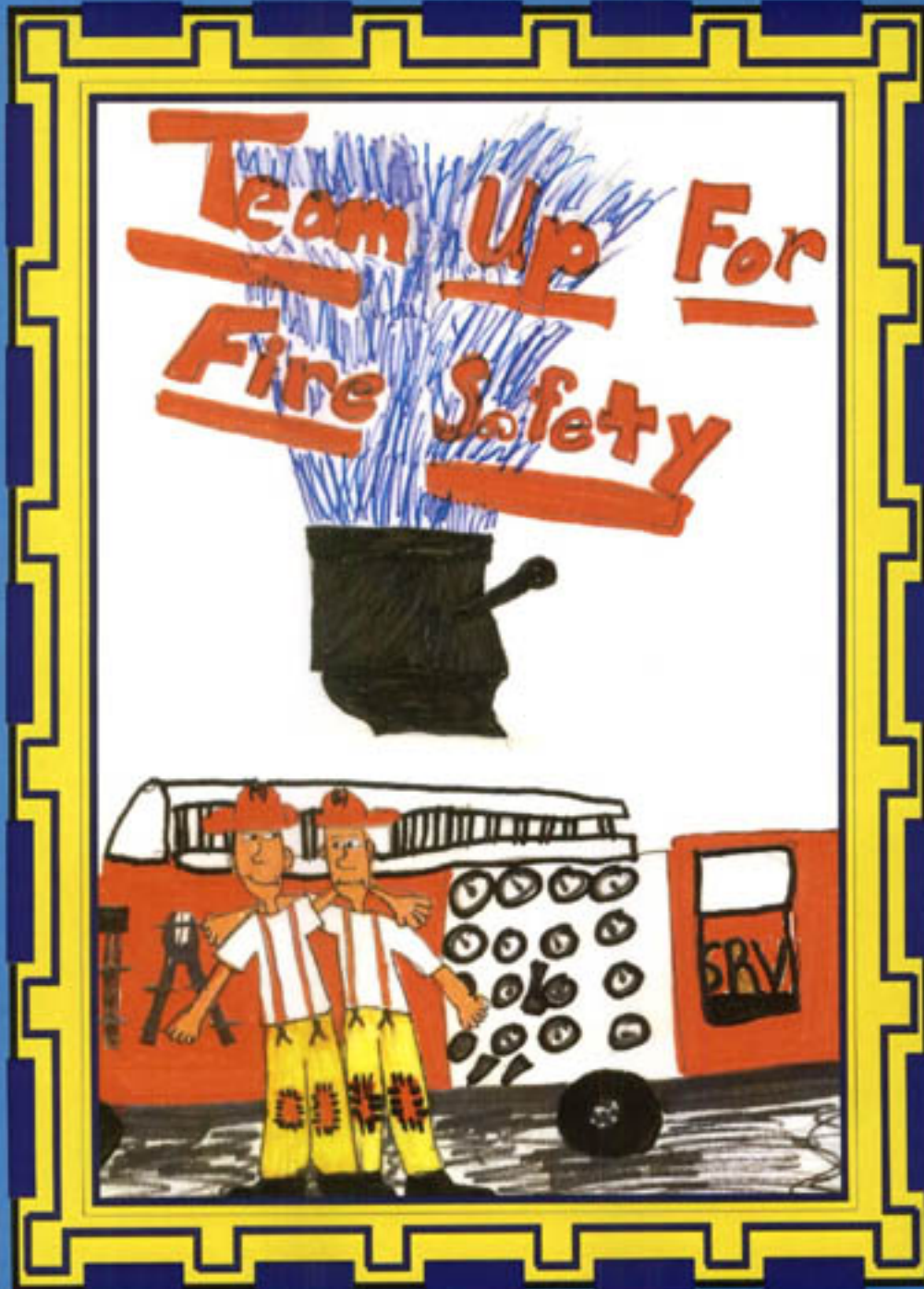


SAN RAMON VALLEY FIRE PROTECTION DISTRICT

San Ramon, California



Serving the communities of Alamo, Blackhawk, Town of Danville, Diablo, City of San Ramon, the southern boundary of Morgan Territory and the Tassajara Valley



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2005**

**SAN RAMON VALLEY
FIRE PROTECTION DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2005**

Prepared by the Finance Department

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Comprehensive Annual Financial Report
For the Year Ended June 30, 2005

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SAN RAMON VALLEY FIRE PROTECTION DISTRICT

DIRECTORY OF OFFICIALS

July 1, 2004 - June 30, 2005

BOARD OF DIRECTORS

<i>President</i>	<i>Roxanne W. Lindsay</i>
<i>Member</i>	<i>Thomas M. Bonghi</i>
<i>Member</i>	<i>Gordon D. Dakin</i>
<i>Member</i>	<i>Jennifer G. Price</i>
<i>Member</i>	<i>Kenneth W. Sandy</i>

PRINCIPAL STAFF (Organizational Chart Order)

<i>Fire Chief</i>	<i>Craig Bowen</i>
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Finance

<i>Finance Director</i>	<i>Joan P. Woods</i>
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Administration

<i>Assistant Chief</i>	<i>Steven J. Hart</i>
------------------------	-------	-----------------------

Support

<i>Deputy Chief</i>	<i>Chris C. Suter</i>
---------------------	-------	-----------------------

<i>Fire Marshal</i>	<i>Rick D. Terry</i>
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Operations

<i>Assistant Chief</i>	<i>Michael A. Sylvia</i>
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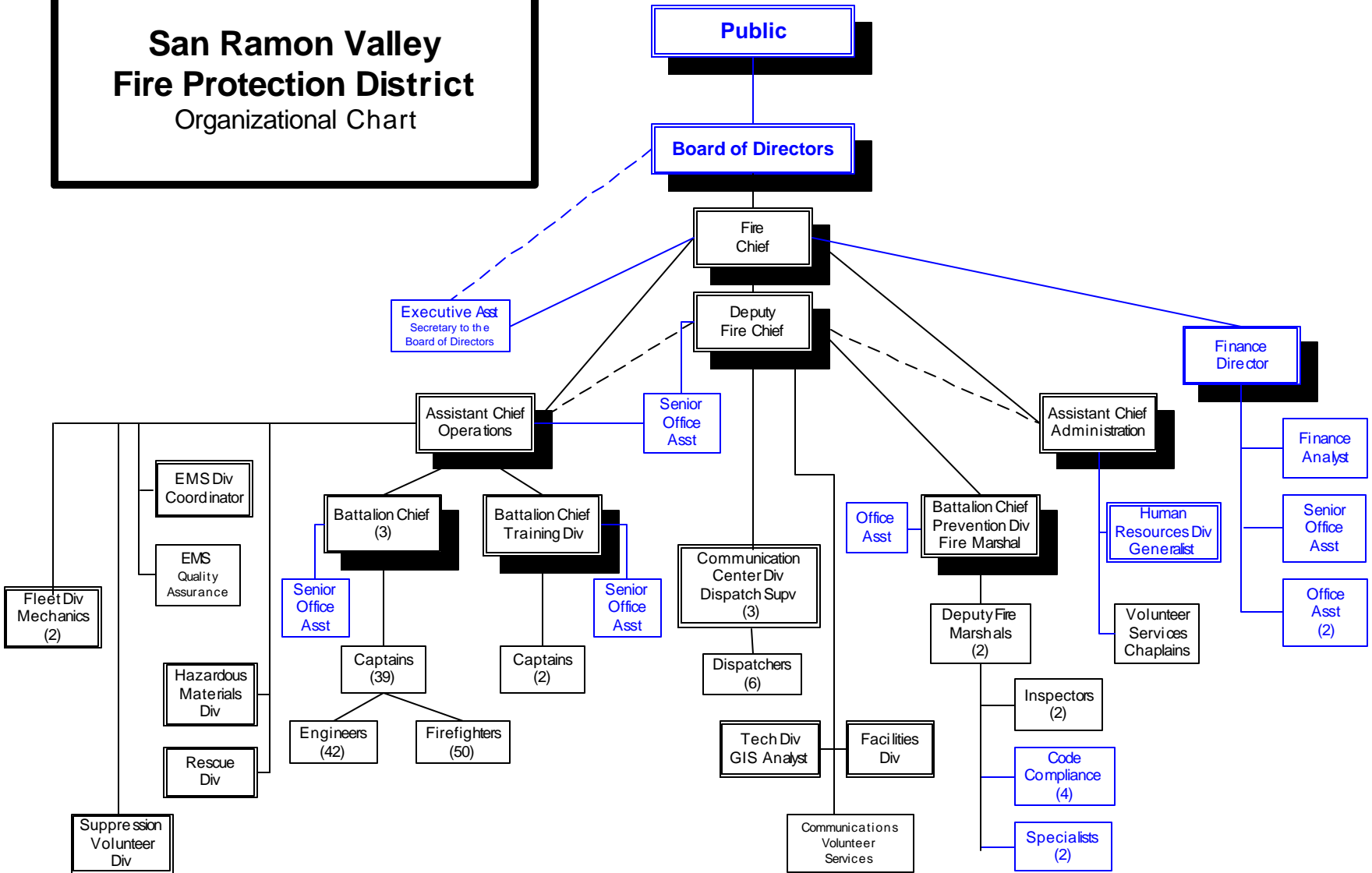
<i>Battalion Chief</i>	<i>Boyd P. Clegg</i>
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<i>Battalion Chief</i>	<i>Michael T. Brown</i>
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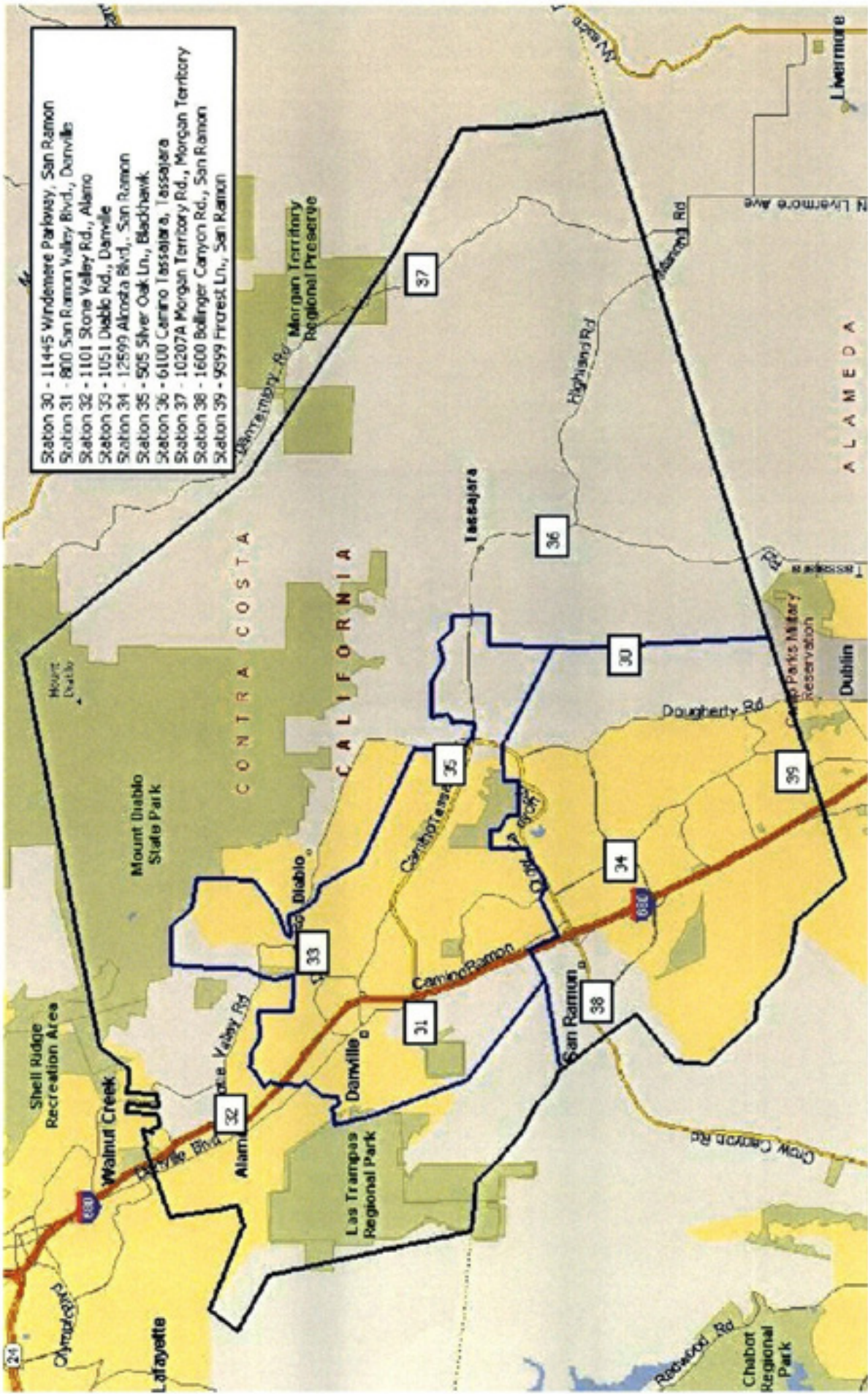
<i>Battalion Chief</i>	<i>Bert Byers</i>
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<i>Battalion Chief</i>	<i>Jack Barton</i>
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San Ramon Valley Fire Protection District Organizational Chart



Legend:	
Operational/Paramilitary	
Business	



SAN RAMON VALLEY FIRE PROTECTION DISTRICT STATIONS AND FACILITIES



*Station 30
11445 Windemere Parkway, San Ramon*



*Station 31
800 San Ramon Valley Blvd., Danville*



*Station 32
1101 Stone Valley Road, Alamo*



*Station 33
1051 Diablo Road, Danville*



*Station 34
12599 Alcosta Blvd., San Ramon*



*Station 35
505 Silver Oak Lane, Blackhawk*



*Station 36
6100 Camino Tassajara, Tassajara*



*Station 37
10207 A Morgan Territory Rd., Morgan Territory*



*Station 38
1600 Bollinger Canyon Road, San Ramon*



*Station 39
9399 Fircrest Lane, San Ramon*



*Office Building
9399 Fircrest Lane, San Ramon*



*Administration Building
1500 Bollinger Canyon Road, San Ramon*



*School House
1650 Finley Road, Pleasanton*

SAN RAMON VALLEY FIRE PROTECTION DISTRICT

Administration
Phone: 925-838-6600
Fax: 925-838-6629
www.srvfpd.dst.ca.us

**1500 Bollinger Canyon Road
San Ramon, California 94583**

Fire Prevention
Phone: 925-838-6680
Fax: 925-838-6696

October 1, 2005

**Board of Directors
San Ramon Valley Fire Protection District
San Ramon, California**

I am pleased to present the San Ramon Valley Fire Protection District's (SRVFPD) Comprehensive Annual Financial Report (CAFR) for the fiscal year July 1, 2004 through June 30, 2005.

This report has been prepared by the Finance Department following the guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA) and is in conformance with generally accepted accounting principles for state and local governmental entities established by the Governmental Accounting Standards Board (GASB). Responsibility for the accuracy, completeness and fairness of the presented data and the clarity of presentation, including all disclosures, rests with the management of the District.

In accordance with the above mentioned guidelines, the accompanying report consists of three sections:

1. The *Introductory Section* discusses the management and organizational structure. This section contains a directory of the members of the Board of Directors and Administrative staff, an organizational chart, a map of the District, photographs of the District's facilities, the letter of transmittal and certificates of achievements.
2. The *Financial Section* presents the financial condition of the SRVFPD. This section contains the opinion of the Independent Auditors, Management's Discussion and Analysis of the SRVFPD's financial activities, the financial statements and the related supplementary financial information.
3. The *Statistical Section* provides information that is valuable in understanding the District's historical and financial trends and operational activity reports.

THE REPORTING ENTITY - PAST AND PRESENT

History and Formation of San Ramon Valley Fire Protection District

The San Ramon Valley Fire Protection District is an outgrowth of many years of maturation. Its early beginning took place 92 years ago at a meeting of the Danville Improvement Club. The meeting held on March 19, 1912 was comprised of the leading ladies and men of Danville. At this meeting, it was decided that a volunteer fire department needed to be organized. The idea was unanimously approved, and the name Danville Farm Defense Fire District was established. In 1921, a state law permitted the organization of special fire districts and empowered them with the authority to levy a tax for their support. Thus, on September 6, 1921, the Danville Farm Defense Fire District became the Danville Fire Protection District, an independent fire district and a political subdivision of the State of California. The official boundaries were re-designated to encompass Alamo, Danville, Sycamore and Green Valley School Districts, an area of approximately fifty (50) square miles.

In 1963, Contra Costa County reorganized its East County Fire Protection District into the San Ramon Fire Protection District, an independent district. In December 1979, Local Agency Formation Commission (LAFCO) initiated the consolidation of the Danville Fire Protection District and the San Ramon Fire Protection District. On July 1, 1980, with the merger complete, the two Districts were renamed the San Ramon Valley Fire Protection District (SRVFPD). The new District serviced the communities of Alamo, Blackhawk, Danville, Diablo and San Ramon, within a 70 square mile area. The organization was comprised of 4 fire stations, 27 emergency vehicles and 71 employees. With the reorganization of these two districts, the newly formed District became governed by 5 locally elected Board of Directors, independent of the County Board of Supervisors.

Some ten years later, the San Ramon Valley Fire Protection District and the Tassajara Fire Protection District initiated a merger process. In January 1991, LAFCO completed the annexation of all territories of the Tassajara Fire Protection District and transferred them to the San Ramon Valley Fire Protection District, which included Tassajara Valley and the southern boundary of Morgan Territory. Simultaneously, the Tassajara Fire Protection District was dissolved.

In July 1997, the San Ramon Valley Fire Protection District and the City of San Ramon moved forward with an annexation of the Dougherty Regional Fire Authority to the SRVFPD. With this annexation, the District extended its fire service boundary to the Contra Costa/Alameda County line.

Over the last five years, the District has accomplished many notable achievements, from a number of administrative staffing enhancements to providing a new station facility for its customers, along with improved apparatus in the field. These successes have proven to be beneficial to the District's internal customers (personnel), but most importantly, to the community to which the District serves.

The San Ramon Valley Fire Protection District's evolution over the past 93 years is remarkable and its endeavors impressive. Below is a summary of key milestones and accomplishments since its inception.

- March 1912 A "Fireman's Ball" was held to finance the Danville Farm Fire Defense District. The net proceeds of \$100.00 realized at the event were deposited into the first bank account.
- April 1922 The Danville Fire Protection District (DFPD) purchased its first fire truck for \$4,140. The new truck was a Reo-American La France, which replaced a trailer equipped with ten 10-gallon milk cans full of water. The volunteer, who got to the trailer first, hitched it to their vehicle and pulled it to the fire. Gunnysacks were soaked in the water and then used to beat out the fire.
- July 1925 The DFPD purchased for \$600 the site of the first firehouse at 150 N. Hartz Avenue, Danville. The firehouse was completed and accepted on December 2, 1925.
- In 1928 A donated Dodge truck was converted into fire truck #2.
- October 1936 The DFPD volunteers began receiving 50 cents to answer a call and 50 cents per hour thereafter.
- In 1941 A two-way radio was installed between the firehouse and the County Sheriff, linking Danville with the rest of Contra Costa County.
- May 1942 At the height of the war years, government defense funds were provided to have a man sleep in the firehouse.
- October 1942 The DFPD entered the County Mutual Aid plan.
- January 1958 A second firehouse was completed and located in Alamo.
- January 1966 The DFPD established its first training program with the objective of developing new recruits with the ability to properly, safely and efficiently use the tools and equipment normally carried on fire apparatus.
- July 1969 The DFPD purchased land to relocate and construct Station 1 at 800 San Ramon Valley Boulevard in Danville to be renamed Station 31.
- February 1975 The DFPD completely modernized its communications system.

