

San Ramon Valley Fire Protection District



Comprehensive Annual Financial Report
For Fiscal Year Ended June 30, 2020

San Ramon, CA

ONE TEAM, ONE MISSION

**In the spirit of our tradition, we strive for excellence,
respectfully serving all with pride, honor and compassion**

Board of Directors

Don Parker, President

Matthew J. Stamey, Vice President

Ryan Crean, Director

H. Jay Kerr, Director

Dominique Yancey, Director

The Role of the Board

The Board of Directors is the elected policy-making body for the San Ramon Valley Fire Protection District. The Directors provide financial oversight and strategic policy direction to maximize the public value of District services.

Fire Chief/Treasurer

Paige Meyer

The Role of the Chief

The Fire Chief is the Chief Executive Officer of the District. In collaboration with the Board of Directors and in partnership with all members of the organization, the Chief provides direction, protection and order to the District.

SAN RAMON VALLEY FIRE PROTECTION DISTRICT

SAN RAMON, CALIFORNIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2020

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San Ramon Valley Fire Protection District

Comprehensive Annual Financial Report

Directory of Officials

Board of Directors

Don Parker
President

Matthew J. Stamey
Vice President

Ryan Crean
Director

H. Jay Kerr
Director

Dominique Yancey
Director

Principal Staff

Paige Meyer
Fire Chief

Kenneth R. Campo, CPA
Interim Chief Financial Officer

Stephanie Sakai
District Clerk

Davina Hatfield
Controller

Natalie Korthamar Wong
Director of Human Resources

Denise Pangelinan
Director of Emergency Communications

Frank Drayton
Deputy Chief Operations
Fire Marshal

Steve Call
Technology Systems Manager

Daniel McNamara
Battalion Chief

John Duggan
EMS Battalion Chief

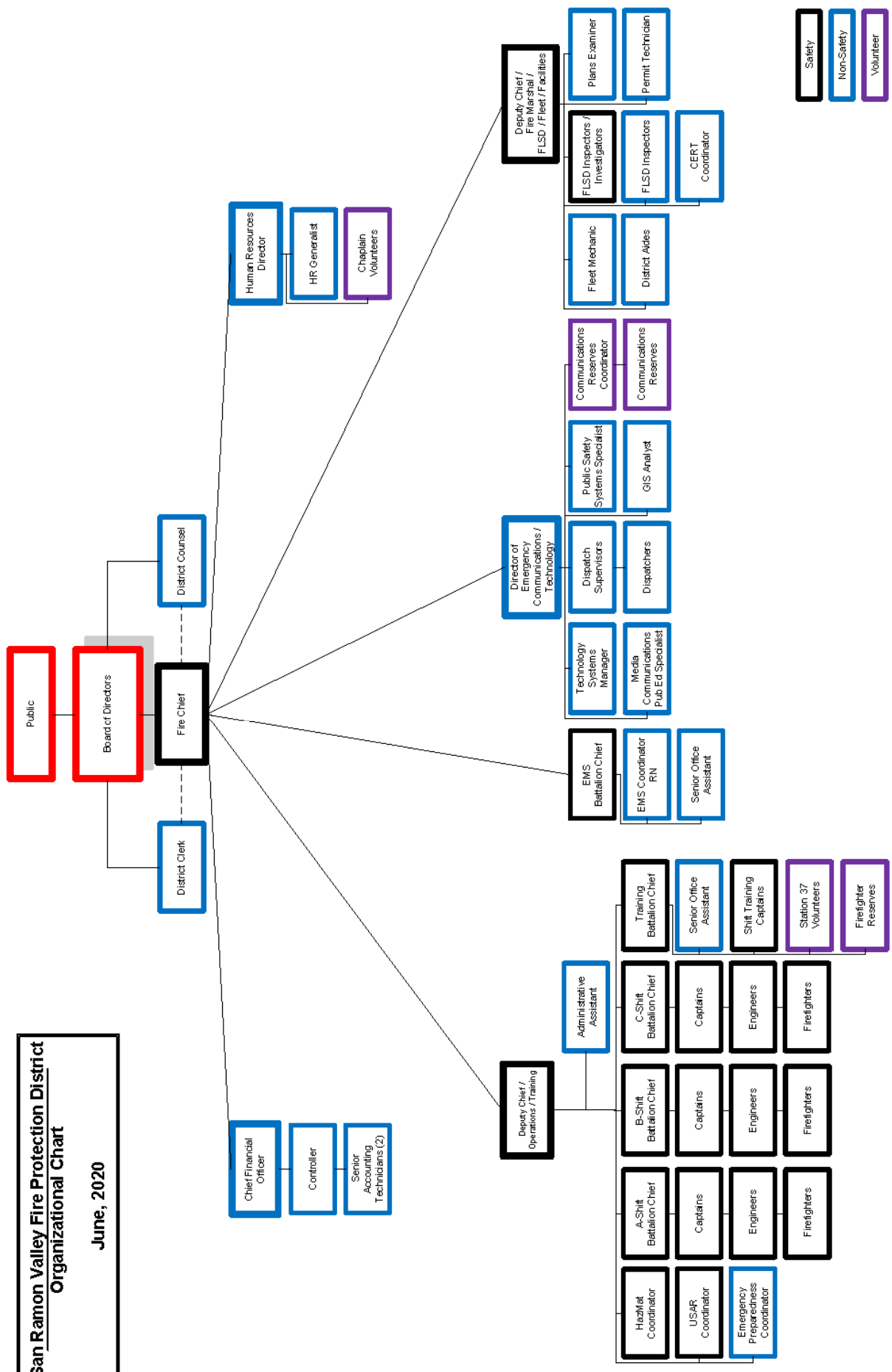
John E. Viera
Battalion Chief

Jim Selover
Battalion Chief

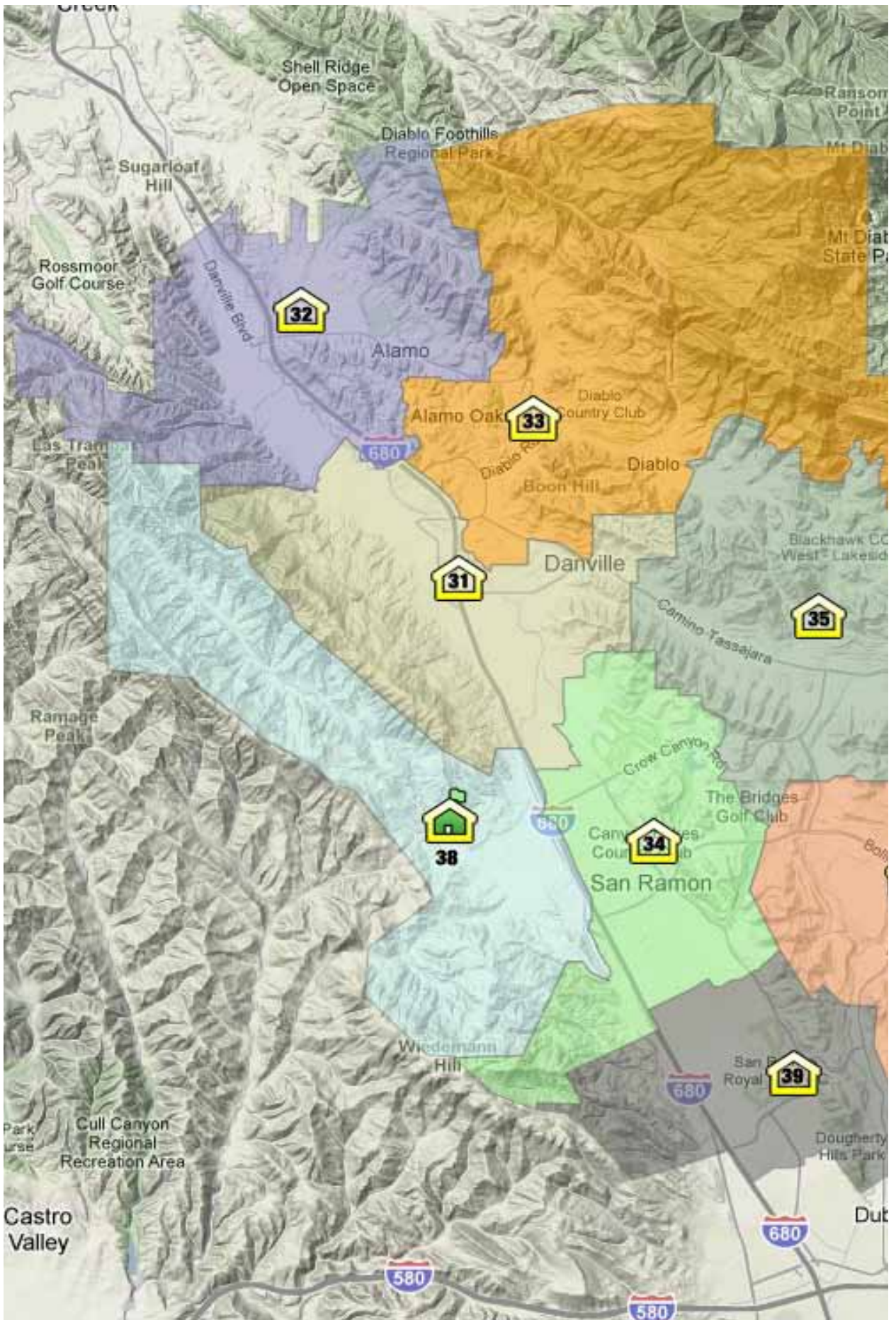
Jonas Aguiar
Battalion Chief

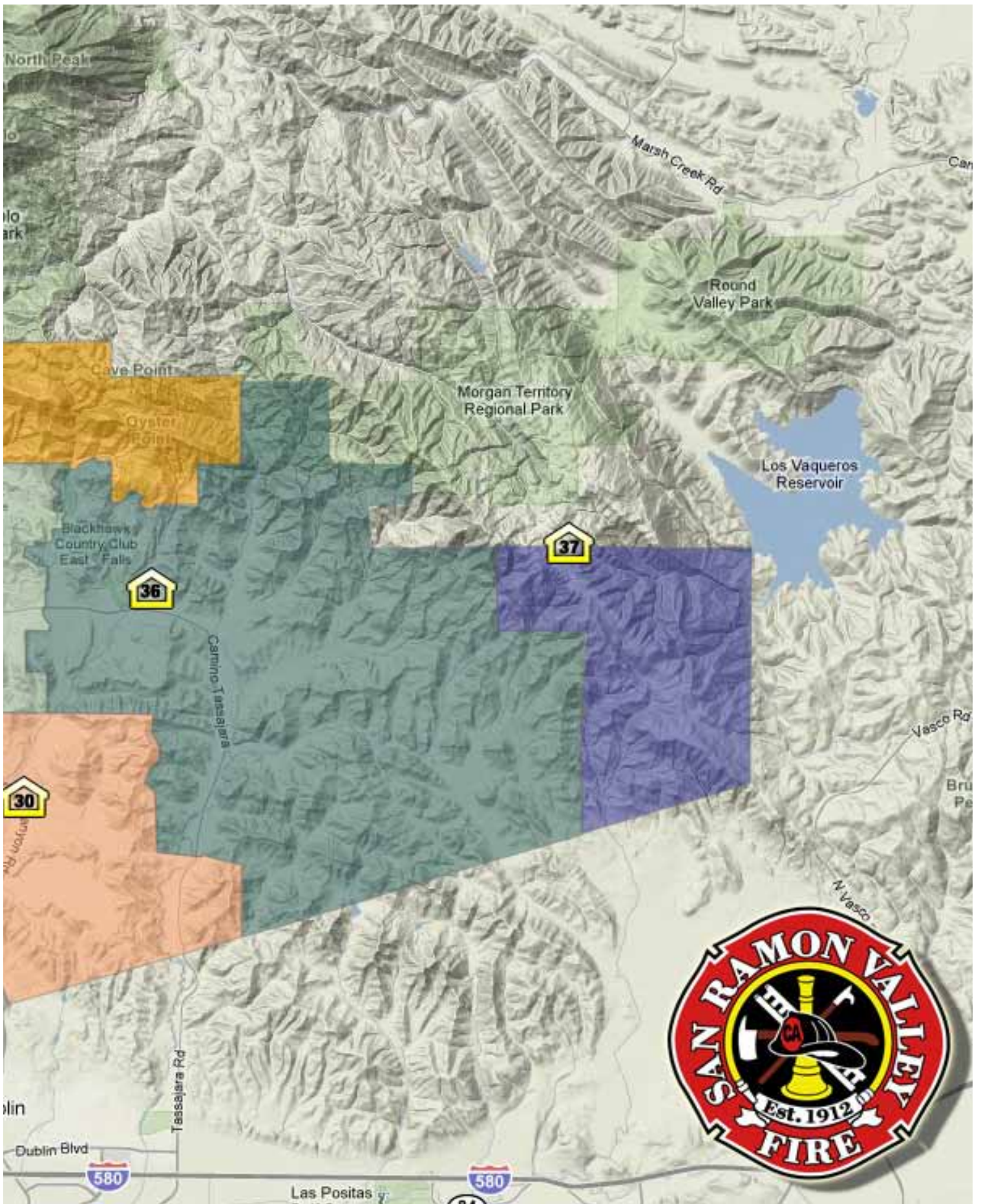


**San Ramon Valley Fire Protection District
Organizational Chart
June, 2020**



District Boundaries





Stations & Facilities



Station 30
11445 Windemere Parkway
San Ramon



Station 31
800 San Ramon Valley Boulevard
Danville



Station 32
2100 Stone Valley Road
Alamo



Station 33
1051 Diablo Road
Danville



Station 34
12599 Alcosta Boulevard
San Ramon



Station 35
505 Silver Oak Lane
Blackhawk

Stations & Facilities



Station 36
2001 Lusitano Street
Danville



Station 37
10207 -A Morgan Territory Road
Morgan Territory



Station 38
1600 Bollinger Canyon Road
San Ramon



Station 39
9399 Fircrest Lane
San Ramon



Administration
1500 Bollinger Canyon Road
San Ramon



Training
6100 Camino Tassajara Road
Tassajara





San Ramon Valley Fire Protection District

1500 Bollinger Canyon Road, San Ramon, CA 94583

Phone (925) 838-6600 | Fax (925) 838-6629

www.firedepartment.org | info@firedepartment.org

January 21, 2021

Board of Directors

San Ramon Valley Fire Protection District

1500 Bollinger Canyon Road

San Ramon, California 94583

Members of the Board:

We are pleased to present the San Ramon Valley Fire Protection District Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020. This is the twentieth consecutive CAFR produced by the District.

