRS is governed by the Arizona State Retirement System Board according to the provisions of ARS Title 38, Chapter 5, Article 2.

The PSPRS is an agent multiple-employer defined benefit pension plan covering public safety personnel who are regularly assigned hazardous duty as employees of the State of Arizona or one of its political subdivisions. The PSPRS, acting as a common investment and administrative agent, is governed by a five member board, known as The Fund Manager, and 213 local boards according to the provisions of ARS Title 38, Chapter 5, Article 4.

Both plans issue a publicly available financial report that includes its financial statements and required supplementary information. A report may be obtained by contacting the applicable plan.

ASRS

3300 N. Central Avenue
PO Box 33910
Phoenix, AZ 85012-0250
(800) 621-3778

PSPRS

3010 E. Camelback Road
Suite 200
Phoenix, AZ 85016-4416
(602) 255-5575

Funding Policy

The Arizona State Legislature establishes and may amend both the active plan member contribution rates, as well as the rates applicable to the District.

Cost-sharing Plan

For the year ended June 30, 2007, active ASRS members and the District were each required by state statute to contribute at the actuarially determined rate of 9.10 percent (8.60 percent retirement and .50 percent long-term disability) of a members' annual covered payroll. The District contributions to ASRS for the years ended June 30, 2007, 2006, and 2005 were \$145,072, \$99,177, and \$61,721, respectively, which were equal to the required contributions for the applicable year.

Agent Plan

For the year ended June 30, 2007, active PSPRS members were required by state statute to contribute 7.65 percent of a members' annual covered payroll, and the District was required to contribute at the actuarially determined rate of 7.95 percent.

NORTHWEST FIRE DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2007

RETIREMENT PLANS (Continued)

Annual Pension Cost

The pension cost of the District for the PSPRS plan for the year ended June 30, 2007, and related information follow:

<i>Contribution rates:</i>	
District	7.95%
Plan members	7.65%
<i>Annual pension cost</i>	820,666
<i>Contributions made</i>	820,666
<i>Actuarial valuation date</i>	June 30, 2006
<i>Actuarial cost method</i>	Projected unit credit
<i>Actuarial assumptions:</i>	
Investment rate of return	8.50%
Projected salary increases	5.50%-8.50%
includes inflation at	5.00%
<i>Amortization method</i>	Level percent closed for unfunded actuarial accrued liability, open for excess
<i>Remaining amortization period</i>	29 years for unfunded actuarial accrued liability, 20 years for excess
<i>Asset valuation method</i>	Smoothed market value

Trend Information

Information for each of the three most recent actuarial valuations for the PSPRS plan follow:

<i>Year Ending June 30</i>	<i>Annual Pension Cost</i>	<i>Percent Contributed</i>	<i>Net Pension Obligation</i>
2007	\$ 820,666	100%	\$ -
2006	472,402	100%	-
2005	662,923	100%	-

REQUIRED SUPPLEMENTARY INFORMATION

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NORTHWEST FIRE DISTRICT
SCHEDULE OF FUNDING PROGRESS – AGENT RETIREMENT PLAN (PSPRS)
JUNE 30, 2007

The following table presents a schedule of funding progress for the agent defined benefit pension plan of the District:

<i>Actuarial Valuation Ending June 30</i>	<i>Actuarial Value of Assets</i>	<i>Actuarial Accrued Liability</i>	<i>Unfunded Actuarial Liability (UAL)</i>	<i>Funded Percent</i>	<i>Covered Payroll</i>	<i>UAL as a Percentage of Covered Payroll</i>
2007	\$ 18,598,604	\$ 24,411,856	\$ 5,813,252	76%	\$ 10,935,481	53%
2006	16,840,044	18,639,413	1,799,369	90%	9,236,459	19%
2005	15,209,706	15,199,631	(10,075)	100%	7,418,426	0%

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NORTHWEST FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance With Final Budget
	Original	Final		
REVENUES				
Taxes and assessments	\$ 18,683,160	\$ 18,683,160	\$ 18,362,522	\$ (320,638)
Charges for services	1,367,305	1,367,305	1,447,276	79,971
Donations	-	-	6,046	6,046
Rental income	21,600	21,600	21,720	120
Interest earned	50,180	50,180	174,981	124,801
Miscellaneous	1,000	1,000	89,846	88,846
<i>Total Revenues</i>	<u>20,123,245</u>	<u>20,123,245</u>	<u>20,102,391</u>	<u>(20,854)</u>
EXPENDITURES				
Personal services	15,995,983	15,993,862	15,503,604	490,258
Materials and services	4,058,374	4,072,595	3,585,084	487,511
Contingency	1,227,833	1,060,335	-	1,060,335
<i>Total Expenditures</i>	<u>21,282,190</u>	<u>21,126,792</u>	<u>19,088,688</u>	<u>2,038,104</u>
REVENUES OVER (UNDER)				
EXPENDITURES	(1,158,945)	(1,003,547)	1,013,703	2,017,250
OTHER FINANCING SOURCES (USES)				
Transfers in/(out)	-	(155,398)	(152,498)	2,900
NET CHANGE IN FUND BALANCE	<u>(1,158,945)</u>	<u>(1,158,945)</u>	<u>861,205</u>	<u>2,020,150</u>
FUND BALANCE, Beginning of year	<u>1,158,945</u>	<u>1,158,945</u>	<u>2,319,619</u>	<u>1,160,674</u>
FUND BALANCE, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,180,824</u>	<u>\$ 3,180,824</u>