- May 1975 The DFPD received its first ambulance donated through the "Helen Howell Fundraiser."
- January 1977 The DFPD received an improved Class Rate from that of 5, issued in 1962, to a Class 4 rating, which illustrates an adequate level of fire protection facilities is being provided and maintained within the rapidly growing communities protected.
- January 1978 As a result of population growth, emergency medical response service for the DFPD increased 42% over those in 1976.
- February 1984 The San Ramon Valley Fire Protection District (SRVFPD) began staffing its ambulance units with the delivery of paramedic service through a public/private partnership with John Muir Hospital.
- July 1989 Issued \$13,100,000 Certificates of Participation for the acquisition and construction of certain land, equipment and capital improvements within the District. The primary projects included the construction of Station 36, Station 38 and the Administrative Office building and the remodeling of Station 31 and Station 33.
- April 1992 Station 36, located in Tassajara Valley was staffed to provide 24-hour protection, formerly a volunteer-staffed station under the former Tassajara Fire Protection District.
- May 1993 Refinanced Certificates of Participation issued in 1989 in an aggregated principal amount of \$10,500,000.
- February 1995 A public safety trailer called the "Safety House" was added to the District's fleet, allowing the Fire Prevention Division to teach home fire safety to school age children.
- September 1997 The SRVFPD's Communication Center became accredited for pre-arrival medical instructions and call triaging. The District has consistently maintained this accreditation.
- July 1997 The SRVFPD published its first community newsletter, serving 38,000 households in the area. The newsletter provides timely information on seasonal fire prevention issues.
- July 1997 The SRVFPD negotiated a "Single Paramedic Program" with Contra Costa County Emergency Medical Services, beginning the conversion to a Firefighter/Paramedic ambulance service.
- February 1999 As a result of a rating review, the Insurance Services Office (ISO) granted the SRVFPD an upgrade from Class 3 to Class 2 in the urban/suburban area. This improved rating tremendously impacts the community the District serves. Commercial buildings can save

from 2.5% to 4.5% on their base fire insurance rates. Nationally, only 1% of agencies hold this prestigious achievement. The District is a Class 5 in the rural areas and a Class 8 in the very remote rural areas.

- July 1999 The Board of Directors designated the Fire Chief as the first Treasurer for the District.
- October 1999 The SRVFPD gained "fiscal management" independence from Contra Costa County for financial reporting services. With the hiring of the District's first Chief Finance Officer in March of 1999, an "in-house" payroll, accounting and cash management system commences, terminating its contractual agreement with Contra Costa County.
- July 2000 The SRVFPD entered into a seven-year contract with Local 3546, a Memorandum of Understanding covering July 1, 2000 through June 30, 2007.
- September 2000 A Chaplaincy program, operating in a non-denominational setting, was instituted with its primary purpose to assist District personnel and their families for life needs. During the year, the program has begun "outreach" assistance into the community.
- January 2001 The District formed an official Honor Guard with the mission to provide honor and respect to firefighters who have fallen in the line of duty serving their community and country and to instill respect for national, state and local flags.
- February 2001 Reclassified two Fire Prevention Inspector positions to Deputy Fire Marshal, reorganizing the internal structure of the Division to better service the customer.
- June 2001 The SRVFPD broke ground for Station 30, located in Dougherty Valley. This turnkey facility, built and equipped by local developers, opened on June 1, 2002.
- November 2001 The District began staffing every first run unit with one Paramedic for every emergency call.
- December 2001 The District prepares its first Comprehensive Annual Financial Report (CAFR) for evaluation and award consideration by the Government Finance Officers Association and the California Society of Municipal Finance Officers Association.
- November 2002 The District holds its first annual Employee Recognition Dinner and Awards Ceremony to acknowledge all the efforts put forth by each and every employee.

- June 2003 The Board of Directors adopts a new “mission” statement as a result of the strategic planning process.
- June 2003 Refinanced Certificates of Participation issued in 1993 for an aggregated principal amount of \$8,910,000.
- August 2003 The District’s Rescue Division was awarded the Certification as an Office of Emergency Services (OES) “Medium Rescue Unit.” This certification is an important acknowledgement of the District’s ongoing effort to provide emergency services during major disaster incidents.
- July 2004 The District placed into service a Type 1 Communication Support Unit. The first totally self-contained mobile communications post in Contra Costa County.
- March 2005 The SRVFPD, along with the American Heart Association, Contra Costa County Emergency Medical Service Agency and the San Ramon Regional Medical Center, started the Public Access Defibrillation (PAD) Program. The program places Automatic External Defibrillators (AEDs) in schools, public buildings and businesses.

The District Today

The San Ramon Valley Fire Protection District is an autonomous Special District as defined under the Fire Protection District Law of 1987, Health and Safety Code, Section 13800, of the State of California.

The SRVFPD is responsible for providing the highest level of emergency and non-emergency services to the community in an effort to protect life, the environment and property.

A five member Board of Directors, elected by their constituents and each serving a four-year term, governs the District. The Directors meet once a month at the Administrative Office, headquartered in San Ramon, to determine overall policy for the District. Special committee meetings provide oversight in four areas: Personnel, Finance, Facilities and Long Range Planning/Fire Prevention.

The Fire Chief oversees the general operations of the District in accordance with the policy direction prescribed by the Board of Directors. The Fire Chief serves as the Treasurer for the District. At present, the Fire Chief is supported by his executive staff, consisting of a Deputy Chief, two Assistant Chiefs and the Finance Director.

The Deputy Chief and two Assistant Chiefs are responsible for three distinct operational functions of the District. The Administration Assistant Chief oversees personnel standards and procedures, labor negotiations and workers’ compensation. The Deputy

Chief supervises the Support Divisions, ensuring that current and future information management systems for communication are adequate, facilities are maintained and updated and prevention services are efficient and effective. The Operations Assistant Chief is responsible for the delivery of emergency services to the citizens and public, overseeing the training and education to District personnel and the design and delivery of vehicles and apparatus. The Finance Director is responsible for the District's financial policies, systems and procedures, including cash management and investments, accounting and budgeting, accounts receivable/payable, payroll, attendance, purchasing, risk management and fixed assets.

The District employs 177 personnel, in addition to approximately 40 volunteers. The District maintains ten Fire Stations and one Administrative Office Building, all strategically located within the District. Of the ten Stations, nine Stations house paid firefighters and volunteers staff several of the stations. This allows for staffing of thirteen engine companies and four volunteer companies, including three truck companies, five transport Advanced Life Support (ALS) ambulances and other specialized vehicles for the cross-staffing of apparatus based upon the type of call. In addition, the District operates its own Communications Center, located at Station 31 and staffed daily with two dispatchers, one supervising dispatcher and a mobile command post supported by 10 volunteers. All other Administrative personnel reside at the Administrative Office.

Internal Control - In developing and evaluating the District's accounting system, consideration is given to the accuracy of internal accounting control. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the accuracy and reliability of accounting data and the adherence to prescribed managerial policy. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived, and the cost-benefit analyses require estimates and judgments by management.

Accounting System and Budgeting Controls - The District's accounting and budgeting records for the basic financial statement in this report conform to generally accepted accounting principles (GAAP) according to standards established by the Governmental Accounting Standards Board.

The District maintains extensive budgetary controls. The District's Annual Budget that includes all District's funds, adopted prior to July 1, provides the overall control of its revenues and expenditures, including appropriations (budgeted expenditures) on a line item basis and the means of financing them (budgeted revenues). The District's accounting system produces monthly reports on expenditure activity that assists Division Managers monitor their activities and programs. These reports are also reviewed by the Finance Analyst and the Finance Director to assure budgetary compliance.

As a recipient of federal, state and county financial assistance, the District is responsible for ensuring that an adequate control structure is in place to comply with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the Finance staff of the District.

Management's Discussion and Analysis (M D & A) - GAAP requires that management provides a narrative introduction, overview and analysis to accompany the basic financial statements in the form of M D & A. This letter of transmittal is designed to complement the M D & A and should be read in conjunction with it. The District's M D & A can be found immediately following the report of the independent auditors.

Audit of Financial Statements - The District contracts for an independent audit each year to provide reasonable assurance that its financial statements are free of material misstatements. This annual audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The District engaged the accounting firm of Maze & Associates to perform the audit of its financial statements. The auditor has issued an unqualified opinion on the District's financial statements indicating they are fairly presented in conformity with GAAP.

Single Audit - The District engaged the accounting firm of Maze & Associates to perform the audit of the expenditures of federal awards required by the Single Audit Act of 1984 and Amendments of 1996, and the related OMB Circular A-133. As part of the Single Audit, tests were made to determine the adequacy of internal controls related to the administration of federal financial assistance programs and to determine that the District had complied with applicable laws and regulations. The Single Audit report is available separately from this report.

SERVICE AREA AND SERVICES

The District's service area encompasses approximately 155 square miles, covering the communities of Alamo, Blackhawk, the Town of Danville, Diablo, the City of San Ramon, the southern boundary of Morgan Territory and the Tassajara Valley.

Within the boundaries of the District are wildland areas, single and multi-family residential units, hotels, a hospital, numerous convalescent/assisted living facilities, equestrian areas, hiking trails, rock climbing areas and a facility housing a low-level nuclear reactor. With such diversity, it is mandatory the District be equipped with proper apparatus and appropriately staffed to handle all emergencies.

The total population serviced by the District exceeds 148,405. On business days, the figure grows by another 30,000 to include the personnel employed in the Bishop Ranch Business Park, a 585-acre development located in San Ramon. Since its inception in 1984, the Bishop Ranch Business Park has evolved into a nationally recognized premier business center, comprised of over 355 companies, from established Global 500 companies to innovative start-ups. Two of the larger employers in Bishop Ranch are ChevronTexaco and SBC.

The District's philosophy with regard to fire, medical or hazardous material emergencies has been one of a strong, rapid deployment of appropriate resources to mitigate any emergency as recognized by a Class 2 Insurance Service Office (ISO) rating. The

District's goal is to maintain an overall response time of 5 minutes or less, 90% of the time. Under normal conditions, there are 13 paid emergency response companies that can be deployed for an emergency within the boundaries of the San Ramon Valley Fire Protection District.

When the first units for a structure fire are dispatched from the 13 staffed emergency response companies, the three closest engines, a ladder truck and the shift Battalion Chief are automatically assigned. In addition, a rescue medic ambulance can be dispatched in the event one of the occupants of the structure or District personnel needs medical assistance at the scene. In some of the rural areas of the District where hydrants are not available, the response consists of three engines, one or more water tenders and a Battalion Chief. A second alarm consists of two additional engines and another truck or water tender.

The District's Communications Center provides its pre-arrival instruction under the auspices of Contra Costa County Emergency Medical Services. Dispatchers are highly trained to assist the caller in life saving techniques (CPR with respiratory emergency, cardiac emergency, strokes, etc.) prior to the arrival of the emergency responders. In 1996, the San Ramon Valley Fire Protection District Communications Center became recognized as the world's seventh accredited emergency medical dispatch center. This award was achieved and has been maintained through conscientious adherence to proven emergency medical dispatch protocols. The District has been reaccredited in 2000 and 2004.

In the spring of 1995, the District began staffing selected units with Firefighter/Paramedics to provide citizens with a higher level of service. Currently, the District has a total of 49 paramedics, staffing a paramedic on every unit during any 24-hour period. The District's medical calls receive a "First Responder" response that includes pre-arrival instructions by dispatch, as the first step in the treatment process. A patient is then treated by a team, including at least one paramedic, who arrives in a fire engine as the closest unit to the emergency. The "First Responder" might also be a paramedic on an ambulance, depending on the incident location. Patients are evaluated and, if necessary, transported by a paramedic-staffed District ambulance. In some cases, transport via air ambulance is necessary. The District maintains close communications with several air ambulance services in the area. The District personnel have been trained and are committed to their obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its regulations known as the "Privacy Rule" for the protection of individually identifiable health information.

The District must be prepared for emergencies and potential exposure to hazardous materials in the area of the Interstate 680 corridor that passes through the San Ramon Valley. Trucks and other vehicles carry virtually every known hazardous material to points within the Greater Bay Area. The District maintains a hazardous materials team composed of members from the Suppression staff that are highly trained as hazardous materials technicians and specialists.

The most important non-emergency activity for suppression/ambulance personnel which benefits the public is training. The District, through its Training Division, strives to

continually provide training programs that are both innovative and relevant. All District Firefighters are trained EMTs (1A) and State Certified Firefighters (1) with specialized defibrillator training. For programs such as Hazardous Materials and Emergency Medical, Confined Space Rescue Operations, re-certification is mandated by State and/or Federal law. Other specialized training programs cover such diverse topics as Structural and Wildland Firefighting Operations, Urban Search and Rescue skills, Disaster Preparedness, Night Drills and Auto Extrication skills using various tools and techniques.

The District's Training Division is also actively coordinating periodic training with many local agencies, such as the Town of Danville, the City of San Ramon, Mt. Diablo State Park and the California Department of Forestry. Some of the classes offered to these agencies and the public are in Hazardous Materials, Emergency Operations Center Training, CPR certification and re-certification. The District serves as the primary Emergency Operations Center (EOC) location for the Town of Danville and the alternate center for the City of San Ramon.

The SRVFPD provides full service fire prevention functions. The Fire Prevention Division works closely with various community agencies, utility providers and builders to facilitate all construction activities in the District. The Division performs inspections for code compliance, weed abatement, fire suppression systems, fire warning, smoke control and water systems to ensure those facilities meet fire safety codes.

The District has enacted a comprehensive fire prevention ordinance that includes sprinkler requirements for most commercial buildings and residential buildings exceeding 5,000 square feet. This approach has led to a higher degree of fire and life safety and reduced insurance costs.

The District's public education programs, providing safety and disaster preparedness information, extend beyond the traditional school safety programs by reaching out to the elderly and business communities. The traditional fire safety school program has been expanded to provide a 30-minute in-classroom teaching activity for all classes 1st through 5th grade. The interactive and informative presentations reach more than 6,000 students annually.

The District has a non-traditional educational commitment in the form of the Tassajara One-Room School House program. This 114-year-old "treasure" became an asset of the District with the annexation of the Tassajara Fire Protection District. The District has restored the school and the site to safely accommodate community events. Its special function is to serve as a facility for third grade students to experience a day in an 1888 one-room school, staffed by the volunteers of the San Ramon Valley Museum. These dedicated docents provide a historical background about the San Ramon Valley in an effort to educate children about the past. The residents of the area hold close ties to this prized historical landmark and wish to protect and preserve its heritage. The District has played an integral role in the endeavor. Through handout materials, all activities carry public safety messages or prevention instructions provided by District staff.

The District works closely with community organizations, such as service clubs and local Chambers of Commerce, for distribution and installation of smoke detectors for newborn

babies and the elderly and neighborhood disaster preparedness activities for the entire area. Supplemental disaster preparedness training is available to schools and neighborhood groups who have completed steps for their own personal preparedness (i.e. reduction of non-structural hazards, food and water supplies for 72 hours.) The program's intent is to enable citizens to survive and take care of themselves during and after a disaster when emergency resources are overwhelmed. The District offers supportive training at no charge (for groups of 20 or more) in three areas: Fire Prevention/Suppression Techniques, Survival First Aid/Triage and Damage Control/Light Search and Rescue.

The San Ramon Valley Fire Protection District partners with the City of San Ramon and the Contra Costa County Sheriff's Department in supplying gas and diesel fuels for City and County vehicles. In addition, the District holds a lease agreement (renewed annually) with the City of San Ramon for their use of office space at Station #39. The District also leases space to various tenants to erect and operate communication facilities (Utility Easement Towers) at five station locations within the District.

APPARATUS

The San Ramon Valley Fire Protection District's fleet is made up of emergency vehicles/apparatus which must always be available and kept in a state of readiness. Among these resources are: Nineteen Type 1 engines, three Type 1 ladder trucks (one 85-foot, two 75-foot), one Type 2 ladder truck (55-foot), eleven Wildland units (eight Type 3 engines and three Type 4 engines.) For rural responses, the District is equipped with: One 1,500 gallon all-wheel water tender (with 60 gallons of AFFF foam), one 2,800 gallon water tender with a 3,000 gallon porta-tank, one 2,500 gallon all-wheel-drive water tender, which carries Class A and AFFF foam with portable pumps and tanks.

The District's Type 1 engines, Type 3 engines and all trucks carry Advanced Life Support (ALS) emergency medical equipment, including oxygen, defibrillator units and ALS medications. In addition, these vehicles are fully equipped to respond as needed to mitigate any emergency including fire, rescue, hazardous material spill or vehicle accident.

Last fiscal year, the District put into service a Type 1 Communications Support Unit, which is a totally self-contained mobile communications post. This mobile unit is specifically designed to provide the rigidity needed to operate on the steep fire roads it may encounter and an extra 20" raised roof for a stand-up work area. The apparatus is equipped with four dispatch positions, three separate sources of power, a technology area, a small conference room for planning and operations, a restroom and a small kitchenette. The primary operation of the unit is accomplished through a cadre of Communications Volunteers who are specifically trained to operate the technology of the unit, as well as trained to drive the vehicle. In addition to two Communication Specialists, the operating plan calls for an Incident Dispatcher to accompany the unit when it is deployed. The SRVFPD and Contra Costa County Fire Protection District employ a number of personnel who have been trained as Incident Dispatchers for the unit. The unit has been a valuable resource for several mutual aid events this past year.

The District has five Rescue Medic (ALS Advanced Life Support) modular ambulance units, four of which are equipped with Hurst tools and rope rescue equipment. All the units are equipped to meet the needs of paramedic service. In addition, the District maintains four reserve ambulances and a multi-casualty unit that can be placed into action immediately to cover maintenance needs or assist in large-scale incidents.

The District's two Breathing Support Units are multi-functional pieces of equipment that can fill both high and low pressure air bottles, supplying four bottles at a time in fewer than two minutes with an air storage capacity capable of filling 100 bottles. Both units are equipped with large pop-up scene lights, salvage equipment, medical supplies and other items, such as hot coffee, soups and beverages for the comfort of crews working on an extended incident.

Currently, the District's hazardous materials incidents are handled with a modular response vehicle with an attached trailer. The Hazmat unit is stocked with the most modern hazardous materials detection equipment and supplies and has a computer link to a hazardous materials information line.

The District's Urban Search and Rescue Unit carries a complete complement of ropes, hardware and rescue baskets for utilization in areas of high peaks and crevices or during earthquake operations or other natural disasters. It also carries on-board an air-compressor for various pneumatic tools. This unit meets the State OES standards and has been certified as a medium rescue apparatus.

Along with an aggressive maintenance program, each of the District's fire engines goes through an extensive rebuild at half-life. With the average life of a fire engine being 20 years, the District refurbishes each engine after approximately 10 years. At this time, the vehicle is repainted and equipped with state-of-the-art equipment. For new equipment, a purchasing committee is formed to review or write specifications, seek public bids and follow the vehicle through the build-up and delivery processes. In the fiscal year ending June 30, 2005, the District's vehicles traveled 413,592 miles on 43,417 gallons of fuel.

SPECIAL PROJECTS AND ACHIEVEMENTS

Fleet Administration - The District hired its first "in-house" mechanic to increase efficiency of services and repair work and to reduce the need for outsourcing within the Fleet Division. As a result, maintenance and repair costs have decreased and repairs are being accomplished in a more timely manner. The District is now evaluating the possibility of in-house fabrication and installation of radios and equipment, as well as, anticipates a revamping of its fleet record keeping system.