This report has been prepared by the Finance Division 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 (GAAP) for state and local governmental entities established by the Governmental Accounting Standards Board (GASB).

This report consists of management's representations concerning the finances of the San Ramon Valley Fire Protection District. 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. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Eide Bailly, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved 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 independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

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

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 over 100 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 served the communities of Alamo, Blackhawk, Danville, Diablo and San Ramon, 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.

The District has accomplished many notable achievements, including implementation of emergency medical response capability and the conversion to Firefighter/Paramedic ambulance service, new station facilities for its citizens and improved apparatus in the field. These successes have proven to be very beneficial to the communities which the District serves.

The San Ramon Valley Fire Protection District's evolution over the past 100 years is remarkable and its endeavors impressive. The following is a summary of key milestones and accomplishments since its inception.

HISTORY

NOVEMBER 1911

A meeting which had been arranged by the Danville Improvement Club was held for organizing a volunteer fire department for Danville.

MARCH 1912

A "Fireman's Ball" was held to finance the Danville Farm Fire Defense District. The net proceeds of \$100 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.

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 Danville Fire Protection District entered the County Mutual Aid plan.

JANUARY 1958

A second firehouse was completed and located in Alamo.

JANUARY 1966

The Danville Fire Protection District 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 and renamed it Station 31.

FEBRUARY 1975

The DFPD completely modernized its communications system.

MAY 1975

The DFPD received its first ambulance donated through the "Helen Howell Fund raiser."

JANUARY 1977

The DFPD received an improved Class Rate from Class 5, issued in 1962, to Class 4. This illustrated an adequate level of fire protection facilities provided and maintained within the rapidly growing communities protected.

JANUARY 1978

Because of population growth, emergency medical response service for the DFPD increased 42% over those in 1976.

JULY 1980

DFPD merges with San Ramon Fire Protection District to become the San Ramon Valley Fire Protection District (SRVFPD). The new District served the communities of Alamo, Blackhawk, Danville, Diablo, and San Ramon – a 70 square mile area.

FEBRUARY 1984

The San Ramon Valley Fire Protection District began staffing its ambulance units with 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.

JANUARY 1991

SRVFPD merges with Tassajara Fire Protection District, which included Tassajara Valley and the southern boundary of Morgan Territory.

APRIL 1992

Station 36, located in Tassajara Valley, was staffed to provide 24-hour protection. This station was 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.

JULY 1997

SRVFPD and the City of San Ramon annex the Dougherty Regional Fire Authority, extending the District boundary to the Contra Costa/Alameda County line.

The SRVFPD published its first community newsletter, serving 38,000 households in the area. The newsletter provides timely information on seasonal fire prevention issues.

The SRVFPD negotiated a "Single Paramedic Program" with Contra Costa County Emergency Medical Services, beginning the conversion to a Firefighter/Paramedic ambulance service.

SEPTEMBER 1997

The SRVFPD's Communication Center became accredited for pre-arrival medical instructions and call triaging.

The District has consistently maintained this accreditation.

FEBRUARY 1999

A rating review by the Insurance Services Office (ISO) resulted in 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 of 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 commenced, terminating the District's 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 began "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 provide better service to the community.

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 prepared its first Comprehensive Annual Financial Report for evaluation and award consideration by the Government Finance Officers Association and the California Society of Municipal Finance Officers Association.

NOVEMBER 2002

The District held its first annual Employee Recognition Dinner and Awards Ceremony to acknowledge the efforts put forth by each and every employee.

JUNE 2003

The Board of Directors adopted a new “mission” statement as a result of the strategic planning process.

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 Certification as an Office of Emergency Services “Medium Rescue Unit.” This certification is an important acknowledgement of the District’s ongoing effort to provide emergency services during major disaster incidents.



MARCH 2004

The District instituted the Citizen’s Emergency Response Team in coordination with the Town of Danville, City of San Ramon, San Ramon Valley Unified School District and Contra Costa County Office of Emergency Services.

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 Program. The program places Automatic External Defibrillators in schools, public buildings and businesses.

JUNE 2006

Issued \$9,485,000 Certificates of Participation for the acquisition and construction of certain land, equipment and capital improvements within the District. The primary projects included the relocation and

construction of Station 36, replacement of Station 32 in Alamo and construction of an apparatus storage building at Station 31.