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OTHER SUPPLEMENTARY INFORMATION

NORTHWEST FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – CAPITAL IMPROVEMENTS FUND
YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes and assessments	\$ 2,398,993	\$ 2,398,993	\$ 1,438,312	\$ (960,681)
Charges for services	71,600	71,600	74,516	2,916
Interest earnings	-	-	16,615	16,615
Miscellaneous	-	-	8,645	8,645
<i>Total Revenues</i>	<u>2,470,593</u>	<u>2,470,593</u>	<u>1,538,088</u>	<u>(932,505)</u>
EXPENDITURES				
Materials and services	-	-	138,965	(138,965)
Debt service	932,600	1,172,058	1,172,051	7
Capital projects	3,502,693	3,266,135	741,293	2,524,842
<i>Total Expenditures</i>	<u>4,435,293</u>	<u>4,438,193</u>	<u>2,052,309</u>	<u>2,385,884</u>
REVENUES OVER (UNDER)				
EXPENDITURES	(1,964,700)	(1,967,600)	(514,221)	1,592,337
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,900	-	(2,900)
NET CHANGE IN FUND BALANCE	<u>(1,964,700)</u>	<u>(1,964,700)</u>	<u>(514,221)</u>	<u>1,450,479</u>
FUND BALANCE, Beginning of year	<u>1,964,700</u>	<u>1,964,700</u>	<u>2,574,081</u>	<u>609,381</u>
FUND BALANCE, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,059,860</u>	<u>\$ 2,059,860</u>

NORTHWEST FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Interest earned	\$ -	\$ -	\$ 121,012	\$ 121,012
EXPENDITURES				
Materials and services	-	-	203,522	(203,522)
Capital projects	20,424,500	20,424,500	3,146,143	17,278,357
<i>Total Expenditures</i>	20,424,500	20,424,500	3,349,665	17,074,835
REVENUES OVER (UNDER)				
EXPENDITURES	(20,424,500)	(20,424,500)	(3,228,653)	17,195,847
OTHER FINANCING SOURCES				
Debt issuance proceeds	17,350,000	17,350,000	13,470,000	(3,880,000)
Premium on debt issuance	-	-	546,516	546,516
<i>Total Other Financing Sources</i>	17,350,000	17,350,000	14,016,516	(3,333,484)
NET CHANGE IN FUND BALANCE	(3,074,500)	(3,074,500)	10,787,863	13,862,363
FUND BALANCE, Beginning of year	3,074,500	3,074,500	3,057,571	(16,929)
FUND BALANCE, End of year	\$ -	\$ -	\$ 13,845,434	\$ 13,845,434

NORTHWEST FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL OBLIGATION DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes and assessments	\$ 634,397	\$ 634,397	\$ 635,977	\$ 1,580
Interest earned	-	-	9,714	9,714
<i>Total Revenues</i>	<u>634,397</u>	<u>634,397</u>	<u>645,691</u>	<u>11,294</u>
EXPENDITURES				
Materials and services	-	-	429	(429)
Debt service	604,188	604,188	604,188	-
Contingency	30,209	30,209	-	30,209
<i>Total Expenditures</i>	<u>634,397</u>	<u>634,397</u>	<u>604,617</u>	<u>29,780</u>
NET CHANGE IN FUND BALANCE	-	-	41,074	41,074
FUND BALANCE, Beginning of year	-	-	41,351	41,351
FUND BALANCE, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 82,425</u>	<u>\$ 82,425</u>

NORTHWEST FIRE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GRANT AND CONTRACTS FUND
YEAR ENDED JUNE 30, 2007

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,808,808	\$ 1,656,310	\$ 448,903	\$ (1,207,407)
EXPENDITURES				
Personal services	-	95,582	231,466	(135,884)
Materials and services	-	56,586	43,485	13,101
Capital outlay	1,808,808	1,656,640	199,810	1,456,830
<i>Total Expenditures</i>	<u>1,808,808</u>	<u>1,808,808</u>	<u>474,761</u>	<u>1,334,047</u>
REVENUES OVER (UNDER)				
EXPENDITURES	-	(152,498)	(25,858)	126,640
OTHER FINANCING SOURCES (USES)				
Transfers in	-	152,498	152,498	-
NET CHANGE IN FUND BALANCE	-	-	126,640	126,640
FUND BALANCE, Beginning of year	-	-	4,499	4,499
FUND BALANCE, End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 131,139</u>	<u>\$ 131,139</u>

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OTHER FINANCIAL SCHEDULES

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NORTHWEST FIRE DISTRICT
SCHEDULE OF PROPERTY TAX TRANSACTIONS
YEAR ENDED JUNE 30, 2007