Geographical Information System (GIS) Program Expansion – Until recently, the District's GIS program was utilized to support and maintain the existing Computer Aided Dispatch (CAD) system. With an addition of a full-time analyst, the program has been expanded to integrate and share data with multiple agencies, which involves digital map data and relational database information. The next step will be to enhance the web application for in-house use, i.e. hydrant maintenance, TRA tracking, parcel map accessibility and other applications.

Outreach Projects - Through generous donations from San Ramon Regional Medical Center, the local Rotary Foundation Grant and the American Heart Association, Automatic External Defibrillators (AEDs) have been placed in all of the local high schools throughout the District and other public buildings. The Dublin/San Ramon Women's Club donated an Auto Pulse CPR rescue device. This piece of life saving equipment does the chest compressions during CPR for a cardiac arrest patient. All of the District ambulances now carry these devices. The District is now providing 12-Lead EKGs in the field, generally these devices are found only in hospitals, not at the ambulance level. A 12-Lead EKG helps to identify where the heart attack is occurring, thus, shortening the time needed to make critical medical decisions.

Hazmat & Rescue Programs Redefined and Expanded - The District's Hazardous Materials program and the Rescue program have experienced changes in focus, as well as on an organization level. Both teams have reestablished their purpose statements and developed detailed plans outlining the level of services they provide, how training and equipment development will occur and when responses will be affected and by what means. In addition, activities with other agencies have become part of the teams' approach to ensure a depth of resources exist should a major emergency occur within the District. Both teams have also aligned their goals and objectives pertaining to training and response capabilities with established standards, such as the California State Training Institute (CSTI), Cal OSHA, the State Fire marshals training curriculum, the Federal Emergency Management Agency (FEMA) and the California criteria for Urban Search and Rescue (USAR) capabilities.

AWARDS

The Government Finance Officers Association of the United States of America and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to San Ramon Valley Fire Protection District for its fiscal year 2003-2004. The Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

The California Society of Municipal Finance Officers (CSMFO) presented the District with a Certificate of Award for Outstanding Financial Reporting for 2003-2004. The certificate is issued in recognition of meeting professional standards and criteria in reporting which reflect a high level of quality in the annual financial statements and in the underlying accounting system from which the reports were prepared.

ACKNOWLEDGEMENT

The preparation of this report reflects the combined and dedicated effort of SRVFPD's staff. We especially want to recognize the Finance staff and our auditors for their contributions to provide complete and reliable information for the stewardship of public funds. A special "Thank You" to the 5th graders at San Ramon Valley Christian Academy for their outstanding artwork displayed on the front and back covers of the CAFR. Each year, the Fire Prevention Division of the District selects a theme for a

drawing contest and encourages students to interpret in an artistic way what that theme means to them. These particular pieces are examples of their endeavors.

I would like to take this opportunity to express my thanks and sincere appreciation to the Board of Directors for their continued support and trust.

SUMMARY

The San Ramon Valley Fire Protection District's leadership and its staff bring an effective combination of skills, experience and dedication to carry out the District's mission:

"IN THE SPIRIT OF OUR TRADITION, WE STRIVE FOR EXCELLENCE, RESPECTFULLY SERVING ALL WITH PRIDE, HONOR AND COMPASSION"

As stated in its newly adopted Strategic Plan, San Ramon Valley Fire Protection District is committed to these goals:

- Service – Provide the highest level of emergency and non-emergency services to the community in an effort to protect life, the environment and property
- Fiscal Management – Provide sound and responsible fiscal management
- Culture – Develop and maintain a culture where all individuals feel valued, have a sense of ownership and are motivated to continuously improve their knowledge, skills and abilities
- Organization Efficiency – Ensure organizational efficiency and effectiveness in all decisions, processes and communications

Sincerely,



Joan P. Woods
Finance Director

*California Society of
Municipal Finance Officers*

Certificate of Award

Outstanding Financial Reporting 2003-2004

Presented to the

San Ramon Valley Fire Protection District

*This certificate is issued in recognition of meeting professional standards and criteria in reporting
which reflect a high level of quality in the annual financial statements
and in the underlying accounting system from which the reports were prepared.*

February 24, 2005



Sandra Schmidt, Chair
Professional & Technical Standards Committee

Dedicated to Excellence in Municipal Financial Management





The Government Finance Officers Association
of the United States and Canada

presents this

AWARD OF FINANCIAL REPORTING ACHIEVEMENT

to

Joan P. Woods

Finance Director

San Ramon Valley Fire Protection District, California

The award of Financial Reporting Achievement is presented by the Government Finance Officers Association to the individual(s) designated as instrumental in their government unit achieving a Certificate of Achievement for Excellence in Financial Reporting. A Certificate of Achievement is presented to those government units whose annual financial reports are judged to adhere to program standards and represents the highest award in government financial reporting.

Executive Director

Date June 1, 2005



INDEPENDENT AUDITOR'S REPORT

ACCOUNTANCY CORPORATION
1931 San Miguel Drive - Suite 100
Walnut Creek, California 94596
(925) 930-0902 • FAX (925) 930-0135
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Website: www.mazeassociates.com

To the Board of Directors of the
San Ramon Valley Fire Protection District
San Ramon, California

We have audited the financial statements of the governmental activities and each major fund of the San Ramon Valley Fire Protection District as of and for the year ended June 30, 2005, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance as to 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 opinion.

In our opinion the financial statements referred to in the first paragraph present fairly in all material respects the respective financial position of the governmental activities and each major fund of the San Ramon Valley Fire Protection District at June 30, 2005 and the results of its operations and the respective budgetary comparisons listed as part of the basic financial statements for the year then ended, in conformity with generally accepted accounting principles in the United States of America.

Management's Discussion and Analysis is not part of the basic financial statements but is required by the Government Accounting Standards Board. We have applied certain limited procedures to this information, principally inquiries of management regarding the methods of measurement and presentation of this information, but we did not audit this information and we express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplemental section listed in the Table of Contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Introductory Section and Statistical Section listed in the Table of Contents was not audited by us, and we do not express an opinion on this information.

August 19, 2005

Maze & Associates

MANAGEMENT'S DISCUSSION AND ANALYSIS (M D & A)

Our discussion and analysis of the San Ramon Valley Fire Protection District provides the reader with an overview of the District's financial position and performance for the period ending June 30, 2005. The M D & A describes the significant changes from the prior year that occurred in general operations and discusses the activities during the year for capital assets and long-term debt. The discussion concludes with a description of currently known facts, decisions and conditions that are expected to impact the financial position of the District's operations. We encourage the reader to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

Government-wide

- The District ended its fiscal year with net assets of \$34,986,341.
- The total Program Expenses were \$40,253,517.
- The total Program Revenues were \$2,747,282.
- The total General Revenues were \$38,252,235.
- The change in Net Assets represents an increase of \$746,000.

Funds

- The General Fund operating revenues exceeded expenditures by \$2,424,619.
- The actual resources received in the General Fund were less than final budget by \$268,794, while actual expenditures were less by \$181,935.
- At the end of the current fiscal year, unreserved, but designated fund balance for the General Fund was \$24,692,427 or 60 % of total revenues.

ANNUAL REPORT OVERVIEW

This annual report consists of a series of financial statements. The District's basic financial statements are comprised of three components: Government-wide financial statements, Fund financial statements and Notes to the basic financial statements. This report also contains supplementary information and statistical data in addition to the basic financial statements.

Government -wide Financial Statements

The *government-wide financial statements* provide the reader with a longer-term view of the District's activities as a whole and comprise the Statement of Net Assets and Statement of Activities. The manner of presentation is similar to a private-sector business.

The *Statement of Net Assets* presents information about the financial position of the District as a whole, including all its capital assets and long-term liabilities on the full accrual basis. Over time, increases or decreases in net assets is one indicator in monitoring the financial health of the District.

The *Statement of Activities* provides information about all the District's revenues and expenditures on the full accrual basis, with the emphasis on measuring net revenues or expenditures of each specific program. This statement explains in detail the change in Net Assets for the year.

All of the District's activities in the Government-wide financial statements are principally supported by taxes, intergovernmental revenues and fire-related charges, i.e. ambulance services and inspection fees. The government activities of the District include general government and interest on long-term debt.

The government-wide financial statements use the full *accrual basis* of accounting method which records revenues when earned and expenses at the time the liability is incurred, regardless of when the related cash flows take place. These statements include the District itself (known as the primary government), and the activity of its legally separate component unit, the San Ramon Valley Fire Protection District Financing Corporation. Because the District Board acts as the governing board for the Corporation and because they function as part of the District government, the activities are blended with those of the primary government.

The government-wide financial statements can be found on pages 14-15 of this report.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing primarily on the short-term activities of the organization. The Fund Financial Statements measure only current revenues and expenditures and fund balances, excluding capital assets, long-term debt and other long-term obligations.

All of the District's basic services are considered to be governmental activities. San Ramon Valley Fire Protection District's services are supported by general District revenues such as taxes, ambulance services and inspection fees. In the District's case, the three funds (General Fund, Capital Projects Fund and Special Revenue-Equipment Replacement Fund) are presented individually.

Government funds focus on how money flows into and out of the fund and the balance left at year-end available for spending. These funds are reported using an accounting method called the *modified accrual* method, which measures cash and all other financial assets that can readily be converted to cash. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and

the Statement of Activities) and governmental funds in a reconciliation following the fund financial statements or Footnote #7.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to the reader for a full understanding of the data provided in the Government-wide and Fund Financial Statements.

Other Information. In addition to the Basic Financial Statements and accompanying notes, this report also presents certain Required Supplementary Information such as Budgetary Comparison Schedules and a Statistical Section, providing historical trend data on the District.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

This analysis focuses on the net assets and changes in net assets of the District's Governmental Activities (Tables 1, 2 and 3), as presented in the District-wide Statement of Net Assets and Statement of Activities that follow.

Governmental Activities

Table 1
Governmental Net Assets at June 30, 2005
(in thousands)

	Governmental Activities	
	2004	2005
Cash and investments	\$ 25,632	\$28,166
Other assets	673	1,004
Capital assets	21,139	21,435
Total assets	47,444	50,605
Long-term debt outstanding	9,015	10,785
Other liabilities	4,189	4,834
Total liabilities	13,204	15,619
Net assets:		
Invested in capital assets, net of debt	12,123	12,653
Restricted	742	746
Unrestricted		
Debt issued to finance capital assets held by others and other unrestricted net assets	21,375	21,587
Total net assets	\$34,240	\$34,986

The following points explain the major changes impacting net assets as shown in Table 1 :

- Cash and investments increased by \$2,533,763 from last year. A substantial portion of this increase (\$2,020,000) is attributable to proceeds from two equipment lease agreements.
- Other assets increased by 49% due to an increase in prepaid items and several significant receivables from OES Mutual Aid and the Federal Homeland Security Grant.
- Other liabilities increased by 15% or \$644,901, related to A/P, payroll accrued and compensated absences at June 30, 2005.
- Net assets invested in capital assets, net of related debt, increased by \$529,070, due to replacement of various apparatus.
- The only Restricted net asset is the Reserve Fund for the 2003 Refunding Certificates of Participation held by the Trustee at the U S Bank.
- Unrestricted net assets is the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements. Unrestricted net assets of \$21,587,159 are available for operations and other expenditures approved by the District Board of Directors.

Fiscal Year 2005 Government Activities

Based on GASB 34 revisions to the format of the Fund Financial Statements, only the individual major funds are presented, with non-major funds combined in a single column. Table 2 summarizes the combined activities and the narrative that follows describes the individual program expenses, program revenues and general revenues in more detail.

Table 2
Changes in Governmental Net Assets
(in thousands)

	2004	2005
Expenses		
Public Safety – Fire	\$36,070	\$39,984
Interest on long term debt	184	270
Total Program Expenses	36,254	40,254
Revenues		
Program Revenues:		
Operating grants and contributions	323	184
Capital grants and contributions	897	673
Charges for services	1,668	1,890
Total Program Revenues	2,888	2,747
General Revenues:		
Taxes:		
Property taxes	34,686	37,845
Use of money and property	230	407
Other revenue	3	1
Total General Revenues	34,919	38,253
Total Revenues	37,807	41,000
Change in Net Assets	1,553	746

Expenses

The Public Safety expenses totaled to \$39,983,509 for fiscal year ending 2005. The salary and benefit category, totaling \$33,570,846, grew by 14% to cover salary increases, medical insurance premiums and retirement costs. The remaining operating expenses can be categorized into five main groupings: central garage, repairs and maintenance, rents and leases, professional and other services and supplies and utilities. These services and supplies totaled to \$4,538,502.

In compliance with the Single Audit accounting requirements, the District, acting as lead agency, recognized 100% of Federal Homeland Security Grant revenue that was used for the purchase of goods and distributed in-part to several other agencies. The total amount distributed as “Grant Pass-Through” was \$412,107.

The “Interest on the Long Term Debt” expenses reflect the interest paid on the 2003 COP in the amount of \$270,008. The principal payment amounted to \$465,000.

Program Revenues

During the fiscal year, the District received its annual allotment from Measure H First Responder funding in the amount of \$31,193. The District’s portion of this element of

the Measure is based on the number of local benefit units and submission of proof of compliance for purchase of first responder medical equipment, medical supplies and EMS training.

Due to the continued financial crisis at the State of California level, a freeze was placed on funding for SB90 mandated cost reimbursements. However, the District was reimbursed by the State of California, Governor's Office of Emergency Services, Fire and Rescue Branch for providing mutual aid services for the Armstrong/Calaveras Fire at Angels Camp, the Geyser Fire at Middletown, the French Gulch Fire in Redding, the Irongate Fire near the Town of Montigue. The District also received \$49,113 in funding from the State of California, Joint Apprenticeship Committee (JAC), for the purchase of an EMS training mannequin.

The District received \$609,167 in Federal Homeland Security Grant funds, of this amount \$412,107 was passed through to other agencies, leaving the District with net grant revenue in the amount \$197,060.

The program revenues that fall under the category of "Charges for Service" include revenues for ambulance service fees, inspection fees, weed abatement charges, CPR classes and reports/photocopies. Of these revenues, ambulance service fees are the District's second most important source of revenue. With a new rate schedule in place over the entire year, the ambulance revenues increased by 21% or \$272,191, with the call volume remaining constant from last year to this year. The revenue generated from various lease agreements (office space at station #39, utility towers at various stations) decreased by 20% or \$34,352 due to the elimination of a cellular site.

General Revenues

The primary source of revenue for the operation of the San Ramon Valley Fire Protection District is generated through the collection of secured, unsecured and supplemental property taxes. During the last fiscal year, the overall assessed valuation increased 8.11%, resulting in property taxes revenues increasing by \$3,158,573 or 9.1%. A major portion of the increase reflects the ongoing growth in the Dougherty Valley planned community. The District's interest earnings showed an increase due to rising short-term interest rates.

Government Activities

Governmental Funds

At June 30, 2005, the District's governmental funds reported combined fund balances of \$26,569,271 which is an increase of \$2,244,788 or 9.2% compared to the prior year. This change is attributable to an increase of \$1,109,961 in the General Fund and the majority of the remaining increase of \$1,134,827 to the Special Revenue Equipment Replacement Funds related to proceeds from two equipment lease agreements.

Governmental fund revenues increased \$3,176,994 this fiscal year and totaled \$40,984,317. The General Fund accounted for 99.9% of this increase. The expenditures for the Governmental Funds were \$40,974,529, an increase of \$4,237,446 from last year. The Capital Projects expenditures increased by \$642,932 and the Special Revenue Equipment Replacement Fund expenditures decreased by \$489,972. The General Fund increased in expenditures by \$4,084,486.

Major Analyses of Governmental Funds

General Fund

The General Fund is the general operating fund of the District. It is used to account for all financial resources. The major revenue sources are property taxes, ambulance service revenues and interest income.

Overall, the General Fund expenditures increased by 11.9% from last year. The primary categories attributable for the increase were: (1) salaries and benefits, (2) professional services, (3) supplies and utilities.

Transfers out of the General Fund increased by \$204,061 in Fiscal 2005 for a total of \$1,314,658, covering the annual debt service payment and various capital project expenditures in the Capital Project Funds and a portion of the equipment purchases in the Special Revenue Equipment Replacement Fund.

At June 30, 2005, the General Fund unreserved fund balance of \$24,692,427 was designated for: (1) Workers' compensation claims set aside in the amount of \$1,000,000; (2) Dry spell (cash flow for five months) in the amount of \$15,000,000 set aside for expenses prior to the receipt of the first settlement property tax allocations in December; (3) Acquisition and construction of facilities and equipment in the amount of \$8,692,427.

The Reserve Policy adopted by the Board provides for cash flow requirements, contingencies for unforeseen operating or capital needs and economic uncertainties, local disasters or catastrophic events and other financial hardships or downturns in the local, state or national economy. For this purpose, the Policy identified the need to maintain a minimum ending fund balance of at least 50% of the operating revenues in the General Fund. At the end of the fiscal year, the unreserved, but designated fund balance was well within the reserve policy, or 60% of operating revenues.

OTHER MAJOR GOVERNMENTAL FUNDS

Other Governmental Funds

During fiscal year 2004-2005, the Capital Projects Fund completed a number of projects totaling to \$158,847, including remodeling a number of offices at the Administration Building, replacement of air cleaners for the exhaust extraction system and removal of underground storage tanks at three station locations. Also, an amount of \$735,008 was expended from this fund for the principal (\$465,000) and interest (\$270,008) on the debt payment for the 2003 Refunding Certificates of Participation.

In the Special Revenue Equipment Replacement Fund, the District purchased assets amounting to \$1,559,219. The primary expenditures were for several auto pulse CPR resuscitation systems, an EMS training mannequin (funded by State of California, Joint Apprenticeship Committee,) various software and installation, workout equipment for several station exercise facilities, (4) staff vehicles, (4) Type 1 engine chassis, (1) refurbished Type 1 engine, (4) Ambulance chassis, (1) Ambulance build-up and (2) Hazmat Chassis (funded by the Federal Homeland Security Grant.)

CAPITAL ASSETS

At the end of fiscal 2005, the District had \$21,434,758 in net capital assets. The following table identifies the specific governmental activity:

Table 3
Capital Assets at Year -end
(in thousands)

	Government Activities	
	2004	2005
Land	\$3,900	\$3,900
Construction work-in-progress	41	1,033
Buildings and improvements	17,305	17,349
Equipment	18,776	19,048
Less accumulated depreciation	(18,884)	(19,895)
Capital Assets, net	\$21,138	\$21,435

All the capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets with a value of \$5,000 or more are recorded as capital assets. All capital assets are depreciated over their estimated useful lives, using the straight line method. Additional information on capital assets and depreciable lives may be found in Note 4.

DEBT ADMINISTRATION

The District’s debt issues are discussed in detail in Note 5 to the financial statements. In addition to its 2003 Refunding Certificates of Participation, the District entered into two lease purchase agreements with LaSalle Bank National Association for the purchase of fire engines and other various service vehicles. The debt service on the apparatus lease is for a seven year period and a three year lease period for the staff vehicles. The first annual debt service payment on both leases begins December 2005. Additional information on long-term debt may be found in Note 5.

Table 4
Outstanding Debt
(in thousands)

	2004	2005
<i>Governmental activities</i>		
Certificates of Participation	\$9,015	\$8,550
Equipment Capital Lease Purchase Agreements		2,235
	\$9,015	\$10,785

ECONOMIC OUTLOOK AND MAJOR INITIATIVES

The District's financial position continues to be adequate. Financial planning is based on specific assumptions from recent trends in real property values, new commercial and residential development, State of California economic forecasts and historical growth patterns in the various tax rate areas in the San Ramon Valley.