JUNE 2007

The District hired its first full-time Technology Manager and conducted a complete reassessment of the District's Intergraph Computer-aided Dispatch System. This reconfiguration of the matrix, deployment plan and dispatch workflow were the most significant enhancement to the District's Computer-aided Dispatch System since its installation in 1993. Going live with the new model was the culmination of months of planning, training and implementation, streamlining and improving the reliability of many dispatch operations.

JULY 2007

The District added an additional ambulance to its emergency response fleet. This ambulance and two-person crew are stationed at Station 31.

OCTOBER 2007

The Fire Prevention Division prepared and adopted an ordinance for implementation of the new 2007 California Fire Code. This involved many months of review as the new code differed greatly in many ways from the prior code. The resulting draft document was subjected to public hearings and meetings of directly impacted home builders and other stakeholders. After several meetings and in consideration of other laws impacting application of certain provisions the document was adopted by the Fire District Board of Directors in October 2007.

The most significant element contained in the ordinance, for this Fire District, was the lowering from 5,000 sq. ft. to 3,600 sq. ft. the threshold for installation of residential sprinkler systems. This requirement became effective July 1, 2008.

DECEMBER 2007

Three new Tractor – Driven Ladder trucks (Tiller trucks) were placed in service.

FEBRUARY 2008

The District began construction of the new fire Station 36, an apparatus storage building at Station 31, and design of the new fire Station 32.

JANUARY 2009

The District purchased land at 2100 Stone Valley Road for the replacement and relocation of Fire Station 32.



FEBRUARY 2009

The Board of Directors adopted a new five-year Strategic Plan for the period of 2008-2013. The District published the first complete Pre-Incident Aerial Survey manual containing 271 targeted locations. A new public safety trailer called the "Fire Safety House" was added to the District's fleet, allowing the Fire Prevention Division to teach home fire safety to school age children.

MARCH 2009

The District published the first complete Company Performance Standards manual for training and incident use.

APRIL 2009

The District launched its new web content management system and domain (www.firedepartment.org) to provide the information and services that the community needed to efficiently interact with the District online.

JUNE 2009

The Board of Directors authorized the establishment of a GASB compliant IRS Section 115 Trust through CalPERS dedicated to the purpose of pre-funding Other Post Employment Benefit obligations. The Trust was established with a \$3,500,000 contribution from the General Fund.

AUGUST 2009

The District begins construction of the Station 36 Apparatus Storage Building. The facility will house a wide variety of resources and supplies such as reserve apparatus and equipment, electric EMS carts, food and pharmaceutical caches, as well as other emergency preparedness supplies.

MARCH 2010

The District placed two new replacement ambulances in service at Fire Station 31 and Fire Station 34 to provide improved emergency medical care and transport to the community.

APRIL 2010

The District website, FireDepartment.org, was nominated for best government website by the International Academy of Digital Arts and Sciences. Firedepartment.org was among five government sites worldwide to receive a “Webby” nomination. The District announces a first of its kind iPhone application providing a virtual window into the communications center. The application offers real-time access to emergency activities occurring in the jurisdiction.

AUGUST 2010

After a unanimous vote of approval by the full Commission during a public hearing in Chicago the District became the first agency in Contra Costa County and only the sixth fire department in the State of California to achieve Commission on Fire Accreditation International (CFAI) accreditation.

JANUARY 2011

District deploys revolutionary new mobile phone application that notifies trained bystanders of nearby cardiac arrest events. Soon after, the District announces a new foundation to ambitiously share it with other communities around the globe.



The District is designated by Contra Costa County Health Services as a HeartSafe Community.

AUGUST 2011

On August 27, 2011 the District was recognized by the International Association of Fire Chiefs (IAFC) and U.S. Safety Fire Technologies with the presentation of the Fire Service Global Award for Excellence. This top honor international award recognizes innovation and achievement in managing resources to reduce the loss of life and property from fire and other emergencies.

OCTOBER 2011

The District became one of two new Districts of Distinction as named by the California Special Districts Association (CSDA) and the Special Districts Leadership Foundation (SDLF). The “District of Distinction” is one of the most prestigious local government awards in the State of California. This accreditation validates the Fire Districts commitment to good governance and to ethical and sound operating practices. The accreditation criteria included the submission of financial audits, relevant policies and procedures and proof of training completed by each of the District’s Board of Directors and executive management team in ethics, governance, and leadership.

NOVEMBER 2011

The CPR in Schools Pilot program successfully taught over 250 seventh grade students the lifesaving skill of hands only CPR and proper use of an AED.

MARCH 2012

The District Celebrates a Century of Service to the San Ramon Valley. District employees, past and present, commemorated this milestone with badges, belt buckles, t-shirts and an open house event.