Tax Year	Taxes Uncollected June 30, 2006	2006-07 Levy	Discounts & Adjustments	Turnovers	Uncollected Balances June 30, 2007
2006-2007	\$ -	\$ 20,075,555	\$ (37,349)	\$ 19,426,761	\$ 611,445
2005-2006	458,214	-	(9,599)	459,856	(11,241)
2004-2005	25,580	-	(783)	(2,252)	27,049
2003-2004	21,903	-	(1,278)	(930)	21,555
2002-2003	(12,302)	-	(747)	(11,829)	(1,220)
2001-2002	7,362	-	(152)	(13,413)	20,623
2000-2001	147	-	(418)	(4,555)	4,284
1999-2000	2,718	-	-	18	2,700
1998-1999	222	-	-	4	218
	<u>503,844</u>	<u>20,075,555</u>	<u>(50,326)</u>	<u>19,853,660</u>	<u>675,413</u>

**Reconciliation to tax revenues on
combined financial statements:**

	General and Capital Improve- ment Funds	Debt Service Fund	Total
Property tax collections above	\$ 19,214,302	\$ 639,357	\$ 19,853,659
Other taxes and adjustments	523,984	(1,437)	522,547
Property taxes susceptible to accrual at June 30, 2007	266,599	9,141	275,740
Property taxes susceptible to accrual at June 30, 2006	(203,599)	(11,084)	(214,683)
Taxes in lieu of property taxes	(452)	-	(452)
	<u>\$ 19,800,834</u>	<u>\$ 635,977</u>	<u>\$ 20,436,811</u>

NORTHWEST FIRE DISTRICT
SCHEDULE OF LONG-TERM DEBT PRINCIPAL AND INTEREST TRANSACTIONS
YEAR ENDED JUNE 30, 2007

	<u><i>Interest Rates</i></u>	<u><i>Date of Issue</i></u>	<u><i>Fiscal Year of Maturity</i></u>
PRINCIPAL TRANSACTIONS			
General Obligations			
2005A GO Bonds	2.75 - 5.00%	2005	2024-25
2007A GO Bonds	4.00 - 5.00%	2007	2027-28

	<u><i>Interest Rates</i></u>	<u><i>Date of Issue</i></u>	<u><i>Fiscal Year of Maturity</i></u>
INTEREST TRANSACTIONS			
General Obligations			
2005A GO Bonds	2.75 - 5.00%	2005	2024-25
2007A GO Bonds	4.00 - 5.00%	2007	2027-28

<i>Outstanding July 1, 2006</i>	<i>Issued</i>	<i>Paid</i>	<i>Outstanding June 30, 2007</i>
13,105,000	-	-	13,105,000
-	13,470,000	-	13,470,000
<u>\$ 13,105,000</u>	<u>\$ 13,470,000</u>	<u>\$ -</u>	<u>\$ 26,575,000</u>
<i>Unmatured Interest July 1, 2006</i>	<i>New Issues</i>	<i>Interest Coupons Paid/ Refunded</i>	<i>Unmatured Interest June 30, 2007</i>
6,901,664	-	302,095	6,599,569
-	7,937,394	-	7,937,394
<u>\$ 6,901,664</u>	<u>\$ 7,937,394</u>	<u>\$ 302,095</u>	<u>\$ 14,536,963</u>

NORTHWEST FIRE DISTRICT
SCHEDULE OF FUTURE DEBT REQUIREMENTS
JUNE 30, 2007

<i>Fiscal Year</i> <i>Ending</i> <i>June 30,</i>	<i>2005A GO Bonds</i>			<i>2007A GO Bonds</i>		
	<i>Principal</i>	<i>Interest</i>	<i>Total</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2008	\$ -	\$ 604,188	\$ 604,188	\$ -	\$ 452,851	\$ 452,851
2009	535,000	596,832	1,131,832	430,000	613,638	1,043,638
2010	550,000	580,882	1,130,882	445,000	596,138	1,041,138
2011	570,000	563,738	1,133,738	465,000	577,938	1,042,938
2012	585,000	540,563	1,125,563	485,000	558,938	1,043,938
2013	615,000	510,563	1,125,563	505,000	539,138	1,044,138
2014	645,000	479,063	1,124,063	520,000	517,988	1,037,988
2015	680,000	445,938	1,125,938	545,000	495,356	1,040,356
2016	710,000	411,188	1,121,188	570,000	471,662	1,041,662
2017	750,000	374,688	1,124,688	590,000	447,012	1,037,012
2018	785,000	336,313	1,121,313	615,000	422,174	1,037,174
2019	825,000	296,063	1,121,063	640,000	393,875	1,033,875
2020	865,000	253,813	1,118,813	675,000	361,000	1,036,000
2021	910,000	213,988	1,123,988	705,000	326,500	1,031,500
2022	945,000	172,163	1,117,163	745,000	290,249	1,035,249
2023	995,000	123,659	1,118,659	780,000	252,125	1,032,125
2024	1,045,000	72,659	1,117,659	820,000	214,687	1,034,687
2025	1,095,000	23,268	1,118,268	910,000	174,000	1,084,000
2026	-	-	-	955,000	127,375	1,082,375
2027	-	-	-	1,010,000	78,250	1,088,250
2028	-	-	-	1,060,000	26,500	1,086,500
	<u>\$ 13,105,000</u>	<u>\$ 6,599,569</u>	<u>\$ 19,704,569</u>	<u>\$ 13,470,000</u>	<u>\$ 7,937,394</u>	<u>\$ 21,407,394</u>