The economic condition of the San Ramon Valley Fire Protection District as it appears on the balance sheet reflects financial stability and the potential for organizational growth. The District continues to be encouraged by development throughout its boundaries, especially in the Dougherty Valley. The District will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the citizens of the area.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This Comprehensive Annual Financial Report is intended to provide citizens, taxpayers, investors, and creditors with a general overview of the District's finances. Questions about this report should be directed to the Finance Department, at 1500 Bollinger Canyon Road, San Ramon, California, 94583.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT

**STATEMENT OF NET ASSETS
AND STATEMENT OF ACTIVITIES**

The Statement of Net Assets and the Statement of Activities are statements required by Government Accounting Standards Board Statement 34. Their purpose is to summarize the entire District's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the District's assets and all its liabilities, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the District's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between District funds have been eliminated.

The Statement of Net Assets reports the difference between the District's total assets and the District's total liabilities, including all the District's capital assets and all its long-term debt. The Statement of Net Assets presents similar information to the old balance sheet format, but presents it in a way that focuses the reader on the composition of the District's net assets, by subtracting total liabilities from total assets.

The Statement of Net Assets summarizes the financial position of all the District's Governmental Activities in a single column. The District's Governmental Activities include the activities of its General Fund, along with all its Special Revenue and Capital Projects Funds.

The Statement of Activities reports increases and decreases in the District's net assets. It is also prepared on the full accrual basis, which means it includes all the District's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities, available revenues and measurable expenditures.

The format of the Statement of Activities presents the District's expenses first, listed by program. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental program. The District's general revenues are then listed in the Governmental Activities column, as appropriate, and the Change in Net Assets is computed and reconciled with the Statement of Net Assets.

Both these Statements include the financial activities of the District and the San Ramon Valley Fire Protection District Financing Corporation, which is legally separate but is a component unit of the District because it is controlled by the District, which is financially accountable for the activities of this entity.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
STATEMENT OF NET ASSETS
JUNE 30, 2005

ASSETS	
Cash and investments (Note 3):	
Cash in bank & investments in LAIF	\$25,416,496
Petty cash	400
With fiscal agent - money market funds	2,749,424
Receivables:	
Accounts	670,144
Interest	165,930
Prepaid items and deposits	167,811
Capital assets (Note 4):	
Land and construction in progress	4,933,530
Depreciable capital assets, net	<u>16,501,228</u>
Total Assets	<u>50,604,963</u>

LIABILITIES	
Accounts payable	659,924
Accrued liabilities	1,940,510
Deposits payable	500
Claims payable - due in more than one year (Note 10)	926,540
Compensated absences - due in more than one year (Note 2G)	1,306,148
Long term debt (Note 5):	
Due within one year	804,811
Due in more than one year	<u>9,980,189</u>
Total Liabilities	<u>15,618,622</u>

NET ASSETS (Note 7)	
Invested in capital assets, net of related debt	12,652,660
Restricted for:	
Debt service	746,522
Unrestricted	<u>21,587,159</u>
Total Net Assets	<u><u>\$34,986,341</u></u>

See accompanying notes to financial statements

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005

Expenses:	
Public safety - fire	\$39,983,509
Interest on long-term debt	<u>270,008</u>
Total Program Expenses	<u>40,253,517</u>
Program revenues:	
Operating grants and contributions	183,532
Capital grants and contributions	673,480
Charges for services	<u>1,890,270</u>
Total Program Revenues	<u>2,747,282</u>
Net Program Expense	<u>37,506,235</u>
General revenues:	
Property taxes	37,844,880
Use of money and property	406,677
Other revenues	<u>678</u>
Total General Revenues	<u>38,252,235</u>
Change in Net Assets	746,000
Net Assets-Beginning	<u>34,240,341</u>
Net Assets-Ending	<u><u>\$34,986,341</u></u>

See accompanying notes to financial statements

FUND FINANCIAL STATEMENTS

GASB 34 revises the format of the Fund Financial Statements so that only individual major funds are presented, while non-major funds (if any) are combined in a single column. Major funds are defined generally as having significant activities or balances in the current year.

MAJOR GOVERNMENTAL FUNDS

All of the District's funds were determined to be major.

GENERAL FUND

The General Fund is the general operating fund of the District. It is used to account for all financial resources. The major revenue sources for this Fund are property taxes, ambulance service revenues and interest income. Expenditures are made for public safety and other operating expenditures.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District also uses this fund to pay debt service on its long-term debt. Resources are provided by General Fund operating transfers and interest income on unspent funds.

SPECIAL REVENUE EQUIPMENT REPLACEMENT FUND

The Special Revenue Equipment Replacement Fund is used to account for financial resources to be used for the replacement of equipment and vehicles. Resources are provided by operating transfers and interest income on unspent funds.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2005

	General Fund	Capital Projects Fund	Special Revenue - Equipment Replacement Fund	Total Governmental Funds
ASSETS				
Cash and investments (Note 3):				
Cash in bank & investments in LAIF	\$25,416,496			\$25,416,496
Petty cash	400			400
With fiscal agent - money market funds		\$746,522	\$2,002,902	2,749,424
Receivables:				
Accounts	670,144			670,144
Interest	151,522		14,408	165,930
Due from other funds (Note 6)	783,823	114,995		898,818
Prepaid items and deposits	167,811			167,811
	<u>\$27,190,196</u>	<u>\$861,517</u>	<u>\$2,017,310</u>	<u>\$30,069,023</u>
LIABILITIES				
Accounts payable	\$441,764	\$114,995	\$103,165	\$659,924
Accrued liabilities	1,940,510			1,940,510
Due to other funds (Note 6)	114,995		783,823	898,818
Deposits payable	500			500
	<u>2,497,769</u>	<u>114,995</u>	<u>886,988</u>	<u>\$3,499,752</u>
FUND EQUITY				
Fund balances (Note 7)				
Reserved for:				
Debt service		746,522		746,522
Acquisition and construction of Facilities and Equipment			1,130,322	1,130,322
Unreserved:				
Designated for:				
Workers' compensation	1,000,000			1,000,000
Dry spell (cash flow)	15,000,000			15,000,000
Acquisition and construction of Facilities and Equipment	8,692,427			8,692,427
	<u>24,692,427</u>	<u>746,522</u>	<u>1,130,322</u>	<u>26,569,271</u>
Total Fund Balances	<u>\$27,190,196</u>	<u>\$861,517</u>	<u>\$2,017,310</u>	<u>\$30,069,023</u>
Total Liabilities and Fund Balances	<u>\$27,190,196</u>	<u>\$861,517</u>	<u>\$2,017,310</u>	<u>\$30,069,023</u>

See accompanying notes to financial statements

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
 Reconciliation of the
 GOVERNMENTAL FUNDS -- BALANCE SHEET
 with the
 STATEMENT OF NET ASSETS
 JUNE 30, 2005

Total fund balances reported on the governmental funds balance sheet	\$26,569,271
<p>Amounts reported for Governmental Activities in the Statement of Net Assets are different from those reported in the Governmental Funds above because of the following:</p>	
CAPITAL ASSETS	
Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds.	21,434,758
LONG TERM ASSETS AND LIABILITIES	
The assets and liabilities below are not due and payable in the current period and therefore are not reported in the Funds:	
Long-term debt	(10,785,000)
Claims payable	(926,540)
Compensated absences	(1,306,148)
	(12,017,688)
NET ASSETS OF GOVERNMENTAL ACTIVITIES	\$34,986,341

See accompanying notes to financial statements

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2005

	General Fund	Capital Projects Fund	Special Revenue - Equipment Replacement Fund	Total Governmental Funds
REVENUES				
Property taxes	\$37,844,880			\$37,844,880
Intergovernmental revenues	841,812			841,812
Charges for services	1,750,852			1,750,852
Use of money and property	368,434	\$10,325	\$27,918	406,677
Rents, royalties, and commissions	139,418			139,418
Other revenues	678			678
Total Revenues	40,946,074	10,325	27,918	40,984,317
EXPENDITURES				
Current:				
Public Safety-Fire				
Salaries and benefits	33,570,846			33,570,846
Central garage	666,146			666,146
Repairs & maintenance	510,472			510,472
Rents & leases	41,185			41,185
Professional & other services	1,618,907			1,618,907
Supplies and utilities	1,701,792			1,701,792
Grant pass through	412,107			412,107
Capital Outlay		158,847	1,559,219	1,718,066
Debt Service:				
Principal		465,000		465,000
Interest and fiscal agent charges		270,008		270,008
Total Expenditures	38,521,455	893,855	1,559,219	40,974,529
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	2,424,619	(883,530)	(1,531,301)	9,788
OTHER FINANCING SOURCES				
Lease proceeds (Note 5)			2,235,000	2,235,000
Transfers in (Note 6)		888,035	426,623	1,314,658
Transfers out (Note 6)	(1,314,658)			(1,314,658)
Total Other Financing Sources	(1,314,658)	888,035	2,661,623	2,235,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	1,109,961	4,505	1,130,322	2,244,788
Fund balances at beginning of year	23,582,466	742,017		24,324,483
Fund balances at end of year	\$24,692,427	\$746,522	\$1,130,322	\$26,569,271

See accompanying notes to financial statements

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Reconciliation of the
NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS
with the
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2005

The schedule below reconciles the Net Changes in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Assets of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$2,244,788

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital outlay expenditures are therefore added back to fund balance	1,733,267
Retirements of capital assets	(15,000)
Depreciation expense is deducted from the fund balance	(1,422,099)

LONG TERM DEBT PROCEEDS AND PAYMENTS

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Assets the repayment reduces long-term liabilities.

Proceeds from the issuance of debt are deducted from fund balance	(2,235,000)
Repayment of debt principal is added back to fund balance	465,000

ACCRUAL OF NON-CURRENT ITEMS

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Compensated absences	(94,335)
Claims payable	69,379

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES	<u><u>\$746,000</u></u>
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See accompanying notes to financial statements

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2005

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$35,322,175	\$38,188,997	\$37,844,880	(\$344,117)
Intergovernmental revenues	1,725,643	901,193	841,812	(59,381)
Charges for services	1,644,511	1,663,000	1,750,852	87,852
Use of money and property	210,000	320,000	368,434	48,434
Rents, royalties, and commissions	148,000	141,000	139,418	(1,582)
Other revenues	103	678	678	
Total Revenues	<u>39,050,432</u>	<u>41,214,868</u>	<u>40,946,074</u>	<u>(268,794)</u>
EXPENDITURES				
Current:				
Public Safety-Fire				
Salaries and benefits	32,521,927	31,903,352	31,879,846	23,506
Retirement settlement		1,691,000	1,691,000	
Total salaries and related benefits	<u>32,521,927</u>	<u>33,594,352</u>	<u>33,570,846</u>	<u>23,506</u>
Central garage- repairs	200,000	470,000	442,961	27,039
Central garage- maintenance	100,000	80,000	90,814	(10,814)
Central garage- gas, diesel, & oil	105,800	95,800	97,237	(1,437)
Central garage- tires	20,000	20,000	19,780	220
Central garage- mandated inspection	30,000	20,000	15,354	4,646
Total central garage	<u>455,800</u>	<u>685,800</u>	<u>666,146</u>	<u>19,654</u>
Maint./ repairs- equipment	123,720	100,720	93,904	6,816
Maint./ repairs- radio & electronic	230,652	275,652	262,579	13,073
Maint./ repairs- buildings	109,000	113,000	111,446	1,554
Maint./ repairs- grounds	60,000	50,000	42,543	7,457
Total repairs & maintenance	<u>523,372</u>	<u>539,372</u>	<u>510,472</u>	<u>28,900</u>
Rents & lease- equip/ property	79,935	44,935	41,185	3,750
Professional/ specialized services	747,696	718,296	703,078	15,218
Recruiting costs	99,100	60,100	56,652	3,448
Legal services	250,000	204,000	190,592	13,408
Medical services	58,700	58,700	65,505	(6,805)
Data processing services	400	400	201	199
Communications services	2,000	2,000	1,140	860
Documentation management services	12,000	2,000	1,483	517
Election services	84,786	62,907	62,907	
Insurance services	491,962	527,662	527,625	37
Publication of legal notices	2,750	1,850	1,129	721
Specialized printing	37,095	14,595	8,595	6,000
Total professional & other services	<u>1,786,489</u>	<u>1,652,510</u>	<u>1,618,907</u>	<u>33,603</u>

(Continued)

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2005

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Office supplies	\$37,750	\$41,250	\$38,662	\$2,588
Postage	9,250	9,250	9,135	115
Telecommunications	206,850	244,150	241,039	3,111
Utilities	230,500	230,500	222,125	8,375
Small tools/equipment	206,485	234,503	209,481	25,022
Minor equipment	33,500	41,154	40,452	702
Medical supplies	100,000	100,000	107,531	(7,531)
Firefighting supplies	164,654	116,000	135,085	(19,085)
Pharmaceutical supplies	40,000	40,000	31,706	8,294
Computer supplies	95,000	95,000	87,780	7,220
Radio equipment/ supplies	70,000	72,000	70,073	1,927
Film processing/ supplies	1,225	1,225	898	327
Food supplies	10,350	16,050	15,931	119
Safety clothing/ supplies	247,250	213,750	183,091	30,659
Non-Safety clothing/ supplies	65,275	46,475	42,610	3,865
Household supplies	40,000	42,000	43,313	(1,313)
Memberships	21,235	20,945	18,847	2,098
Educational courses/ supplies	161,235	99,410	82,628	16,782
Educational assistance program	20,000	15,000	16,520	(1,520)
Public educational supplies	13,425	13,425	11,712	1,713
Books & periodicals	21,750	16,950	11,488	5,462
Recognition supplies	22,800	19,800	19,369	431
Meetings/ travel expenses	100,100	68,750	62,316	6,434
	<u>1,918,634</u>	<u>1,797,587</u>	<u>1,701,792</u>	<u>95,795</u>
Total supplies and utilities				
Grant pass through	<u>490,000</u>	<u>388,834</u>	<u>412,107</u>	<u>(23,273)</u>
Total Expenditures	<u>37,776,157</u>	<u>38,703,390</u>	<u>38,521,455</u>	<u>181,935</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>1,274,275</u>	<u>2,511,478</u>	<u>2,424,619</u>	<u>(86,859)</u>
OTHER FINANCING SOURCES				
Transfers out	<u>(5,014,358)</u>	<u>(1,403,244)</u>	<u>(1,314,658)</u>	<u>88,586</u>
Total Other Financing Sources	<u>(5,014,358)</u>	<u>(1,403,244)</u>	<u>(1,314,658)</u>	<u>88,586</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	<u><u>(\$3,740,083)</u></u>	<u><u>\$1,108,234</u></u>	<u>1,109,961</u>	<u><u>\$1,727</u></u>
Fund balances at beginning of year			<u>23,582,466</u>	
Fund balances at end of year			<u><u>\$24,692,427</u></u>	

See accompanying notes to financial statements

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
 SPECIAL REVENUE EQUIPMENT REPLACEMENT FUND
 STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2005

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of money and property			\$27,918	\$27,918
Total Revenues			27,918	27,918
EXPENDITURES				
Capital Outlay:				
Medical/ lab equipment	\$126,500	\$140,500	138,846	1,654
Radio/electronic equipment	438,000	132,499	91,317	41,182
Telephone Equipment		10,500	10,479	21
Tools & sundry equipment	37,000	20,355	16,355	4,000
Autos & trucks	2,695,000	1,335,226	1,302,222	33,004
Total capital outlay	3,296,500	1,639,080	1,559,219	79,861
Total Expenditures	3,296,500	1,639,080	1,559,219	79,861
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,296,500)	(1,639,080)	(1,531,301)	107,779
OTHER FINANCING SOURCES				
Lease proceeds		2,235,000	2,235,000	
Transfers in	3,296,500	476,636	426,623	(50,013)
Total Other Financing Sources	3,296,500	2,711,636	2,661,623	(50,013)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES		\$1,072,556	1,130,322	\$57,766
Fund balances at beginning of year				
Fund balances at end of year			\$1,130,322	

See accompanying notes to financial statements

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 1 - ORGANIZATION AND DESCRIPTION

The San Ramon Valley Fire Protection District (the District) is a Special District organized under the California Health and Safety Code. The District is responsible for the protection of the lives and property of the residents of the San Ramon Valley located in the southwest portion of Contra Costa County, California.

The District furnishes fire protection, rescue service and other emergency services to an area approximating 155 square miles, including the communities of Alamo, Blackhawk, the Town of Danville, Diablo, the City of San Ramon, the southern boundary of the Morgan Territory and the Tassajara Valley.

The District is governed by a Board of Directors consisting of five members elected by the voters in its service area. The Board appoints a Fire Chief to oversee the day-to-day operations of the District. The District employs a full time staff of one Fire Chief, one Deputy Chief, two Assistant Chiefs, four Battalion Chiefs, one Fire Marshal, one Finance Director, one Finance Analyst, one Geographical Information Analyst, nine dispatch staff, nine administrative support staff, one fleet mechanic and 146 safety and prevention staff, for a total of 177.

The District maintains its headquarters at 1500 Bollinger Canyon Road, San Ramon, California 94583.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the District conform with generally accepted accounting principles applicable to governments. The following is a summary of the significant policies:

A. *Reporting Entity*

The accompanying financial statements of the District include the financial activities of the District as well as the San Ramon Valley Fire Protection District Financing Corporation (Corporation), which is controlled by and dependent on the District. The Corporation's purpose is to assist with the financing of fire protection facilities within the District. While the Corporation is a separate legal entity, the District Board serves in a separate session as its governing body and its financial activities are integral to those of the District. The financial activities of the Corporation have been aggregated and merged (termed "blended") with those of the District in the accompanying financial statements.

B. *Basis of Presentation*

The District's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
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These Statements require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Assets and the Statement of Activities display information about the primary government (the District) and its component unit. These statements include the financial activities of the overall District government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, including blended component units. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

C. Major Funds

Major funds are defined as funds that have either assets, liabilities, revenues or expenditures/expenses equal to ten percent of their fund-type total and five percent of the grand total. The General Fund is always a major fund. The District may also select other funds it believes should be presented as major funds.

The District reported all of its funds as major governmental funds in the accompanying financial statements:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources. The major revenue sources for this Fund are property taxes, ambulance service revenues and interest income. Expenditures are made for public safety and other operating expenditures.

Capital Projects Fund – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District also uses this fund to pay debt service on its long-term debt. Resources are provided by General Fund operating transfers and interest income on unspent funds.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
--

Special Revenue-Equipment Replacement Fund – The Equipment Replacement Fund is used to account for financial resources to be used for the replacement of equipment and vehicles. Resources are provided by General Fund operating transfers and interest income on unspent funds.

D. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Non-exchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The District may fund programs with a combination of cost-reimbursement grants, and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures. The District's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

E. Budgets and Budgetary Accounting

The Board of Directors adopts a final budget prior to July 1. The budget includes appropriations (budgeted expenditures) on a line item basis and the means of financing them (budgeted revenues).

Formal budgetary integration is employed as a management control device during the year for all funds. Budgeted and actual revenues and expenditures are reviewed monthly by the Board and budget amendments and transfers are made as needed. The Finance Director monitors appropriations on a Department/Division basis and conveys this information to the Fire Chief/Treasurer who can approve appropriation transfers so long as appropriations in total by fund do not change. This approach allows the Fire Chief to hold Department/Division heads accountable. The District reports expenditures and appropriations on a line item basis to its Board. Only the Board may approve amendments to appropriations in total by fund. This approach allows the Board to hold the Fire Chief accountable for the overall District operations.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
--

Budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. Budgeted amounts presented in the financial statements are as originally adopted and as amended by the Board. Supplemental amendments to the budget were adopted by the Board and have been included in the budget versus actual statement. Appropriations lapse at year end.