DECEMBER 2013

The District placed three new replacement ambulances in service at Fire Stations 31, 34 and 39 to provide improved emergency medical care and transport to the community. Issued 2013 Refunding Certificates of Participation (COP’s) in the principal amount \$3,227,000 at 1.4%. The debt was issued under a private placement method of sale. The proceeds were used to refinance the remaining 2003 COP’s with interest rates ranging from 3.4% to 4.0%. The District realized savings of

approximately \$56,000 per year, or \$272,000 over the remaining term of the refunded debt.

JULY 2014

The Board of Directors adopted several policies to promote the long-term fiscal stability of the District: creation of a “rainy day” reserve fund (Budget Stabilization Fund) equal to 20% of General Fund expenditures and a Dry Period Funding reserve fund equal to 50% of General Fund revenues to cover operating costs between property tax payments; and establishment of a 12-year Capital Improvement Program to identify and provide funding for the maintenance and replacement of capital assets.

FEBRUARY 2015

Issued \$12,010,000 principal amount of 2015 Certificates of Participation (COP’s) at an average interest cost of 3.18%. \$5 million of the proceeds were set aside for construction of a new fire station to replace existing Station 32, with the remainder of the proceeds being used to refinance the remaining 2006 COP’s with interest rates ranging from 4.0% to 5.0%. The District was able to save approximately \$70,000 per year, or \$1.1 million over the remaining term of the refunded debt.

FEBRUARY 2016

The District initiated construction of replacement Station 32 at 2100 Stone Valley Road in Alamo, CA.

JUNE 2016

The District ushered in a new era for city emergency dispatch with the opening of the San Ramon Police Department and San Ramon Valley Fire Protection District joint 911 call center. The former “fire only” dispatch center received a \$1.7 million renovation/equipment upgrade and began operations as the San Ramon Valley 911 Communications Center in June. The project was jointly funded by the City and District, with both agencies sharing the operating costs as well. In addition to greatly enhancing public safety in the area, this joint venture represents a significant long-term cost savings for the District.

AUGUST 2017

Completed Station 32 in Alamo, CA. This turnkey facility was built by a local contractor and opened in August 2017.

DECEMBER 2017

Completed the reorganization of the Fire Prevention Division into the Fire & Life Safety Division with increased emphasis on proactive fire prevention through enhanced plans examination, fire inspection, hazard abatement and emergency preparedness activities.

JANUARY 2018

Entered into a \$5,432,000 lease financing transaction to fund the acquisition of replacement apparatus: four (4) Type 1 Fire Engines; four (4) Type 5 (Wildland) Fire Engines; and five (5) Ambulances.

SEPTEMBER 2019

District adopts Ordinance to hold utility company accountable for wild fire prevention measures.



JANUARY 2020

City of San Ramon City Council and Planning Commission approve to transform District Administration at 1500 Bollinger to State-of-the-Art training facility for District firefighters.

MARCH 2020

COVID-19 Coronavirus hits the United States. The District prepares and responds to the pandemic.

MAY 2020

Entered into an Agreement with City of San Ramon for a Joint Use Public Safety Complex that will house the District’s Administration, 9-1-1 Emergency Dispatch/Emergency Operations Center and City Police Department at 2401 Crow Canyon Rd.



THE DISTRICT TODAY

The San Ramon Valley Fire Protection District (or “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 District 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/Human Resources, Finance, Facilities and CERT/PAC (Community Emergency Response Teams/Policy Action Committee).



The Fire Chief oversees the general operations of the District in accordance with the policy direction

prescribed by the Board of Directors, and serves as the Treasurer of the District. At present, the Fire Chief is supported by his executive staff, consisting of the District Clerk, Deputy Chief-Operations, Deputy Chief-Training/Logistics/Fire Marshal, Chief Financial Officer, Director of Emergency Communications, and Human Resources Director.

The executive staff are responsible for six distinct operational functions of the District: the Deputy Chief-Operations/Emergency Medical Services is responsible for the delivery of emergency services to the citizens and public, and overseeing the training and education of District personnel; the Deputy Chief-Training/Logistics/Fire Marshal is responsible for the delivery of training and ensures that essential District facilities, equipment, apparatus and vehicles are maintained and updated, and ensures that prevention services are efficient and effective, and oversees code compliance, exterior hazard abatement and provides public education to citizens and customers of the District; the Director of Emergency Communications is responsible for the acquisition and maintenance of districtwide information and communications systems, ensuring that citizens in need of emergency and non-emergency services are matched quickly and effectively with appropriate resources, and monitors the location and status of emergency response resources in the District; the Human Resources Director oversees personnel standards and procedures, recruiting and hiring District employees, risk management, labor negotiations and benefits administration; and the Chief Financial Officer 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 and fixed assets.