<i>Totals</i>		
<i>Principal</i>	<i>Interest</i>	<i>Total</i>
-	1,057,039	1,057,039
965,000	1,210,470	2,175,470
995,000	1,177,020	2,172,020
1,035,000	1,141,676	2,176,676
1,070,000	1,099,501	2,169,501
1,120,000	1,049,701	2,169,701
1,165,000	997,051	2,162,051
1,225,000	941,294	2,166,294
1,280,000	882,850	2,162,850
1,340,000	821,700	2,161,700
1,400,000	758,487	2,158,487
1,465,000	689,938	2,154,938
1,540,000	614,813	2,154,813
1,615,000	540,488	2,155,488
1,690,000	462,412	2,152,412
1,775,000	375,784	2,150,784
1,865,000	287,346	2,152,346
2,005,000	197,268	2,202,268
955,000	127,375	1,082,375
1,010,000	78,250	1,088,250
1,060,000	26,500	1,086,500
<u>\$ 26,575,000</u>	<u>\$ 14,536,963</u>	<u>\$ 41,111,963</u>

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STATISTICAL SECTION

This part of the comprehensive annual financial report of the District presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the overall financial health of the District.

This section contains the following tables and information:

- ***Financial Trends*** – These schedules contain trend information to help the reader understand how the financial performance and well-being of the District have changed over time.
- ***Revenue Capacity*** – These schedules contain information to help the reader assess the most significant local revenue source of the District – the property tax.
- ***Debt Capacity*** – These schedules present information to help the reader assess the affordability of the current levels of outstanding debt of the District and its ability to issue additional debt in the future.
- ***Demographic and Economic Information*** – These schedules offer demographic and economic indicators to help the reader understand the environment within which the financial activities of the District take place.
- ***Operating Information*** – These schedules contain service and infrastructure data to help the reader understand how the information in the financial report of the District relates to the services the District provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual financial reports for the relevant year. The District implemented Governmental Accounting Standards Board Statement No. 34 in 2004; therefore schedules presenting government-wide information include only information beginning in that fiscal year and going forward.

NORTHWEST FIRE DISTRICT
NET ASSETS BY COMPONENT
LAST FOUR FISCAL YEARS (accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<i>Governmental Activities:</i>				
Invested in capital assets, net of related debt	\$ 9,610,435	\$ 10,517,111	\$ 10,173,626	\$ 8,742,454
Unrestricted	4,775,776	3,786,566	2,955,766	2,518,769
 <i>Total primary government net assets</i>	 <u>\$ 14,386,211</u>	 <u>\$ 14,303,677</u>	 <u>\$ 13,129,392</u>	 <u>\$ 11,261,223</u>

NORTHWEST FIRE DISTRICT
CHANGES IN NET ASSETS
LAST FOUR FISCAL YEARS (accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Expenses				
Governmental activities:				
Public safety	\$ 21,692,459	\$ 17,716,623	\$ 14,896,885	\$ 13,387,228
Interest on long-term debt	739,303	827,146	502,171	346,050
Total primary government expenses	<u>22,431,762</u>	<u>18,543,769</u>	<u>15,399,056</u>	<u>13,733,278</u>
Program Revenues				
Governmental activities:				
Charges for services	1,026,288	1,403,500	1,260,664	727,678
Operating grants and contributions	231,466	12,000	4,500	23,625
Capital grants and contributions	217,437	231,877	164,161	573,675
Total primary government program revenues	<u>1,475,191</u>	<u>1,647,377</u>	<u>1,429,325</u>	<u>1,324,978</u>
Net (expense)/revenue:				
Total primary government net expense	<u>\$ (20,956,571)</u>	<u>\$ (16,896,392)</u>	<u>\$ (13,969,731)</u>	<u>\$ (12,408,300)</u>
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Property taxes	\$ 20,070,897	\$ 17,013,036	\$ 15,055,913	\$ 13,155,526
Intergovernmental	519,629	515,931	520,957	518,486
Investment earnings	322,322	415,756	149,983	44,487
Miscellaneous	126,257	125,954	111,047	78,367
Total primary government	<u>21,039,105</u>	<u>18,070,677</u>	<u>15,837,900</u>	<u>13,796,866</u>
Change in Net Assets				
Total primary government	<u>\$ 82,534</u>	<u>\$ 1,174,285</u>	<u>\$ 1,868,169</u>	<u>\$ 1,388,566</u>

NORTHWEST FIRE DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<i>General fund</i>				
Reserved	\$ 41,042	\$ 20,632	\$ -	\$ -
Unreserved	3,139,782	2,298,987	3,395,304	3,016,481
<i>Total general fund</i>	<u>\$ 3,180,824</u>	<u>\$ 2,319,619</u>	<u>\$ 3,395,304</u>	<u>\$ 3,016,481</u>
 <i>All other governmental funds</i>				
Reserved	\$ 224,157	\$ 41,351	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	131,139	4,499	12,102	22,775
Capital project funds	15,763,562	5,631,652	9,313,807	3,308,564
<i>Total all other governmental funds</i>	<u>\$ 16,118,858</u>	<u>\$ 5,677,502</u>	<u>\$ 9,325,909</u>	<u>\$ 3,331,339</u>