F. *Property Taxes*

Revenue is recognized in the fiscal year for which the tax and assessment is levied. The County of Contra Costa levies, bills and collects property taxes for the District; the County remits the entire amount levied and handles all delinquencies, retaining interest and penalties. Secured and unsecured property taxes are levied on January 1 of the preceding fiscal year.

Secured property tax is due in two installments, on November 1 and February 1, and becomes a lien on those dates. It becomes delinquent on December 10 and April 10, respectively. Unsecured property tax is due on July 1 and becomes delinquent on August 31.

The term “unsecured” refers to taxes on personal property other than real estate, land and buildings. These taxes are secured by liens on the personal property being taxed.

Property tax revenue is recognized in the fiscal year for which the tax is levied. The County distributes property tax (termed “settlements”) under the Teeter Plan, which allows the District to receive all property taxes in the year in which they are levied. The County retains any collections of interest, penalties and delinquencies under this plan. A settlement apportionment for 95% of unsecured property taxes is received in October, with the remainder distributed in June. Secured property taxes are received in three settlements and apportioned as follows: 55% in December, 40% in April and 5% in June.

G. *Accumulated Compensated Absences*

Compensated absences comprise unpaid vacation leave, administrative leave, and compensating time off, which are accrued as earned. The District’s liability for compensated absences is recorded in various Governmental activities. The liability for compensated absences is determined annually.

The changes of the compensated absences were as follows:

	Governmental Activities
Beginning Balance	\$1,211,813
Additions	149,276
Payments made during fiscal year	(54,941)
Ending Balance	\$1,306,148

The long-term portion of governmental activities compensated absences is liquidated primarily by the General Fund.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. *Postemployment Health Care Benefits*

The District provides health care benefits for 79 retired employees. Substantially, all of the District's employees may become eligible for those benefits if they reach the normal retirement age while working for the District. The cost of retiree health care benefits is recognized as an expenditure as health care premiums are paid. For the year ended June 30, 2005, those costs totaled \$834,104.

NOTE 3 – CASH AND INVESTMENTS

The District pools cash from all sources and all funds except Cash with Fiscal Agent so that it can be invested at the maximum yield, consistent with safety and liquidity, while individual funds can make expenditures at any time. The District's investments are carried at fair value, as required by generally accepted accounting principles.

The District adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of these adjustments in income for that fiscal year.

A. *Investments Authorized by the California Government Code and the District's Investment Policy*

The Authority is authorized to invest in the following types of instruments as permitted by the California Government Code, or the Authority's investment policy where it is more restrictive:

<u>Permitted Investment/Deposit</u>	<u>Maximum Maturity</u>
California Local Agency Investment Fund	N/A
Securities of the U.S. Government	5 years
Public Agency's Pooled Investment Fund	N/A
Insured Certificates of Deposit (CD's)	5 years
CD's adequately collateralized by the institution issuing the certificate	5 years

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Investments Authorized by Debt Agreements

The District must maintain required amounts of cash and investments with trustees or fiscal agents under the terms of certain debt issues. These funds are unexpended bond proceeds or are pledged reserves to be used if the District fails to meet its obligations under these debt issues. The California Government Code requires these funds to be invested in accordance with District resolutions, bond indentures or State statutes. The table below identifies the investment types that are authorized for investments held by fiscal agents.

Permitted Investment/Deposit	Minimum Credit Quality	Maximum Maturity
Federal Securities	None	None
Obligations of federal agencies which represent full faith and credit of the United States of America	None	None
Bonds, notes or other evidences of indebtedness by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation	AAA by S&P and AAA by Moody's	3 years
U.S. dollar denominated deposit accounts, federal funds, and banker's acceptances with domestic commercial banks	A-1 or A-1+ by S&P and P-1 by Moody's	360 Days
Commercial Paper	A-1+ by S&P, P-1 by Moody's	270 days
Money Market Fund	AAAm or AAAm-G or better by S&P	None
Obligations of any states of the U.S. or local municipalities, with certain restrictions	Highest rating category	None
Investment agreements, with certain restrictions	None	None
California Local Agency Investment Fund	None	None
Any other investments proposed by the District, with the approval of the bond insurance agent	N/A	N/A

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 3 – CASH AND INVESTMENTS (Continued)

C. *Cash Deposits*

Cash in banks is entirely insured or collateralized by the institution holding the deposit. California law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the deposit or first trust deed mortgage notes with a value of 150% of the deposit as collateral for all municipal deposits. This collateral remains with the institution, but is considered to be held in the District's name and places the District ahead of general creditors of the institution. The District has waived collateral requirements for the portion of deposits covered by federal deposit insurance.

The District's carrying value of cash in banks was \$4,682,658 at June 30, 2005. Bank balances before reconciling items were \$4,851,057 of which \$104,190 was insured, and \$4,746,867 collateralized as discussed above.

D. *Local Agency Investment Fund (LAIF)*

At June 30, 2005, the District had \$20,733,838 invested in LAIF. The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises and corporations. As of June 30, 2005, LAIF had an average maturity of 151 days. A credit rating was not available for LAIF.

E. *Cash with Fiscal Agent*

Under the terms of an indenture of trust issued pursuant to the Certificates of Participation (See Note 5), a fiscal agent is holding funds for debt service reserves. The funds are to be used in the event District lease payments are insufficient to pay debt service due on the COPS. As of June 30, 2005, the balance with the fiscal agent amounted to \$746,522. These funds had been invested in the First American Treasury Obligation Class D Money Market Fund. As of June 30, 2005, this money market fund was rated AAA by Moody's and had an average maturity of 8 days.

Under the terms of a Lease Purchase Agreement between the District and a bank, (See Note 5), the bank is holding money, on behalf of the District, for certain capital asset acquisitions. As of June 30, 2005, \$2,002,902 remained with the bank of which \$116,582 was invested in the Government Money Market Fund of LaSalle Bank and \$1,886,320 was invested in LAIF. As of June 30, 2005, this money market fund had an average maturity date of 16 days. A credit rating was not available for this money market fund.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 4 - CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed. Capital assets with a value of \$5,000 or more are recorded as capital assets.

GASB Statement 34 requires that all capital assets with limited useful lives be depreciated over their estimated useful lives. Alternatively, the "modified approach" may be used for certain capital assets. Depreciation is not provided under this approach, but all expenditures on these assets are expensed, unless they are additions or improvements.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets:

Buildings	40 years
Improvements	20-40 years
Equipment	5-20 years

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase is reflected in the capitalized value of the asset constructed, net of interest earned on the invested proceeds over the same period.

Capital assets activity comprised the following:

	Balance at June 30, 2004	Additions and Transfers	Retirements and Transfers	Balance at June 30, 2005
<i>Governmental Activities</i>				
Capital assets not being depreciated:				
Land	\$3,900,094			\$3,900,094
Construction in process	40,667	\$992,769		1,033,436
Total capital assets not being depreciated	3,940,761	992,769		4,933,530
Capital assets being depreciated:				
Buildings & Improvements	17,305,440	43,560		17,349,000
Equipment	18,775,961	696,938	(\$425,000)	19,047,899
Total capital assets being depreciated	36,081,401	740,498	(425,000)	36,396,899
Less accumulated depreciation for:				
Buildings & Improvements	(8,275,870)	(284,213)		(8,560,083)
Equipment	(10,607,702)	(1,137,886)	410,000	(11,335,588)
Total accumulated depreciation	(18,883,572)	(1,422,099)	410,000	(19,895,671)
Net Capital assets being depreciated	17,197,829	(681,601)	(15,000)	16,501,228
Governmental activity capital assets, net	\$21,138,590	\$311,168	(\$15,000)	\$21,434,758

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 5 – LONG TERM DEBT

The District generally incurs long-term debt to finance projects or purchase assets that will have useful lives equal to or greater than the related debt. This debt will be repaid only out of governmental funds but is not accounted for in these funds because this debt does not require an appropriation or expenditure in this accounting period.

The District's debt issues and transactions are summarized below:

	Original Issue Amount	Balance June 30, 2004	Additions	Retirements	Balance June 30, 2005	Current Portion
Governmental Activity Debt						
2003 Certificates of Participation						
2%-4%, due 08/01/19	\$9,015,000	\$9,015,000		\$465,000	\$8,550,000	\$475,000
Equipment Capital Lease-Purchase						
Agreement 2.94% - 3.43%, due 12/22/2011	<u>2,235,000</u>		<u>\$2,235,000</u>		<u>2,235,000</u>	<u>329,811</u>
Total Governmental Activity Debt	<u>\$11,250,000</u>	<u>\$9,015,000</u>	<u>\$2,235,000</u>	<u>\$465,000</u>	<u>\$10,785,000</u>	<u>\$804,811</u>

2003 Refunding Certificates of Participation

The District leases its Administrative Office and Fire Stations 31, 33 and 38 under a non-cancelable lease extending to July 1, 2019. Under this lease, the District makes semi-annual payments, which are sufficient to pay the principal and interest on the 2003 Refunding Certificates of Participation (COPs).

The cost of the buildings and the balance of the debt evidenced by the COPs have been included in the District's financial statements as this lease is in essence a financing arrangement, with ownership of the financed assets reverting to the District at its conclusion.

Interest is payable semi-annually each February 1 and August 1. Principal payments are due each August 1.

Lease Purchase Agreement

On November 23, 2004 the District entered into two lease purchase agreements with LaSalle Bank National Association in the total amount of \$2,235,000 for the purchase of fire engines and other service vehicles. Ownership of the vehicles passes to the District at the end of the leases. Since the leases are in essence financing arrangements, the cost of the fire engine and vehicles and the amount of the leases have been included in the District's financial statements.

The leases are payable from property tax revenues receivable by the District. Interest and principal are payable annually on December 1 commencing December 22, 2005.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 5 – LONG TERM DEBT (Continued)

The District's debt service requirements are presented below:

For The Year Ending June 30	Principal	Interest
2006	\$804,811	\$336,215
2007	820,784	315,454
2008	842,121	293,930
2009	787,916	271,819
2010	812,792	250,256
2011-2015	3,411,576	890,240
2016-2020	<u>3,305,000</u>	<u>330,154</u>
Total payments due	<u>\$10,785,000</u>	<u>\$2,688,068</u>

NOTE 6 - INTERFUND TRANSACTIONS

A. Current Balances

Current interfund balances arise in the normal course of business and are expected to be repaid shortly after the end of the fiscal year. At June 30, 2004 the amounts of current interfund balances were as follows:

Due from Other Funds	Due to Other Funds	Amount
Capital Projects Fund	General Fund	\$114,995
General Fund	Special Revenue Equipment Replacement Fund	<u>783,823</u>
	Total	<u>\$898,818</u>

B. Transfers Between Funds

With Board approval, resources may be transferred from one fund to another. The purpose of the majority of transfers is to provide resources for the recipient funds' expenditures. Less often, a transfer may be made to open or close a fund.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 6 - INTERFUND TRANSACTIONS (Continued)

Transfers between funds during the fiscal year ended June 30, 2005 were as follows:

Fund Receiving Transfers	Fund Making Transfers	Amount Transferred
Capital Projects Fund	General Fund	\$888,035 (A)
Special Revenue-Equipment Replacement Fund	General Fund	426,623 (B)
Total Interfund Transfers		\$1,314,658
(A) Capital projects and equipment		
(B) Equipment purchases		

NOTE 7 – NET ASSETS AND FUND BALANCES

GASB Statement 34 adds the concept of Net Assets, which is measured on the full accrual basis, to the concept of Fund Balance, which is measured on the modified accrual basis.

A. Net Assets

Net Assets is the excess of all the District’s assets over all its liabilities, regardless of fund. Net Assets are divided into three captions under GASB Statement 34. These captions apply only to Net Assets, which is determined only at the Government-wide level, and are described below:

Invested in Capital Assets, net of related debt describes the portion of Net Assets which is represented by the current net book value of the District’s capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Assets which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the District cannot unilaterally alter. These principally include debt service and acquisition and construction of facilities and equipment.

Unrestricted describes the portion of Net Assets which is not restricted to use.

B. Fund Balance

Fund balances consist of reserved and unreserved amounts. Reserved fund balances represent that portion of a fund balance, which is legally segregated for a specific future use. The remaining portion is unreserved. Fund balance has been **Reserved for Debt Service** to reflect the portion of fund balance legally segregated for the repayment of debt service on the Certificates of Participation and reserved for acquisition and construction of facilities and equipment.

Unreserved fund balance may be designated to indicate District plans for financial resource use in a future period, such as for general contingencies or capital projects. Such plans are subject to change by the District at its discretion.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 7 – NET ASSETS AND FUND BALANCES (Continued)

Fund balance designations are summarized below:

Designated for Workers' Compensation represents the portion of fund balance the District has set aside to pay for future workers' compensation claims.

Designated for Dry Spell (Cash Flow) represents the portion of fund balance set aside to cover expenditures during the future "dry-spell" prior to the receipt of the first settlement of property tax allocations in December.

Designated for Acquisition and Construction of Facilities and Equipment represents the portion of fund balance set aside to pay for capital outlays and equipment replacement needs identified as part of the District's capital improvement plans.

NOTE 8 - PENSION PLAN

Substantially all qualified permanent and probationary District employees are eligible to participate in pension plans offered by Contra Costa County Employee Retirement Association (CCCERA), a cost sharing multiple employer defined benefit pension plan which acts as a common investment and administrative agent for its participating member employers. CCCERA provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries.

Benefit provisions under the Plan are established by State statute and County resolution. Benefits are based on years of credited service, equal to one year of full time employment. Funding contributions for the Plan are determined annually on an actuarial basis by CCCERA; the District must contribute these amounts. The Plans' provisions and benefits in effect at January 1, 2005, are summarized as follows:

	Safety	Non-Safety
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	Varies	Varies
Required employee contribution rates	Average of 15.87%	Average of 10.18%
Required employer contribution rates	44.01%	24.80%

The Districts pays a portion of employee contributions calculated on base pay. The remainder of employee contributions are paid by each employee.

The District paid actuarially required contributions, including additional assessments pursuant to the adoption of 3% @ 50 and 2% @ 55 plans that amounted to \$8,327,072 in fiscal year 2005, including a settlement payment of \$1,291,000 as discussed below. Actuarially required contributions for fiscal year 2004 and 2003 were \$6,811,706 and \$6,264,532. These contributions approximated 5.19% of total plan contributions from all members participating in CCCERA. Retirement age varies and is based on different criteria, as described in the plan.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 8 - PENSION PLAN (Continued)

In prior year, the District filed a lawsuit challenging the amounts of additional retirement contributions assessed by CCCERA due to the adoption of 3% @ 50 retirement benefits for safety employees and 2% @ 55 benefits for miscellaneous employees. As of June 30, 2005 the District and CCCERA were in settlement negotiations and the District has recorded a liability for its estimate of the final settlement amount.

CCCERA determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, the District's total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost. Normal benefit cost under this method is the level amount the employer must pay annually to fund an employee's projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the actuarially accrued liabilities.

CCCERA uses the market related value method of valuing the Plan's assets. As of December 31, 2005, an investment rate of return of 7.90% is assumed, including inflation at 4.00%. Annual salary increases are assumed to vary by duration of service and annual retirement benefit increases are assumed to be 6.41%. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period ends June 30, 2022.

Trend information for the District is not available. Complete trend data is available in separately issued financial statements of the plan which can be obtained from CCCERA located at 1355 Willow Way, Suite 221, Concord California. Three year trend data as of December 31 for the Plan is presented below (in thousands):

Actuarial (Dollars in Thousands)						
Valuation Date	Entry Age Accrued Liability	Value of Assets	Unfunded Liability	Funded Ratio	Annual Covered Payroll	Unfunded (Overfunded) Liability as % of Payroll
2001	\$2,983,551	\$2,613,220	\$370,331	87.6%	\$523,621	70.725%
2002	3,677,624	3,296,736	380,888	89.6%	580,415	65.623%
2003	4,141,390	3,538,722	602,668	85.4%	600,274	100.399%

NOTE 9 - DEFERRED COMPENSATION PLAN

District employees may defer a portion of their compensation under two District sponsored Deferred Compensation Plans created in accordance with Internal Revenue Code Section 457. Under these plans, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, and death or in an emergency as defined by the Plans.

The laws governing deferred compensation plan assets require plan assets to be held in a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the District's property, are not managed by the District and are not subject to claims by general creditors of the District, they have been excluded from these financial statements.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 10 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts theft of, damage to and destruction of assets, errors and omission, injuries to employees, and natural disasters. The District retains risk (a deductible) for a portion of losses arising from general liability, property, workers' compensation and auto liability losses. Once the District's deductible is met, insurance providers become responsible for payment of all claims up to the coverage limit. The District participates in the Contra Costa County Risk Management Program, a member of CSAC, a public entity risk pool which provides insurance coverage to participating members. The District also has insurance coverage through insurance policies with commercial insurance companies.

The District did not have any claim settlements that exceed the insurance coverage in the last three years. A summary of the District's insurance is as follows:

<u>Coverage</u>	<u>Insurance Company/ Risk Pool</u>	<u>Limit of Liability</u>	<u>Deductible/ SIR</u>
Workers' Compensation	Insurance Co.	\$25,000,000	\$750,000
All Risk Property	CSAC	2,400,000,000 (flood)	100,000 (flood)
		200,000,000 (terrorism)	500,000 (terrorism)
		2,400,000,000 (all others)	500 (all others)
Earthquake	CSAC	500,000,000	5% per "unit"
Boiler & Machinery	CSAC	100,000,000	5,000
General & Automobile Liability	CSAC	25,000,000	None
Pollution Liability	CSAC	10,000,000	25,000
Employee Dishonesty	Insurance Co.	10,000,000	50,000

CSAC is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of CSAC, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on the Board.

As of June 30, 2005, the District's third party administrator responsible for processing Workers' Compensation claims determined that the liability for unpaid claims amounted to \$906,540. As of that same date, management estimated the liability for unpaid claims for the other types of losses discussed above, including a provision for losses incurred but not reported amounted to be \$20,000. These losses will be paid from future resources; therefore, these liabilities have been accounted for in governmental activities. Changes to these claims payable are disclosed below:

	<u>Fiscal Year 2004-05</u>	<u>Fiscal Year 2003-04</u>
Balance, July 1	\$995,919	\$1,126,190
Current year claims and estimated changes in claims payable	366,859	306,440
Claims paid	<u>(436,238)</u>	<u>(436,711)</u>
Balance, June 30	<u>\$926,540</u>	<u>\$995,919</u>

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Notes to Basic Financial Statements
For the Year Ended June 30, 2005

NOTE 11 - CONTINGENT LIABILITIES AND COMMITMENTS

On July 23, 2002, the District entered into a Real Property Purchase and Sale Agreement with a developer for a future Alamo Creek Fire Station site. Under the agreement, the District will pay \$700,000 for the property after certain provisions, as stated on the agreement, are fulfilled. This purchase will be financed by a promissory note with the developer. As of June 30, 2005, the land purchase had not occurred yet because not all provisions were fulfilled.

The District participates in Federal and State grant programs. These programs have been audited through the fiscal year ended June 30, 2005 by the District's independent accountants in accordance with the provisions of the federal Single Audit Act amendments of 1996 and applicable State requirements. No cost disallowances were proposed as a result of these audits; however, these programs are still subject to further examination by the grantors and the amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The District expects such amounts, if any, to be immaterial.