The District employs 188 personnel, in addition to approximately 50 volunteers for two separate volunteer programs. The District maintains ten fire stations, two annex buildings, one training site and one Administrative Office Building, all strategically located within the District. Of the ten stations, nine stations house paid firefighters and one remote station on Morgan Territory Road is staffed by volunteer personnel. The District staffs 11 companies, including structure and wildland engines, ladder trucks, 5 Advanced Life Support (or ALS) ambulances and specialized Hazardous Materials, Rescue, Communications and other support units. The District staffs additional companies with volunteer firefighters at Fire Station 37 and Fire Station 40 in the Morgan Territory. In addition, the District operates its own Communications Center staffed daily with four dispatchers. All other Administrative personnel reside at the Administrative Office.

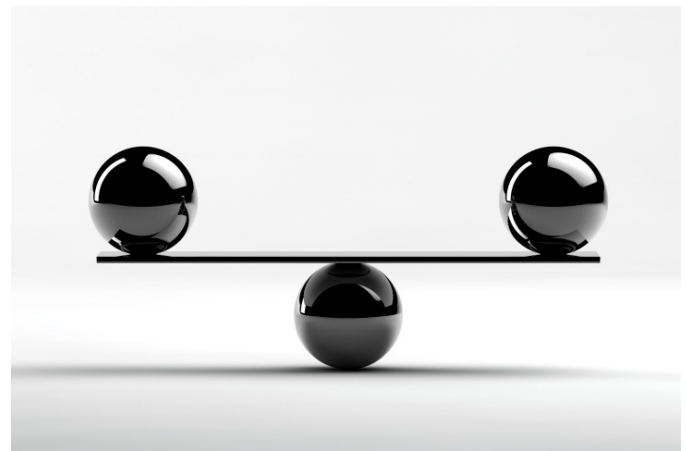
Internal Control - In developing and evaluating the District's accounting system, priority is given to the adequacy and sufficiency of internal accounting control. Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the accuracy and reliability of accounting data and the adherence to prescribed management policies. The concept of reasonable assurance recognizes that the cost of a particular internal control procedure should not exceed the benefits likely to be derived, and that such cost-benefit analysis make use of estimates and judgments by management.

Accounting System and Budgeting Controls - The District's accounting and budgeting data contained in the accompanying basic financial statements conform to generally accepted accounting principles (GAAP) and according standards established by the Governmental Accounting Standards Board.

The District maintains extensive budgetary controls. The District's final annual budget, adopted prior to July 1, provides for overall control of revenue and expenditures, including appropriations (budgeted expenditures) on a line item basis and the means of financing them (budgeted revenue). The District's accounting system produces monthly reports on expense activity that assist Division Managers in monitoring activities and programs. These monthly reports are further reviewed by the Finance Controller, Chief Financial Officer and Fire Chief to assure budgetary compliance.

As a recipient of federal, state and county financial assistance, the District is also responsible for ensuring that an adequate control structure is in place to comply with applicable laws and regulations related to those grant programs.

The internal control structure is the subject of periodic evaluation by the Finance staff of the District, as well as an annual evaluation and testing for compliance by the District's independent auditors.



Long-Range Financial Planning - The District utilizes long-range financial planning tools to identify fiscal challenges, guide current decision making and ensure the District remains on a fiscally sustainable path. These tools consist of a two-year operating budget, twelve-year CIP and ten-year general operating cash flow model.

A plan has been developed and implemented to address the unfunded liability associated with retiree medical

benefits (or “OPEB”). (See further discussion under the Economic Outlook section below.)

The Board of Directors has formally adopted a Reserve Policy to ensure the District has adequate working capital to cover operational costs, to help mitigate the potential adverse operational impacts stemming from another major economic downturn, sudden increase in operating costs or costs associated with a serious on the job injury. The policy calls for:

- A Dry Period Reserve in the General Fund at year end equivalent to 50% of projected revenues for the subsequent fiscal year; this amount is intended to cover the cash flow needs between property tax payments;
- Stabilization Arrangement commitment (or “rainy day fund”) equivalent to 20% of the current General Fund expenditures (\$14.1 million) and an amount equivalent to three times the District’s self-insured retention for Workers’ Compensation (currently \$4.5 million). These funds cannot be used without formal action by the Board of Directors.

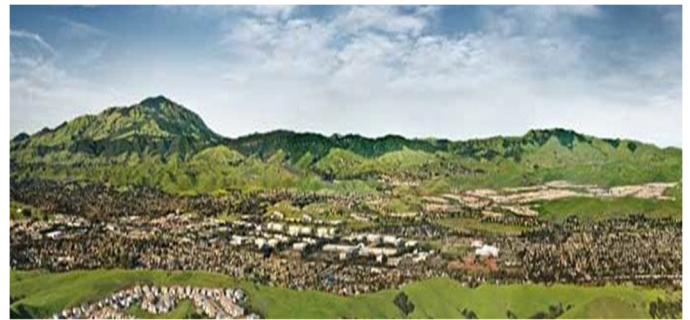
Management’s Discussion and Analysis (MD&A) - GASB requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with the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

Financial Condition - Fund balance designations in the General Fund are within the policy guidelines set by the Board for budgetary and planning purposes. The District’s Reserve Policy requires a minimum fund balance of at least 50% of the operating revenues in the General Fund at fiscal year-end; and a minimum fund balance of at least 20% of operating expenditures, plus \$4.5 million for workers’ compensation.