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,506,518	1,563,967	450,982	112,396	157,415	447,526
<u>\$ 2,506,518</u>	<u>\$ 1,563,967</u>	<u>\$ 450,982</u>	<u>\$ 112,396</u>	<u>\$ 157,415</u>	<u>\$ 447,526</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23,926	-	-	-	-	-
1,202,869	541,200	885,307	(283,860)	474,701	565,469
<u>\$ 1,226,795</u>	<u>\$ 541,200</u>	<u>\$ 885,307</u>	<u>\$ (283,860)</u>	<u>\$ 474,701</u>	<u>\$ 565,469</u>

NORTHWEST FIRE DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (modified accrual basis of accounting)

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Revenues				
Taxes	\$ 20,436,811	\$ 17,037,401	\$ 15,074,790	\$ 13,268,843
Charges for services	1,521,792	1,133,802	870,177	593,965
Intergovernmental	448,903	759,808	689,618	1,115,786
Donations	6,046	-	-	-
Interest	322,322	415,756	149,983	44,487
Miscellaneous	120,211	125,954	111,047	78,367
<i>Total revenues</i>	<u>22,856,085</u>	<u>19,472,721</u>	<u>16,895,615</u>	<u>15,101,448</u>
Expenditures				
Public safety	19,706,555	16,006,067	13,689,263	12,384,377
Capital outlay	4,087,246	7,466,077	6,131,321	3,571,375
Debt service				
Principal	1,038,994	682,168	7,209,310	454,955
Interest	737,245	1,032,501	320,898	267,734
<i>Total expenditures</i>	<u>25,570,040</u>	<u>25,186,813</u>	<u>27,350,792</u>	<u>16,678,441</u>
Excess of revenues over (under) expenditures	(2,713,955)	(5,714,092)	(10,455,177)	(1,576,993)
Other financing sources (uses)				
Issuance cost on bonds	-	-	(193,964)	-
Premium on bonds issued	546,516	-	917,534	-
Proceeds from debt issuance	13,470,000	-	13,105,000	-
Proceeds from sale of capital assets	-	-	-	-
Capital leases	-	990,000	3,000,000	4,191,500
<i>Total other financing sources (uses)</i>	<u>14,016,516</u>	<u>990,000</u>	<u>16,828,570</u>	<u>4,191,500</u>
Net change in fund balances	<u>\$ 11,302,561</u>	<u>\$ (4,724,092)</u>	<u>\$ 6,373,393</u>	<u>\$ 2,614,507</u>
Debt service as a percentage of noncapital expenditures	<u>9.01%</u>	<u>10.71%</u>	<u>55.01%</u>	<u>5.84%</u>

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
\$ 12,378,469	\$ 10,835,994	\$ 8,983,605	\$ 7,727,333	\$ 7,133,530	\$ 6,163,586
602,268	635,697	437,709	292,940	542,211	56,113
696,798	655,176	519,130	-	270,000	1,118,831
-	-	5,120	-	-	-
(30,289)	28,604	51,211	71,577	65,307	100,599
274,211	24,387	23,916	15,037	14,971	7,970
<u>13,921,457</u>	<u>12,179,858</u>	<u>10,020,691</u>	<u>8,106,887</u>	<u>8,026,019</u>	<u>7,447,099</u>
10,581,614	9,496,184	7,782,702	7,201,200	7,440,634	6,382,933
3,079,508	1,812,819	81,070	794,120	783,363	1,619,718
1,812,547	1,190,311	2,790,868	620,588	590,162	574,349
176,777	76,610	168,058	294,559	271,977	169,364
<u>15,650,446</u>	<u>12,575,924</u>	<u>10,822,698</u>	<u>8,910,467</u>	<u>9,086,136</u>	<u>8,746,364</u>
(1,728,989)	(396,066)	(802,007)	(803,580)	(1,060,117)	(1,299,265)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
24,135	-	-	-	68,843	-
3,333,000	1,164,940	2,309,760	-	610,395	1,132,191
<u>3,357,135</u>	<u>1,164,940</u>	<u>2,309,760</u>	<u>-</u>	<u>679,238</u>	<u>1,132,191</u>
<u>\$ 1,628,146</u>	<u>\$ 768,874</u>	<u>\$ 1,507,753</u>	<u>\$ (803,580)</u>	<u>\$ (380,879)</u>	<u>\$ (167,074)</u>
<u>18.80%</u>	<u>13.34%</u>	<u>38.02%</u>	<u>12.71%</u>	<u>11.59%</u>	<u>11.65%</u>