The District is subject to litigation arising in the normal course of business. In the opinion of the District Attorney there is no pending litigation, other than disclosed in Note 8, which is likely to have a material adverse effect on the financial position of the District.

**MAJOR GOVERNMENTAL FUND, OTHER THAN
GENERAL FUND AND SPECIAL REVENUE FUND**

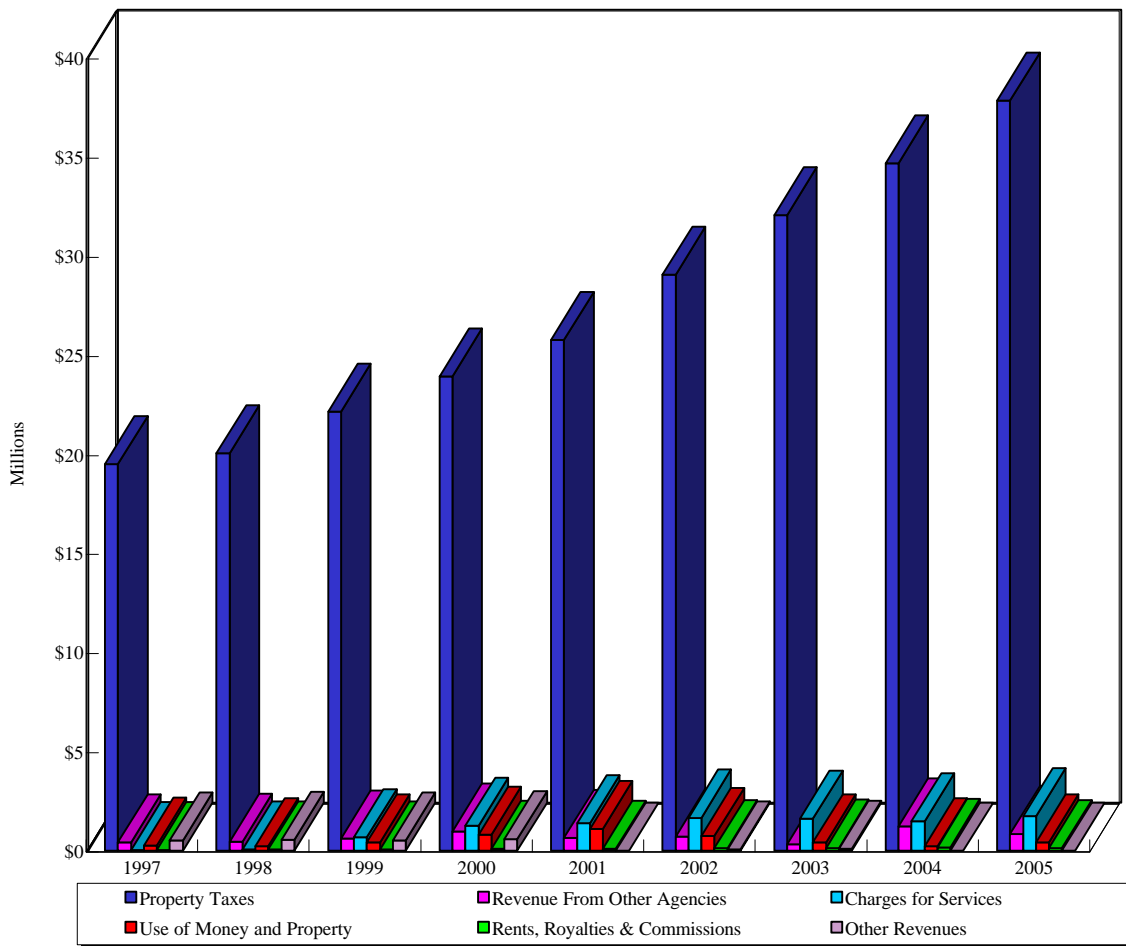
Capital Projects Fund – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. The District also uses this fund to pay debt service on its long-term debt. Resources are provided by General Fund operating transfers and interest income on unspent funds.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2005

	<u>Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES			
Use of money and property	\$10,000	\$10,325	\$325
Total Revenues	<u>10,000</u>	<u>10,325</u>	<u>325</u>
EXPENDITURES			
Capital Outlay:			
Various improvements	191,600	158,847	32,753
Total capital outlay	<u>191,600</u>	<u>158,847</u>	<u>32,753</u>
Debt Service:			
Principal	465,000	465,000	
Interest, fiscal agent charges and issuance costs	270,008	270,008	
Total debt service	<u>735,008</u>	<u>735,008</u>	
Total Expenditures	<u>926,608</u>	<u>893,855</u>	<u>32,753</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(916,608)</u>	<u>(883,530)</u>	<u>33,078</u>
OTHER FINANCING SOURCES			
Transfers in	947,874	888,035	(59,839)
Total Other Financing Sources	<u>947,874</u>	<u>888,035</u>	<u>(59,839)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER USES	<u>\$31,266</u>	4,505	<u>(\$26,761)</u>
 Fund balance at beginning of year		<u>742,017</u>	
Fund balance at end of year		<u>\$746,522</u>	

See accompanying notes to financial statements

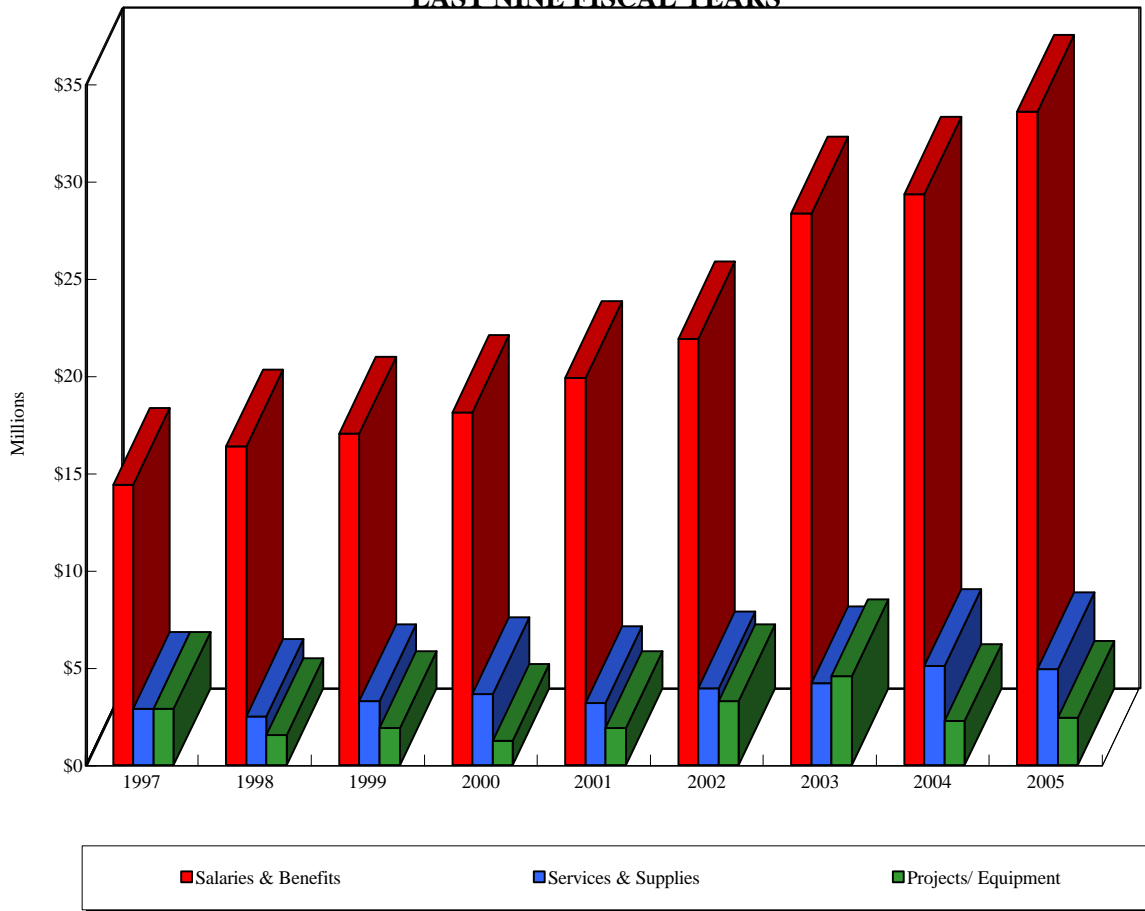
**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
GENERAL REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES
LAST NINE FISCAL YEARS**



Fiscal Year	Property Taxes	Revenue From Other Agencies	Charges for Services	Use of Money and Property	Rents, Royalties, & Commissions	Other Revenues	Total
1997	\$19,505,431	\$427,588	\$41,717	\$243,486	\$22,700	\$512,374	\$20,753,296
1998	20,059,298	439,995	49,807	210,298	64,300	534,914	21,358,612
1999	22,150,916	614,988	678,822	415,033	70,713	518,224	24,448,696
2000	23,934,000	961,499	1,271,094	807,391	97,701	581,387	27,653,072
2001	25,763,944	635,374	1,378,187	1,099,611	97,899	1,966	28,976,981
2002	29,049,779	696,646	1,658,768	748,911	125,763	65,975	32,345,842
2003	32,046,025	308,783	1,606,447	415,633	141,573	86,893	34,605,354
2004	34,686,306	1,220,129	1,494,538	229,904	173,770	2,676	37,807,323
2005	37,844,880	841,812	1,750,852	406,677	139,418	678	40,984,317

Source: Annual District Financial Statements and Records
(Data for years prior to 1997 are not available)

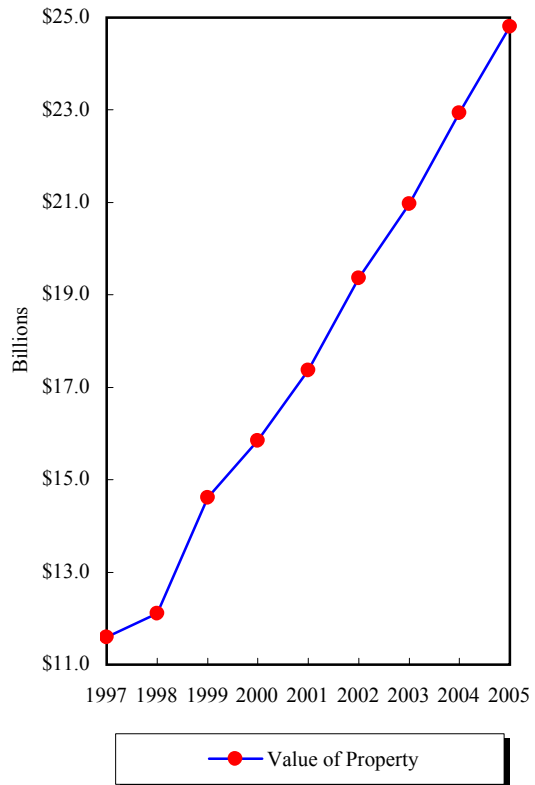
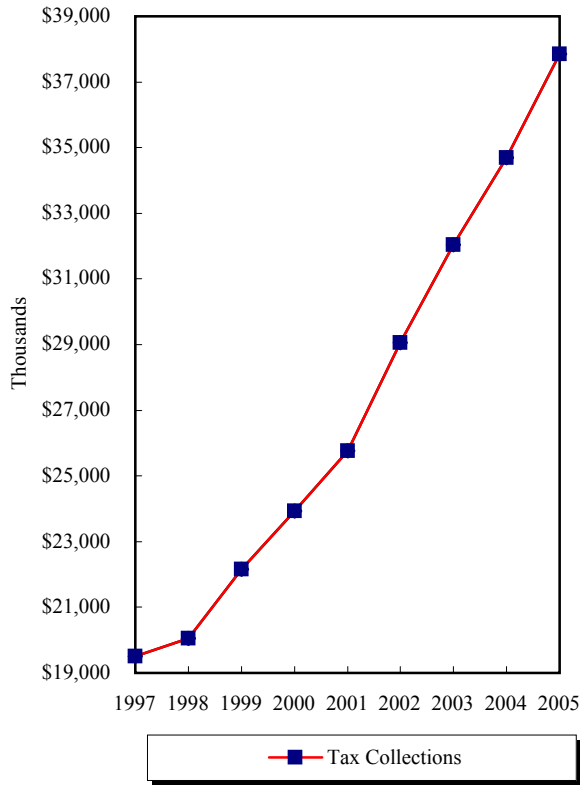
**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
GENERAL EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES
LAST NINE FISCAL YEARS**



Fiscal Year	Salaries & Benefits	Services & Supplies	Capital Projects/ Equipment	Total
1997	\$14,420,641	\$2,905,185	\$2,910,575	\$20,236,401
1998	16,370,705	2,528,358	1,545,607	20,444,670
1999	17,049,800	3,298,994	1,928,858	22,277,652
2000	18,140,898	3,656,576	1,272,865	23,070,339
2001	19,898,342	3,193,238	1,923,565	25,015,145
2002	21,918,134	3,948,150	3,299,886	29,166,170
2003	28,344,712	4,213,231	4,585,463	37,143,406
2004	29,347,624	5,114,318	2,275,141	36,737,083
2005	33,570,846	4,950,609	2,453,074	40,974,529

Source: Annual District Financial Statements and Records
(Data for years prior to 1997 are not available)

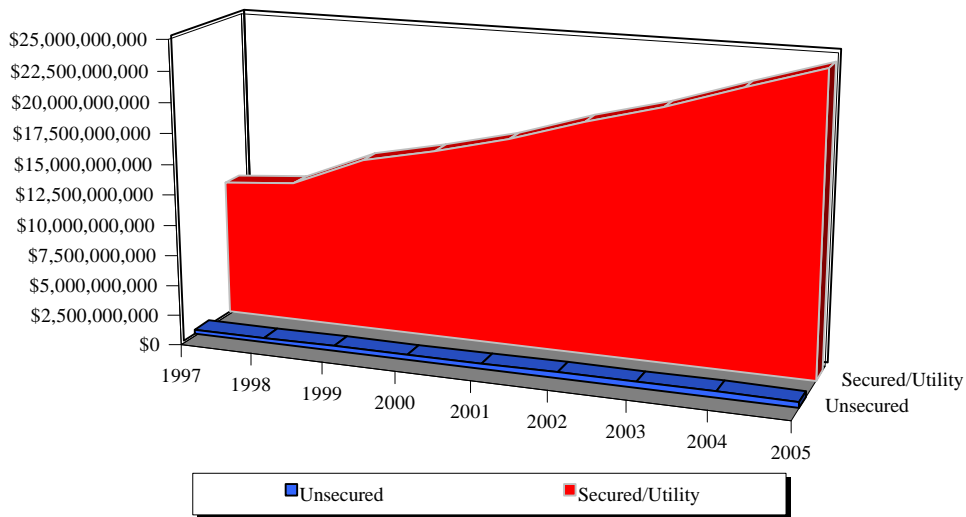
**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST NINE FISCAL YEARS**



Fiscal Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Value of Property Subject to Local Tax Rate
1997	\$19,505,431	\$19,505,431	100.0000%	\$11,602,097,584
1998	20,059,298	20,059,298	100.0000%	12,102,005,410
1999	22,150,916	22,150,916	100.0000%	14,617,794,260
2000	23,934,000	23,934,000	100.0000%	15,847,117,980
2001	25,763,944	25,763,944	100.0000%	17,366,548,257
2002	29,049,779	29,049,779	100.0000%	19,368,792,745
2003	32,046,025	32,046,025	100.0000%	20,964,404,942
2004	34,686,306	34,686,306	100.0000%	22,942,413,287
2005	37,844,880	37,844,880	100.0000%	24,804,144,852

Source: San Ramon Valley Fire Protection District Records
(Data for years prior to 1997 are not available)

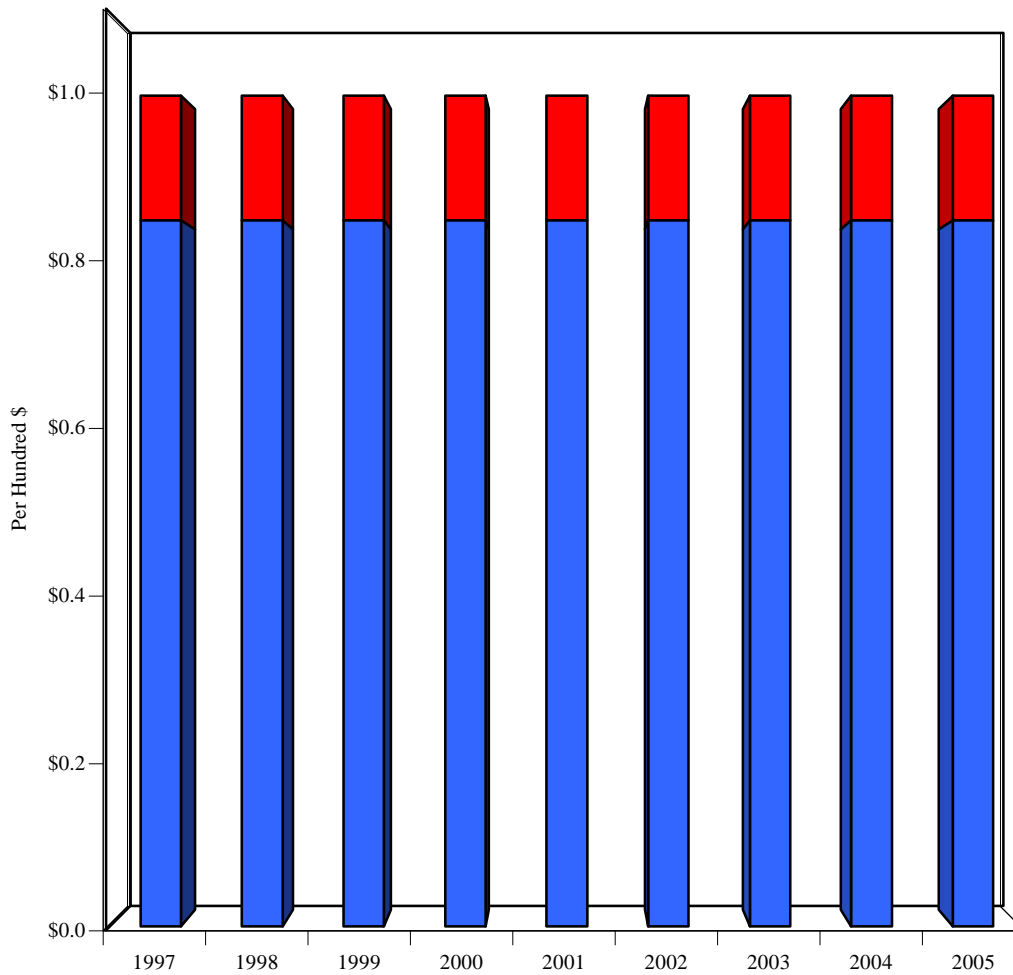
**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
ASSESSED VALUE OF TAXABLE PROPERTY
LAST NINE FISCAL YEARS**



Fiscal Year	Local Secured	Utility	Unsecured	Total Assessed Value
1997	\$11,248,231,509	\$ -	\$353,866,075	\$11,602,097,584
1998	11,742,944,101	-	359,061,309	12,102,005,410
1999	14,203,610,350	-	414,183,910	14,617,794,260
2000	15,457,099,622	359,772	389,658,586	15,847,117,980
2001	16,933,699,158	359,772	432,489,327	17,366,548,257
2002	18,854,708,691	381,584	513,702,470	19,368,792,745
2003	20,468,162,469	381,584	495,860,889	20,964,404,942
2004	22,432,355,228	381,584	509,676,475	22,942,413,287
2005	24,344,839,894	381,584	458,923,374	24,804,144,852

Source: California Municipal Statistics, Inc.
(For years 1997-1999, Utility Tax was not available on a segregated basis from Local Secured Tax and data for years prior to 1997 are not available)

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST NINE FISCAL YEARS**



<u>Fiscal Year</u>	<u>Average Portion Allocated to District</u>	<u>Other Agencies</u>	<u>Basic County Wide Levy</u>
1997	15%	85%	100%
1998	15%	85%	100%
1999	15%	85%	100%
2000	15%	85%	100%
2001	15%	85%	100%
2002	15%	85%	100%
2003	15%	85%	100%
2004	15%	85%	100%
2005	15%	85%	100%

Source: County Auditor/Controller's Office
Per \$100 of assessed valuation

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
DEMOGRAPHIC STATISTICS
LAST NINE FISCAL YEARS**



<u>Fiscal Year</u>	<u>Town of Danville Population</u>	<u>City of San Ramon Population</u>	<u>Unincorporated Population (1)</u>	<u>Total Population</u>	<u>% Increase</u>
1997	38,104	41,930	20,606	100,640	2.3888%
1998	39,168	43,794	20,606	103,568	2.9094%
1999	39,881	45,083	20,606	105,570	1.9330%
2000	40,484	44,843	20,606	105,933	0.3438%
2001	42,854	46,109	25,039	114,002	7.6171%
2002	43,003	46,237	45,760	135,000	18.4190%
2003	43,215	47,060	50,519	140,794	4.2919%
2004	43,243	48,609	51,529	143,381	1.8374%
2005	43,273	51,027	54,105	148,405	3.5040%

Source: City of San Ramon and Town of Danville

(1) For the years 2002, 2003 and 2004, the Unincorporated area population figure is based on SRVFPD's data; prior years are based on census data.