NORTHWEST FIRE DISTRICT
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST NINE FISCAL YEARS

<i>Fiscal Year Ended June 30,</i>	<i>Real Property Residential & Commercial Property</i>	<i>Personal Property*</i> <i>Assessed Value</i>	<i>Public Utility Property</i> <i>Assessed Value</i>	<i>Less: Tax Exempt Real Property</i>
1999	\$ 343,866,015	\$ 18,206,683	\$ 16,517,307	\$ 14,937,998
2000	369,375,916	16,256,456	16,201,650	16,682,596
2001	396,311,757	19,045,373	17,971,534	17,736,162
2002	444,900,980	20,148,708	19,374,086	23,179,722
2003	494,208,978	22,697,348	24,020,118	24,429,866
2004	541,495,870	28,853,076	24,139,269	26,063,362
2005	610,699,227	28,345,110	19,073,604	28,121,233
2006	672,406,016	31,755,739	15,443,642	29,666,468
2007	796,309,784	33,270,423	16,043,718	34,408,956

Source: Pima County

<i>Total</i>			
<i>Taxable Assessed Value</i>	<i>Direct Tax Rate</i>	<i>Estimated Real Market Value</i>	<i>Assessed Value as a % of Actual Value</i>
\$ 363,652,007	\$ Unavailable	\$ 459,229,363	79.19%
385,151,426	2.1907	3,153,716,661	12.21%
415,592,502	2.4256	3,404,567,858	12.21%
461,244,052	2.3617	3,808,288,203	12.11%
516,496,578	2.3384	4,245,240,344	12.17%
568,424,853	2.3844	4,672,968,890	12.16%
629,996,708	2.4828	5,274,829,563	11.94%
689,938,929	2.4709	5,793,512,503	11.91%
811,214,969	2.5672	6,830,990,215	11.88%

NORTHWEST FIRE DISTRICT
PROPERTY TAX RATES – ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST NINE FISCAL YEARS

<i>Fiscal Year</i> <i>Ended</i> <i>June 30,</i>	<i>Northwest Fire District</i>			<i>Pima County</i>		
	<i>General</i>	<i>Debt Service</i>	<i>Total</i> <i>District</i>	<i>General</i>	<i>Debt Service</i>	<i>Total</i> <i>County</i>
1999	\$ 1.8999	\$ 0.0000	\$ 1.8999	\$ 4.0720	\$ 0.9350	\$ 5.0070
2000	2.1907	0.0000	2.1907	4.0720	0.9350	5.0070
2001	2.4256	0.0000	2.4256	4.0720	0.8950	4.9670
2002	2.3617	0.0000	2.3617	4.0720	0.8150	4.8870
2003	2.3384	0.0000	2.3384	4.0720	0.8150	4.8870
2004	2.3844	0.0000	2.3844	4.0720	0.8150	4.8870
2005	2.3505	0.1323	2.4828	4.0720	0.7150	4.7870
2006	2.3927	0.0782	2.4709	3.8420	0.7150	4.5570
2007	2.3104	0.2568	2.5672	3.0602	0.6850	3.7452

Source: Pima County

Note: Information prior to 1999 is unavailable.

Overlapping Rates

<i>Marana Unified School District</i>					<i>Total Direct & Overlapping Rates</i>
<i>General</i>	<i>Debt Service</i>	<i>Total School District</i>	<i>Special Districts</i>		
\$ 4.9997	\$ 2.6411	\$ 7.6408	\$ 2.5894	\$	17.1371
4.6561	2.8857	7.5418	2.7562		17.4957
4.8598	2.8430	7.7028	2.7902		17.8856
4.5964	2.7659	7.3623	2.7650		17.3760
4.3538	2.4441	6.7979	2.6912		16.7145
4.3282	2.1752	6.5034	2.5285		16.3033
4.1055	1.9936	6.0991	2.5413		15.9102
3.8618	2.0499	5.9117	2.1551		15.0947
3.8368	1.9519	5.7887	2.6567		14.7578

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**NORTHWEST FIRE DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND EIGHT YEARS AGO**

<i>Taxpayer</i>	<i>Type of Business</i>	<i>June 30, 2007</i>	
		<i>Assessed Value</i>	<i>% of Total Assessed Value</i>
FMP Kimco Foothills LLC	Shopping center	\$ 11,796,959	1.45%
HDP Northwest LLC	Healthcare	11,024,976	1.36%
Unisource Energy Corporation	Electric utility	9,989,552	1.23%
Northwest Hospital LLC	Healthcare	3,513,993	0.43%
Qwest Corporation	Telecommunications	2,931,952	0.36%
Wal-Mart Stores, Inc.	Retail	2,889,000	0.36%
Boutique Hotel Co.	Resort	2,791,430	0.34%
Marana Ina Road, LLC	Shopping center	2,521,200	0.31%
La Cholla & River Road Assoc, LLC	Developer	2,406,103	0.30%
Safeway, Inc.	Grocery store	2,164,250	0.27%
		<u>\$ 52,029,415</u>	<u>6.41%</u>
Total Assessed Value		<u>\$ 811,214,969</u>	

<i>Taxpayer</i>	<i>Type of Business</i>	<i>June 30, 1999</i>	
		<i>Assessed Value</i>	<i>% of Total Assessed Value</i>
Tucson Electric Power	Electric utility	\$ 14,434,164	3.97%
US West Communications	Telecommunications	5,933,660	1.63%
Southern Pacific Transportation	Railroad	4,478,542	1.23%
EMH Investments LLC	Healthcare	2,101,090	0.58%
Dayton Hudson Corporation	Retail	1,681,700	0.46%
First American Title Insurance	Title insurance	1,603,620	0.44%
Price Company	Retail	1,568,080	0.43%
Cacioppo Joseph F Jr. Trust	Developer	1,206,250	0.33%
Evans Withycombe Finance Partnership	Developer	1,150,000	0.32%
Red Roof Inns	Hotel	997,500	0.27%
		<u>\$ 35,154,606</u>	<u>9.67%</u>
Total Assessed Value		<u>\$ 363,652,007</u>	

Source: Pima County Assessor

Note: Information prior to 1999 is unavailable.

NORTHWEST FIRE DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

<i>Fiscal Year Ended June 30,</i>	<i>Original Real Property Tax Levy</i>	<i>Tax Roll Corrections</i>	<i>Real Property Tax Levy (Adjusted)</i>	<i>Collected within the Fiscal Year of the Levy</i>	
				<i>Amount</i>	<i>% of Levy</i>
1998	\$ 5,836,085	-	5,836,085	\$ 5,630,008	96.47%
1999	6,267,515	-	6,267,515	6,024,640	96.12%
2000	7,017,779	(76,255)	6,941,524	6,674,500	95.11%
2001	8,694,322	(56,297)	8,638,025	8,351,386	96.06%
2002	10,786,412	(68,500)	10,717,912	10,339,661	95.86%
2003	11,669,145	(77,202)	11,591,943	11,251,753	96.42%
2004	12,626,440	41,365	12,667,805	12,257,899	97.08%
2005	14,367,046	(25,796)	14,341,250	13,960,408	97.17%
2006	16,344,254	(19,741)	16,324,513	15,912,409	97.36%
2007	19,230,770	(33,374)	19,197,396	18,047,432	93.85%

<i>Collections in Subsequent Years</i>	<i>Total Collections to Date</i>	
	<i>Amount</i>	<i>% of Levy</i>
\$ 206,077	\$ 5,836,085	100.00%
190,737	6,215,377	99.17%
264,323	6,938,823	99.96%
290,629	8,642,015	100.05%
364,496	10,704,157	99.87%
346,814	11,598,567	100.06%
409,486	12,667,385	100.00%
380,708	14,341,116	100.00%
381,841	16,294,250	99.81%
-	18,047,432	94.01%

NORTHWEST FIRE DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST NINE FISCAL YEARS

<i>Fiscal Year Ended June 30,</i>	<i>Governmental Activities</i>			<i>Total Primary Government</i>	<i>Percentage of Personal Income</i>	<i>Per Capita</i>
	<i>General Obligation Bonds</i>	<i>Full Faith & Credit Obligations</i>	<i>Capital Leases</i>			
1999	\$ -	\$ -	\$ 3,638,227	\$ 3,638,227	0.02%	\$ 38.43
2000	-	-	3,017,639	3,017,639	0.01%	30.53
2001	-	-	2,623,584	2,623,584	0.01%	25.47
2002	-	-	2,706,342	2,706,342	0.01%	25.25
2003	-	-	4,117,989	4,117,989	0.02%	36.98
2004	-	-	7,854,534	7,854,534	0.03%	67.98
2005	13,105,000	-	3,645,224	16,750,224	0.06%	139.92
2006	13,105,000	-	3,953,056	17,058,056	0.06%	137.45
2007	26,575,000	-	-	26,575,000	0.09%	206.81

NORTHWEST FIRE DISTRICT
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST NINE FISCAL YEARS

<i>Fiscal Year Ended June 30,</i>	<i>General Obligation Bonds</i>	<i>Less Debt Service Monies Available</i>	<i>Net Bonded Debt</i>	<i>Percentage of Estimated Actual Taxable Value of Property</i>	<i>Net Bonded Debt per Capita</i>
1999	\$ -	\$ -	\$ -	0.00%	\$ -
2000	-	-	-	0.00%	-
2001	-	-	-	0.00%	-
2002	-	-	-	0.00%	-
2003	-	-	-	0.00%	-
2004	-	-	-	0.00%	-
2005	13,105,000	6,673,649	6,431,351	1.02%	53.72
2006	13,105,000	3,098,922	10,006,078	1.45%	80.63
2007	26,575,000	13,927,859	12,647,141	1.56%	98.42

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NORTHWEST FIRE DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2007

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Pima County	\$ 231,918,000	13.4064%	\$ 31,091,870
Town of Marana	7,005,000	100.0000%	7,005,000
Marana Unified School District	62,110,000	100.0000%	62,110,000
Subtotal, overlapping debt			<u>100,206,870</u>
Northwest Fire District direct debt			<u>26,575,000</u>
Total direct and overlapping debt			<u><u>\$ 126,781,870</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Northwest Fire District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

NORTHWEST FIRE DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST NINE FISCAL YEARS

	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<i>Assessed Value</i>	\$ 811,214,969	689,938,929	629,996,708	568,424,853
<i>Debt limit rate</i>	x 6%	x 6%	x 6%	x 6%
<i>Debt limit</i>	48,672,898	41,396,336	37,799,802	34,105,491
<i>Less bonded debt at June 30</i>	<u>(12,647,141)</u>	<u>(10,006,078)</u>	<u>(6,431,351)</u>	<u>-</u>
<i>Legal debt margin</i>	<u>\$ 36,025,757</u>	<u>\$ 31,390,258</u>	<u>\$ 31,368,451</u>	<u>\$ 34,105,491</u>
<i>Total net debt applicable to the limit as a percentage of debt limit</i>	25.98%	24.17%	17.01%	0.00%