(Data for years prior to 1997 are not available)

SAN RAMON VALLEY FIRE PROTECTION DISTRICT

Largest 2004-05 Local Secured Taxpayers

	<u>Property Owner</u>	<u>Land Use</u>	2004-05 <u>Assessed Valuation</u>	% of <u>Total (1)</u>
1.	Chevron USA Inc.	Office Building	\$ 318,701,161	1.31%
2.	Sunset Building Company LLC / Sunset Land Company LLC	Office Building	316,004,110	1.30
3.	Shapell Industries Inc.	Residential Development	255,889,195	1.05
4.	SDC 7	Office Building	141,673,327	0.58
5.	Windemere BLC Land Company	Residential Development	138,010,066	0.57
6.	Annabel Investment Company	Office Building	137,941,628	0.57
7.	Essex San Ramon Partners / Essex Portfolio LP	Apartments	89,822,231	0.37
8.	Centex Homes	Residential Development	89,087,136	0.37
9.	Alexander Properties Co.	Office Building	84,241,685	0.35
10.	Toll Land XXII LP	Residential Development	70,945,862	0.29
11.	Greystone Homes Inc.	Residential Development	70,455,546	0.29
12.	BRE Properties Inc.	Apartments	61,294,741	0.25
13.	ASN Multifamily LP	Apartments	59,703,739	0.25
14.	NME Hospitals Inc.	Hospital	52,244,018	0.21
15.	Ardenwood Development Associates	Residential Development	46,075,192	0.19
16.	Regency Centers LP	Shopping Center	45,887,839	0.19
17.	Gateway Crescent Inc.	Apartments	43,664,582	0.18
18.	Cedar Grove Apartments	Apartments	43,524,003	0.18
19.	230 Alamo Plaza Inc.	Shopping Center	41,600,623	0.17
20.	GMS Five LLC	Shopping Center	<u>36,257,922</u>	<u>0.15</u>
			<u>\$2,143,024,606</u>	8.80%

(1) 2004-05 Local Secured Assessed Valuation: \$24,344,839,894

Source: California Municipal Statistics, Inc.

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING
BONDED DEBT AS OF JUNE 30, 2005**

2004-05 Assessed Valuation: \$24,804,144,852
 Redevelopment Incremental Valuation: 830,231,579
 Adjusted Assessed Valuation: \$23,973,913,273

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 6/30/05</u>
Bay Area Rapid Transit District	7.156%	\$ 7,155,612
Chabot-Las Positas Community College District	0.237	237,000
Contra Costa Community College District	22.969	21,039,596
Livermore Valley Joint Unified School District	0.394	301,765
San Ramon Valley Unified School District	99.245	124,635,597
Acalanes Union High School District	0.015	18,376
Lafayette School District	0.061	15,972
East Bay Municipal Utility District	18.979	578,860
East Bay Regional Park District	10.104	14,694,669
Association of Bay Area Governments Windemere Ranch Community Facilities District No. 2004-2	100.	30,000,000
Contra Costa County Community Facilities District No. 2001-1	100.	6,995,000
City, County and Special District 1915 Act Bonds (Estimate)	2.781-100.	<u>135,297,248</u>
TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT		\$340,969,695
Less: East Bay Municipal Utility District (100% self-supporting)		<u>578,860</u>
TOTAL NET OVERLAPPING TAX AND ASSESSMENT DEBT		\$340,390,835

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
Contra Costa County General Fund Obligations	23.076%	\$ 72,825,548
Contra Costa County Pension Obligations	23.076	128,010,649
Contra Costa County Board of Education Certificates of Participation	23.076	391,138
Contra Costa County Mosquito Abatement District Certificates of Participation	23.076	66,921
Chabot-Las Positas Community College District General Fund Obligations	0.237	19,896
Contra Costa Community College District Certificates of Participation	22.969	290,558
Town of Danville Certificates of Participation	100.	11,815,000
City of San Ramon Certificates of Participation	100.	20,480,000
San Ramon Valley Fire Protection District Certificates of Participation	100.	<u>8,550,000</u>
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$242,449,710

GROSS COMBINED TOTAL DEBT \$583,419,405 (1)
 NET COMBINED TOTAL DEBT \$582,840,545

(1) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2004-05 Assessed Valuation:
 Total Gross Overlapping Tax and Assessment Debt..... 1.37%
 Total Net Overlapping Tax and Assessment Debt..... 1.37%

Ratios to Adjusted Assessed Valuation:
Combined Direct Debt (\$8,550,000) 0.04%
 Gross Combined Total Debt..... 2.43%
 Net Combined Total Debt 2.43%

STATE SCHOOL BUILDING AID REPAYABLE AS OF 6/30/05: \$0

Source: California Municipal Statistics, Inc.

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN
JUNE 30, 2005**

ASSESSED VALUATION:

Total Assessed Valuation	<u><u>\$24,804,144,852</u></u>
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BONDED DEBT LIMIT (15% OF ASSESSED VALUE)	\$3,720,621,728
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AMOUNT OF DEBT SUBJECT TO LIMIT

LEGAL DEBT MARGIN	<u><u>\$3,720,621,728</u></u>
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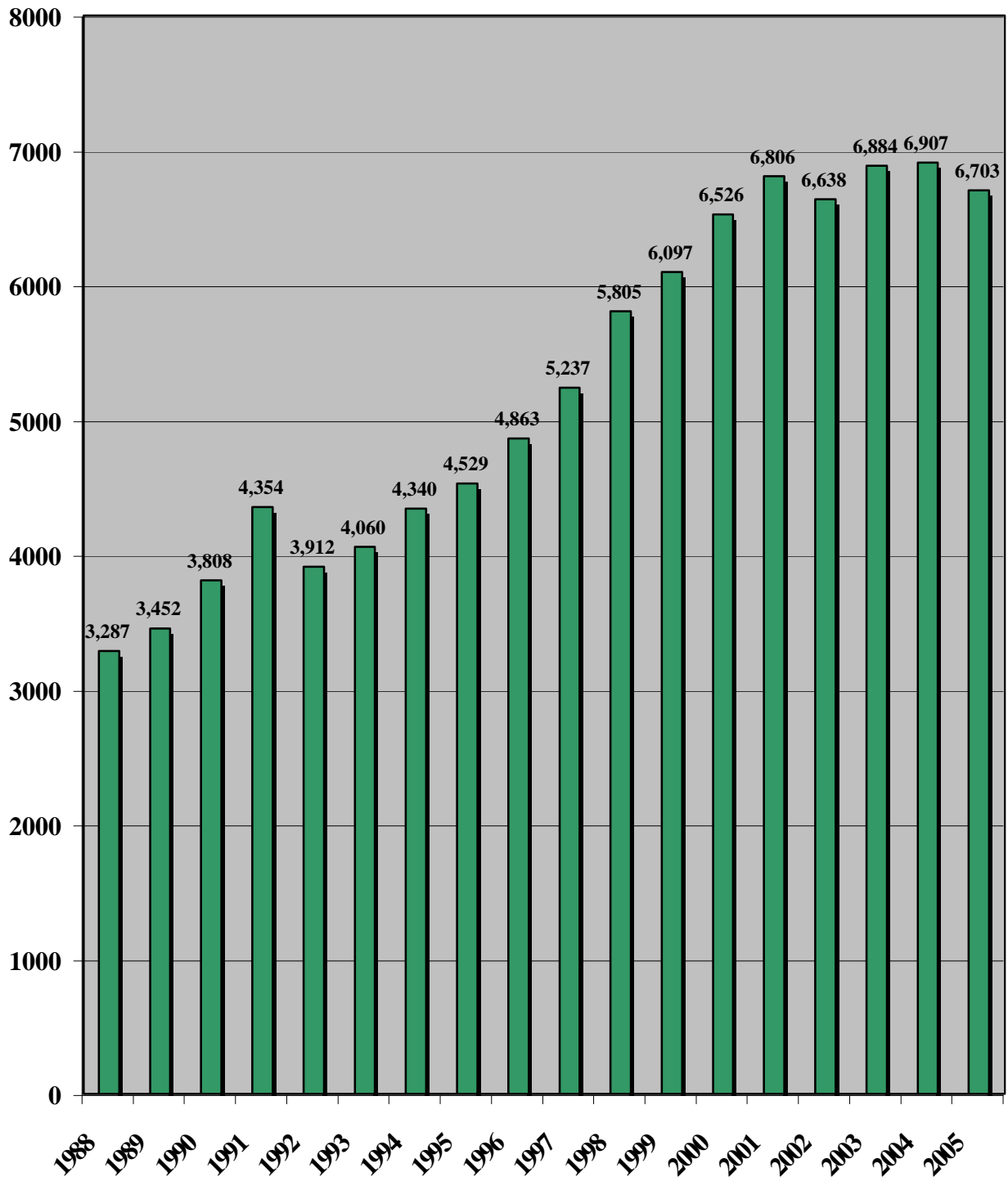
SOURCE: SAN RAMON VALLEY FIRE PROTECTION DISTRICT

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
SUMMARY OF DISTRICT ACTIVITIES
FY 2004-2005**

CATEGORY	TOTAL	% CHANGE
POPULATION	148,405	3.50%
RESPONSES	6,703	-2.95%
MUTUAL AID (Excluding Station Coverage)		
Received	34	-29.17%
Extended	182	10.30%
PROPERTY LOSS (Due to Fire)		
Value of Property Involved	\$62,529,350	21.42%
Property Loss	\$2,411,300	-59.81%
Property Loss: Percentage of Value of Property Involved	3.86%	-66.90%
FIRE PREVENTION		
Fire Safety Inspections (Construction/Code Compliance)	2,429	-0.41%
Fire Investigations	14	-22.22%
Weed Abatement Inspections	1,743	-8.46%
Public Education and Training (Number of People)	23,081	-14.44%
Plan Reviews and Permits	1,401	9.45%
TOTAL FULL-TIME EMPLOYEES	176	2.92%
WORKERS' COMPENSATION CLAIMS		
Premium and Claims Expenses	477,648	-34.28%
LEAVE HOURS (All Personnel)		
Sick Leave Used	17,026	13.40%
Service Connected Disability Leave	6,092	28.52%
Vacation Time Used	34,889	0.03%
TRAINING FOR SUPPRESSION PERSONNEL		
Total Training Hours	66,673	-0.42%

% Change is the measurement against prior year actuals

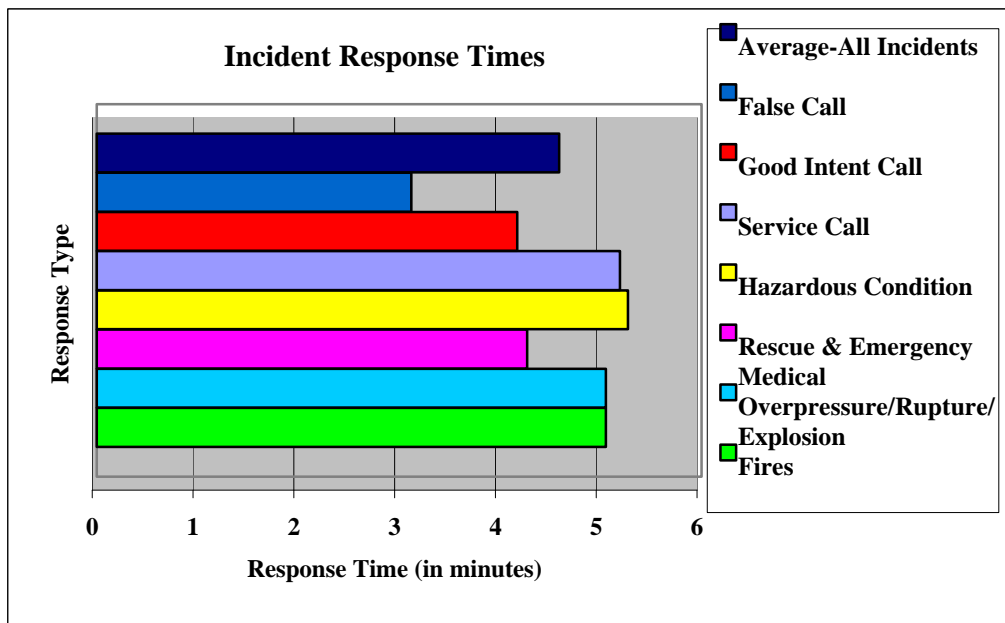
**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
COMPARATIVE ANNUAL GRAPH
TOTAL RESPONSES FY 1988-2005**



**SAN RAMON FIRE PROTECTION DISTRICT
EMERGENCY RESPONSE ANALYSIS
FY 2004-2005
TOTAL RESPONSES: 6,703**

TYPE OF INCIDENT	AVERAGE RESPONSE TIME (In Minutes)*
Fire & Explosion	5.05
Overpressure/Rupture/Explosion	5.05
Rescue & Emergency Medical	4.27
Hazardous Condition	5.27
Service Call	5.19
Good Intent Call	4.17
False Call	3.12
AVERAGE-ALL INCIDENTS	4.59

**Response Time: Time in minutes from time call received to first unit on scene*

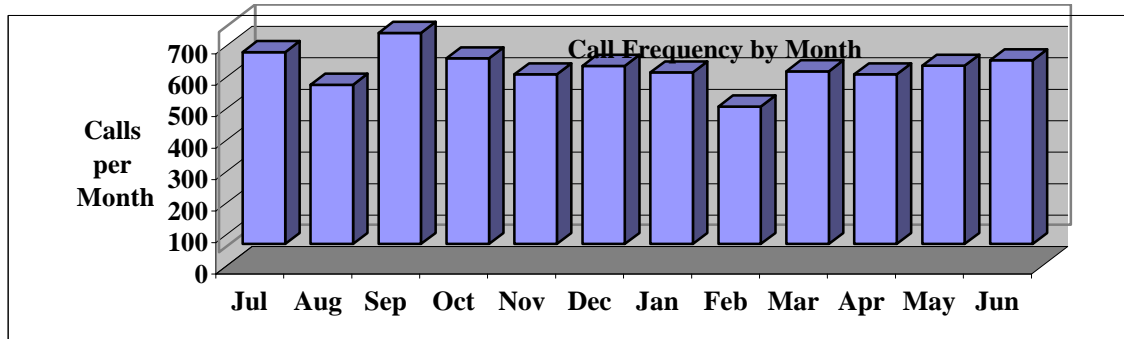


**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
CALL METHOD AND FREQUENCY - FY 2004-2005
TOTAL RESPONSES: 6,703**

METHOD CALLS RECEIVED		
METHOD	TOTAL	%
Telephone	6,556	97.81%
Radio	63	0.94%
Still (in person)	84	1.25%

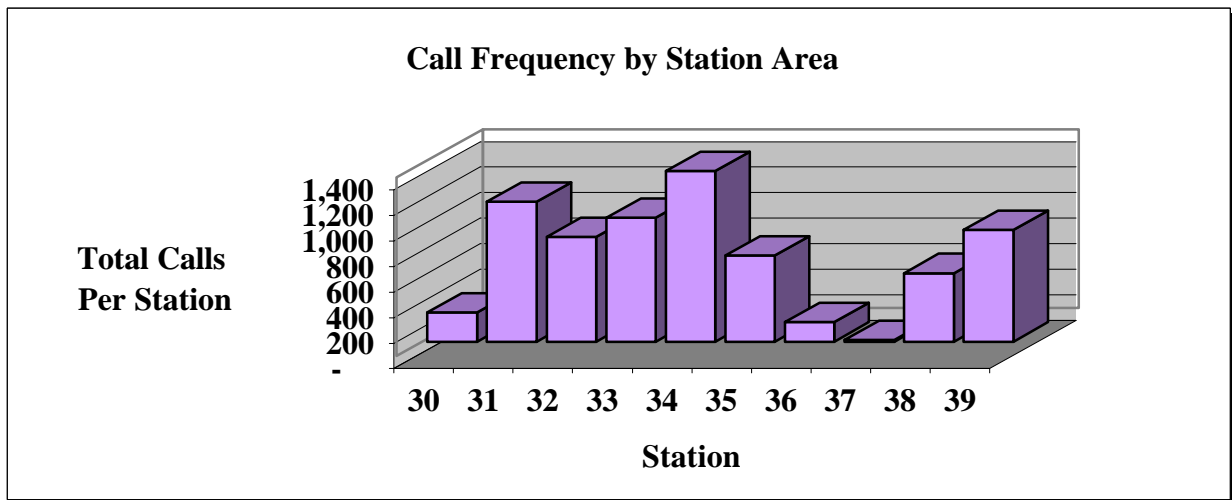
CALL FREQUENCY BY HOUR					
TIME	TOTAL	%	TOTAL	TOTAL	%
12-1 a.m.	145	2.16%	Noon-1p.m.	383	5.71%
1-2 a.m.	140	2.09%	1-2 p.m.	411	6.13%
2-3 a.m.	116	1.73%	2-3 p.m.	349	5.21%
3-4 a.m.	101	1.51%	3-4 p.m.	420	6.27%
4-5 a.m.	110	1.64%	4-5 p.m.	402	6.00%
5-6 a.m.	130	1.94%	5-6 p.m.	393	5.86%
6-7 a.m.	144	2.15%	6-7 p.m.	358	5.34%
7-8 a.m.	250	3.73%	7-8 p.m.	341	5.09%
8-9 a.m.	365	5.45%	8-9 p.m.	296	4.42%
9-10 a.m.	384	5.73%	9-10 p.m.	247	3.68%
10-11 a.m.	410	6.12%	10-11 p.m.	225	3.36%
11-12 noon	412	6.15%	11-midnight	171	2.55%

CALL FREQUENCY BY MONTH					
MONTH	TOTAL	%	MONTH	TOTAL	%
July	610	9.10%	January	545	8.13%
August	506	7.55%	February	437	6.52%
September	671	10.01%	March	549	8.19%
October	590	8.80%	April	539	8.04%
November	539	8.04%	May	567	8.46%
December	566	8.44%	June	584	8.71%