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
516,496,578	461,244,052	415,592,502	385,151,426	363,652,007
x 6%	x 6%	x 6%	x 6%	x 6%
30,989,795	27,674,643	24,935,550	23,109,086	21,819,120
-	-	-	-	-
<u>\$ 30,989,795</u>	<u>\$ 27,674,643</u>	<u>\$ 24,935,550</u>	<u>\$ 23,109,086</u>	<u>\$ 21,819,120</u>
0.00%	0.00%	0.00%	0.00%	0.00%

NORTHWEST FIRE DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<i>Fiscal Year Ended June 30,</i>	<i>(1) Population (Pima County)</i>	<i>Personal Income</i>	<i>(1) Per Capita Income (Pima County)</i>	<i>(2) School Enrollment (Pima County)</i>	<i>(1) Unemployment Rate (Pima County)</i>
1998	817,851	\$ 17,687,372	\$ 21,627	unavailable	2.7%
1999	845,775	18,999,743	22,464	unavailable	2.7%
2000	854,329	20,855,000	24,411	131,537	2.6%
2001	872,394	21,387,000	24,515	132,924	2.8%
2002	890,356	21,926,000	24,626	136,620	4.7%
2003	908,227	22,801,000	25,105	140,514	4.8%
2004	926,052	24,881,000	26,868	142,338	3.5%
2005	943,795	26,704,000	28,294	146,395	4.1%
2006	984,300	29,209,000	29,675	149,230	4.4%
2007	1,002,800	30,899,000	30,813	151,719	4.2%

Source of information:

- 1) "Arizona's Economy" Magazine
- 2) Arizona Department of Education

NORTHWEST FIRE DISTRICT
PRINCIPAL EMPLOYERS
CURRENT AND NINE YEARS AGO

June 30, 2007

<i>Employer</i>	<i>Employees</i>	<i>Rank</i>
Northwest Health System	1,809	1
Marana Unified School District	1,776	2
Wal-Mart	995	3
Town of Marana	310	4
Costco	304	5
Westward Look Resort	301	6
Kohls Department Store	251	7
Sargent Controls	244	8
Lowe's	231	9
Coca-Cola Bottling Co.	186	10
<i>Total</i>	<u><u>6,407</u></u>	

June 30, 1998

<i>Employer</i>	<i>Employees</i>	<i>Rank</i>
Marana Unified School District	1,140	1
Northwest Health System	865	2
Westward Look Resort	247	3
Price Club	235	4
K-Mart	220	5
Coca-Cola Bottling Co.	212	6
Sargent Controls	211	7
Target	107	8
Reay's Ranch Market	83	9
Payless	67	10
<i>Total</i>	<u><u>3,387</u></u>	

Source: www.azstarnet.com

NORTHWEST FIRE DISTRICT
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

<i>Function</i>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<i>Public safety</i>				
Fire prevention inspections	1,508	1,462	777	960
Emergency medical service calls	8,901	8,986	8,902	8,218
Fire responses	592	617	579	550
Other Responses - including hazardous materials, mutual aid, public service	3,052	3,367	2,861	2,645
Miscellaneous - including false alarms, good intent	1,070	584	545	504

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
1,890	1,043	-	-	-	-
7,770	7,500	7,265	7,126	6,876	6,664
555	643	707	752	735	674
2,662	2,352	2,150	2,730	3,623	3,994
519	742	898	774	571	496

NORTHWEST FIRE DISTRICT
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

<i>Function</i>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<i>Public safety</i>				
Fire and rescue service	186	169	145	147
Fire prevention and training	11	11	10	9
Administrative and support	26	23	20	17
<i>Total</i>	<u>223</u>	<u>203</u>	<u>175</u>	<u>173</u>

<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>
120	125	123	107	111	*
8	10	7	9	8	*
21	20	12	13	13	*
<u>149</u>	<u>155</u>	<u>142</u>	<u>129</u>	<u>132</u>	<u>-</u>

** - Information unavailable*

NORTHWEST FIRE DISTRICT
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

<i>Function</i>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<i>Public safety</i>				
Stations	8	8	8	8
Equipment:				
Engines	13	15	14	14
Ladder trucks	2	2	2	3
Brush rigs	4	4	4	4
Rescue units	4	4	3	3
Tenders	3	3	3	3
Hazmat squad	2	2	2	2
Squad/support units	2	2	2	1
Technical rescue	2	2	1	-
Heavy squad	1	1	1	1

<i>2003</i>	<i>2002</i>	<i>2001</i>	<i>2000</i>	<i>1999</i>	<i>1998</i>
8	8	8	8	8	8
14	13	11	12	13	13
3	3	3	3	3	3
5	4	6	6	5	4
3	2	2	2	2	2
3	4	4	4	5	5
1	1	1	1	1	1
1	1	1	1	1	1
-	-	-	-	-	-
1	1	1	1	1	1

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