**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
CALL METHOD AND FREQUENCY - FY 2004-2005
(CONTINUED)**

CALL FREQUENCY BY STATION AREA		
STATION AREA	TOTAL CALLS	%
Station 30 - San Ramon	227	3.39%
Station 31 - Danville	1,096	16.35%
Station 32 - Alamo	820	12.23%
Station 33 - Diablo	972	14.50%
Station 34 - San Ramon	1,336	19.93%
Station 35 - Blackhawk	674	10.06%
Station 36 - Tassajara	152	2.27%
Station 37 - Morgan Territory	14	0.21%
Station 38 - San Ramon	537	8.01%
Station 39 - San Ramon	875	13.05%



CALL FREQUENCY BY SHIFT		
SHIFT	TOTAL CALLS	%
"A" Shift	2,201	32.84%
"B" Shift	2,268	33.84%
"C" Shift	2,234	33.33%

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
EMERGENCY RESPONSE DETAIL ANALYSIS
FY 2004-2005
TOTAL RESPONSES: 6,703**

CA FIRE INCIDENT REPORT SYSTEM CODE	CATEGORY DESCRIPTION	NUMBER OF INCIDENTS
FIRE & EXPLOSION		
10,17,19	Fire, explosion; other outside fire; insufficient information	16
11	Structure fire	72
13,14	Fire in mobile property inside/outside a structure	83
15	Fire in trees, grass, brush, standing crops	28
16	Refuse fire outside	14
TOTAL: FIRE & EXPLOSION		213
OVERPRESSURE RUPTURE & EXPLOSION		
20,21,22	Steam, air, gas rupture	4
24	Fireworks explosion (no fire)	1
25	Excessive heat, overheat, scorch with no ignition	10
TOTAL: OVERPRESSURE RUPTURE & EXPLOSION		15
RESCUE & EMERGENCY MEDICAL CALL		
30,39	Rescue, emergency medical call; insufficient information	3
31	Emergency medical assist	153
32	Emergency medical call	4,196
33,34,38	Lock-in, land search (people), rescue/EMS standby	8
35,36,37	People trapped, caught, buried, electrocution	7
TOTAL: RESCUE & EMERGENCY MEDICAL CALL		4,367
HAZARDOUS CONDITION		
40,47,49	Hazardous condition, standby; insufficient information	54
41	Flammable gas or liquid condition	66
42	Toxic condition	9
44	Electrical arcing, shorted electrical equipment	75
46	Vehicle accident	41
48	Attempted burning, illegal action	5
TOTAL: HAZARDOUS CONDITION		250

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
EMERGENCY RESPONSE DETAIL ANALYSIS
FY 2004-2005 (continued)**

CA FIRE INCIDENT REPORT SYSTEM CODE	CATEGORY	NUMBER OF INCIDENTS
	DESCRIPTION	
SERVICE CALL		
50,54,59	Service call; animal rescue; insufficient information	74
51	Lock-out	114
52	Water/steam leak	96
53	Smoke/odor removal	39
55	Assist invalid	255
56	Unauthorized burning	2
57	Cover assignment	1
TOTAL: SERVICE CALL		581

GOOD INTENT CALL		
60,62,69	Good intent call; wrong location; insufficient information	55
61	Incident cleared prior to arrival	142
63	Controlled burning	1
64	Vicinity alarm	17
65	Steam or other gas mistaken for smoke	163
66	EMS call where patient(s) transported prior to arrival	12
67	HazMat investigation, no condition found	4
TOTAL: GOOD INTENT CALL		394

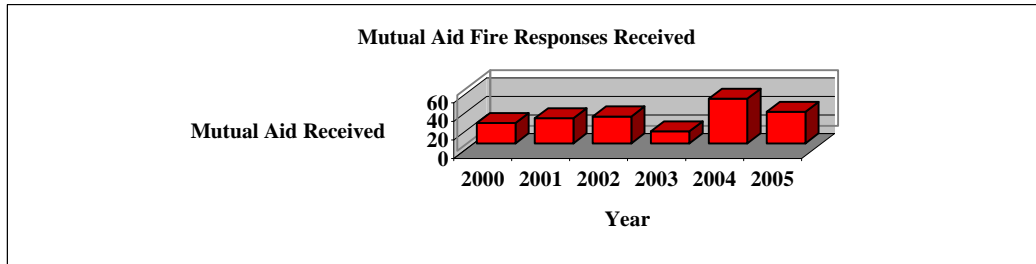
FALSE CALL		
70,79	False call; insufficient information	143
71	Malicious, mischievous false call	96
73	System malfunction	194
74	Unintentional alarm	432
TOTAL: FALSE CALL		865

NATURAL DISASTER		
80,81,82,83,89	Flood; Windstorm; Miscellaneous not classified	0
TOTAL: NATURAL DISASTER		0

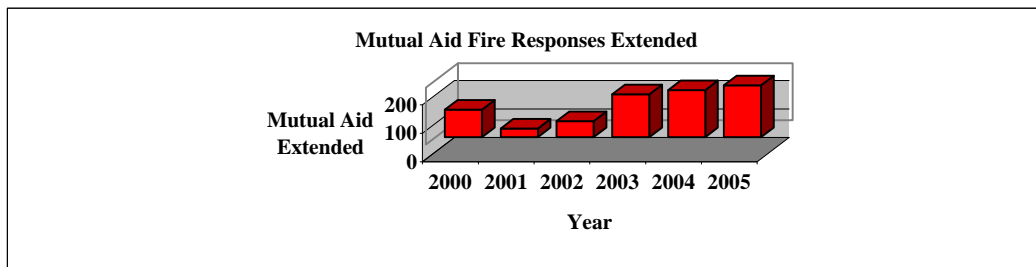
OTHER TYPES OF SITUATIONS FOUND		
90,91	Type of situations found not classified above	18
TOTAL: NATURAL DISASTER		18

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
MUTUAL AID FIRE RESPONSES - FY 2004-2005
(EXCLUDING STATION COVERAGE)**

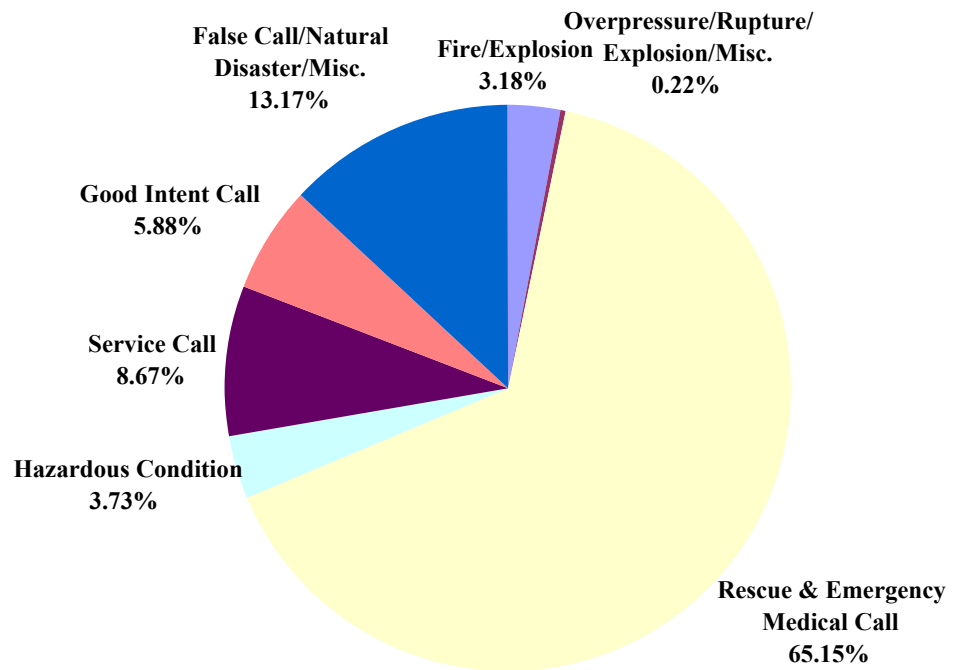
MUTUAL AID RECEIVED						
DEPARTMENT	2000	2001	2002	2003	2004	2005
Alameda County Fire District	8	9	8	9	16	21
Contra Costa County Fire District	14	18	21	4	32	13
TOTAL(Includes Auto Aid)	22	27	29	13	48	34



MUTUAL AID EXTENDED						
DEPARTMENT	2000	2001	2002	2003	2004	2005
Alameda County Fire District	57	3	9	92	116	135
Alameda County-Twin Valley	4	3	2	0	0	0
California Department of Forestry	2	3	3	5	6	5
Contra Costa County	3	0	3	8	8	9
Contra Costa County Fire District	31	21	39	46	35	33
TOTAL(Includes Auto Aid)	97	30	56	151	165	182



**San Ramon Valley Fire Protection District
Emergency Responses - FY 2004-2005
Total: 6,703**



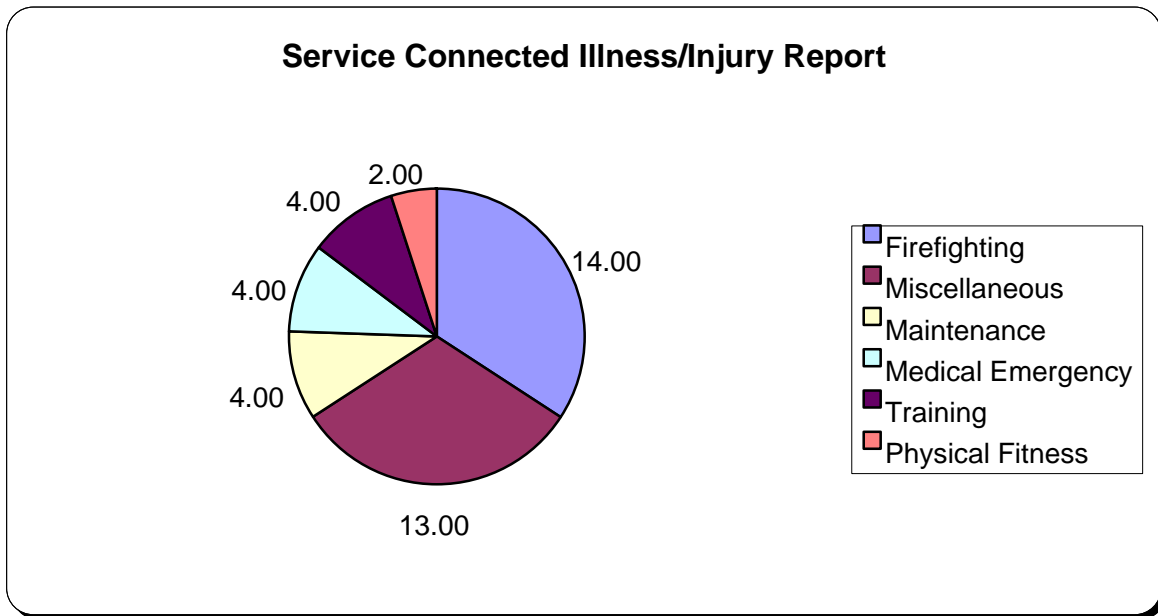
**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
FIRE PREVENTION ACTIVITY
FY 2004-2005**

CATEGORY	TOTALS
New Construction Inspections (Includes Inspections and Re-inspections)	981
Code Compliance Inspections (Includes Inspections, Re-inspections and Complaints)	1,448
Weed Abatement Inspections (Includes Inspections, Re-inspections and Complaints)	1,743
Fire District Permits Issued	275
Plan Reviews	1,126
Fires Investigations	14
Public Education* (Number of persons receiving public safety information)	23,081

**The total for the "Public Education" category includes large community events, such as the San Ramon Wind Festival, Danville Hot Summer Nights, Danville Art & Halloween Festival, Devil Mountain Run and Fourth of July Parade*

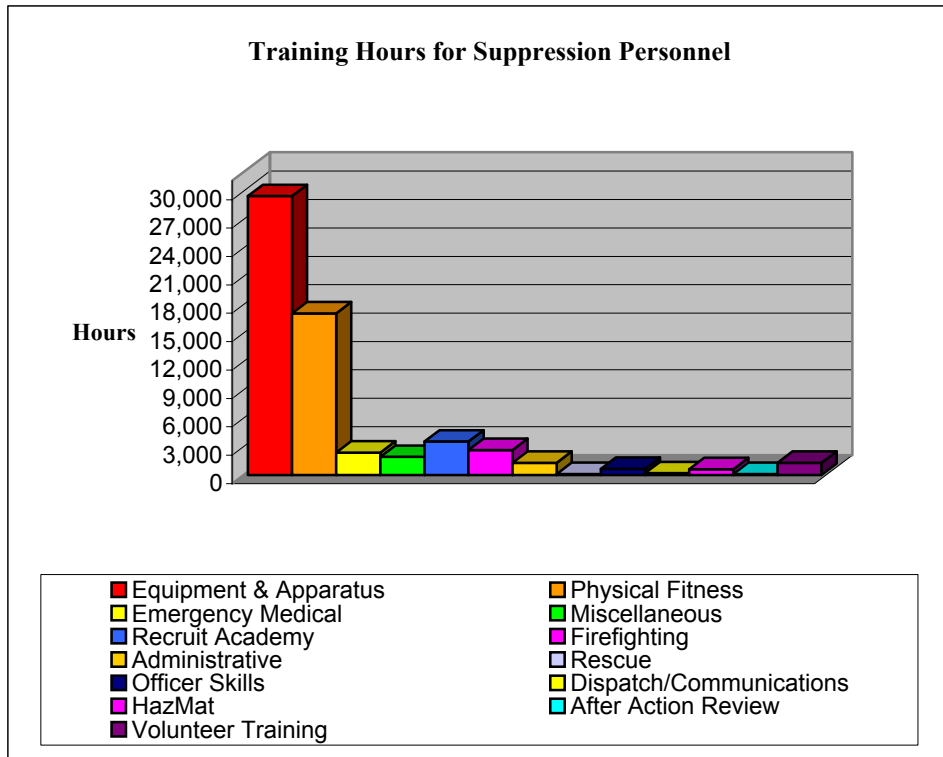
**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
SERVICE CONNECTED ILLNESS/INJURY REPORT
FY 2004-2005**

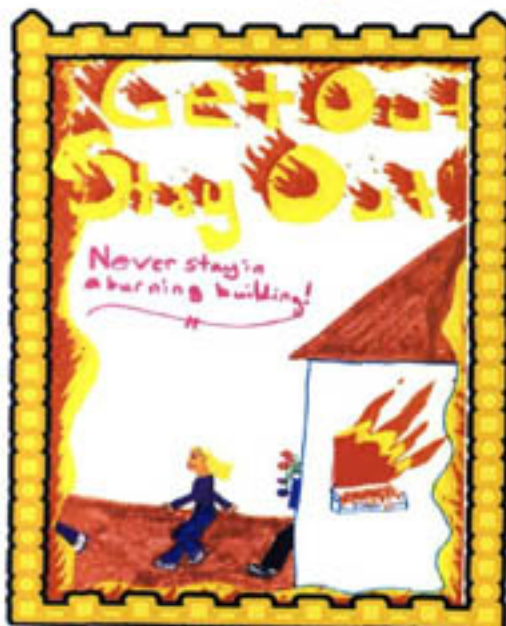
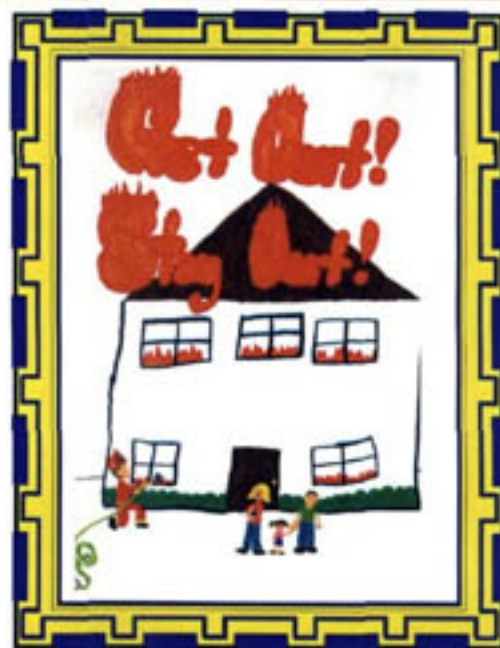
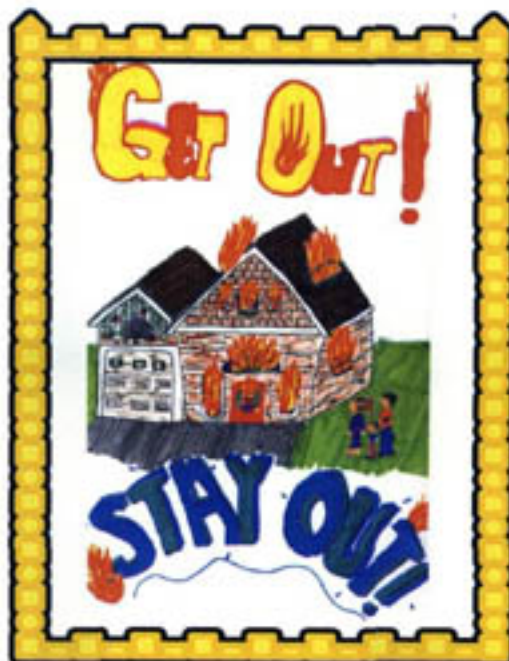
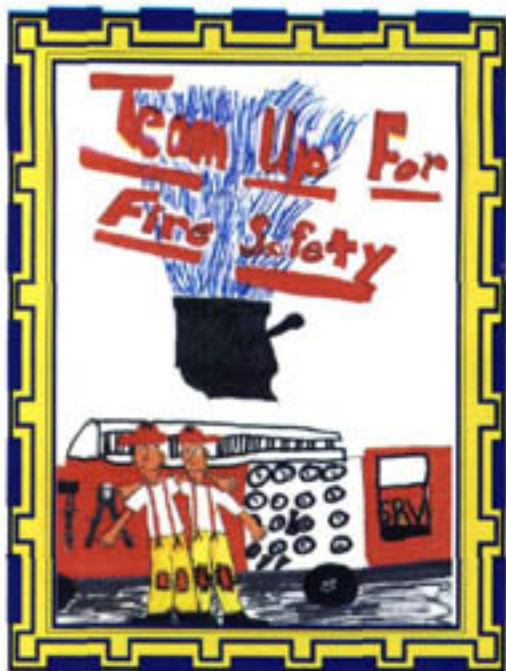
INCIDENT ACTIVITY	NUMBER	%
Firefighting	14.00	34.15%
Miscellaneous	13.00	31.71%
Maintenance	4.00	9.76%
Medical Emergency	4.00	9.76%
Training	4.00	9.76%
Physical Fitness	2.00	4.88%
TOTAL NUMBER OF MEDICAL INJURIES	41.00	100.00%



**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
TRAINING HOURS FOR SUPPRESSION PERSONNEL
FY 2004-2005**

TYPE OF TRAINING	HOURS
Equipment and Apparatus	29,470
Physical Fitness	17,071
Firefighting	3,539
Recruit Academy	3,500
Officer Skills	3,296
Emergency Medical	2,638
Rescue	2,377
Hazardous Materials	1,923
Volunteer Training	1,288
Miscellaneous	659
Administrative	615
Dispatch/Communications	193
After Action Review	104
TOTAL TRAINING HOURS	66,673





Cover art by San Ramon Valley Christian Academy Students