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 Eide Bailly, LLP to perform the audit of its financial statements. The auditor has issued an unmodified opinion on the District’s financial statements indicating they are fairly presented in conformity with GAAP.

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 area of Morgan Territory and the Tassajara Valley.

Within the boundaries of the District are expansive wildland areas, large single family homes and multi-family residential complexes, hotels, a regional hospital, numerous convalescent/assisted living facilities, equestrian areas, hiking trails, rock climbing areas and a facility housing a low-level nuclear reactor. The District is also bisected by a major interstate highway (I-680).

The District serves a population of approximately 193,000. On business days, this figure grows by another 30,000 to include the personnel employed in the Bishop Ranch Business Park. Bishop Ranch is a 585-acre development with nine million square feet of office space located in San Ramon. The business park is comprised of over 300 diverse companies, ranging from large, well known Global 500 companies to innovative start-ups.

The District's philosophy with regard to fire, medical or hazardous material emergencies has been one of a rapid and effective deployment of appropriate resources to mitigate any emergency. As a result of taking this approach, the District's service area has received a Class 02/2Y Insurance Service Office (ISO) rating. The District's goal is to maintain overall response times consistent with the District's "Standards of Cover" policies. Under normal conditions, there are 11 paid emergency response companies plus 5 Advanced Life Support ambulances that can be deployed for an emergency within the boundaries of the District. In addition, the District serves as the primary Emergency Operations Center (EOC) location for the Town of Danville.

When apparatus are dispatched for a working structure fire, the four closest engines, two ladder trucks, an ambulance company and the shift Battalion Chief and Training Captain are assigned. A working fire in a commercial building will receive a larger response. In some of the rural areas of the District where hydrants are not available, the response includes water tenders.

Dispatchers are highly trained to assist the caller in life saving techniques (CPR with respiratory emergency, cardiac emergency, childbirth, etc.) prior to the arrival of the emergency responders. In 1997, the District's Communications Center became recognized as the world's eighth 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 for 8 consecutive terms. The next accreditation is due in 2024. Recently, the Communications Center added accreditation in emergency fire dispatch to their merit.

In the spring of 1995, the District began staffing selected units with Firefighter/Paramedics to provide citizens with a higher level of emergency medical service. Currently, the District has a sufficient number of paramedics to ensure there is one or more paramedics on every unit at all times. 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 the closest unit to the emergency. Patients are evaluated and, if necessary, transported by a paramedic-staffed District ambulance. In some cases, transport via air ambulance is necessary and the District maintains close communications with several air ambulance services in the area. 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.



An important non-emergency activity for suppression/ambulance personnel which greatly 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) or paramedics and State Certified Firefighters with specialized defibrillator training. For programs such as Hazardous Materials, Emergency Medical, and 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 utilizing various specialty equipment, tools and techniques.

The District's Training Division also coordinates training activities with other local agencies, such as the Town of Danville, the City of San Ramon, Mt. Diablo State Park and Cal Fire. 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 provides full service fire prevention functions through its Fire and Life Safety Division. This 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 provide safety and disaster preparedness information, and extend beyond the traditional school safety programs, reaching out to the elderly, community groups and local businesses. The traditional fire safety school program has been expanded to provide a 30-minute in-classroom teaching activity for all classes K through 5th grade. The interactive and informative presentations reach more than 12,000 students annually.

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

themselves and others during and after a disaster when emergency resources are overwhelmed.

The District has accelerated its community training activities through the Community Emergency Response Team (CERT) program. A goal of the program is to have CERT members geographically located throughout the District and trained to assist their neighbors or coworkers following a natural disaster when professional responders are not immediately available to help.

The District partners with the City of San Ramon in supplying gas and diesel fuel for City and County vehicles.



The District also leases space to various cellular service providers to erect and operate communication facilities (Utility Easement Towers) at Fire Station 31.

The District's HeartSafe Community Committee encourages residents to learn hands-only CPR, promotes the placement of public access AEDs in local businesses and community buildings, and facilitates the CPR in the Schools program. Since the committee achieved HeartSafe status in January of 2011, they have trained over 18,000 community members in hands-only CPR and the proper use of an AED, resulting in a sharp increase in the occurrence of bystander CPR with positive outcomes.

APPARATUS



The San Ramon Valley Fire Protection District's fleet consists of emergency vehicles/apparatus which must be kept in a constant state of readiness to respond to emergencies on 24/7/365 basis. Among these resources are: ten Type 1 engines, three Type 1 Tractor Driven Aerial Ladder Trucks (100'), one reserve ladder truck, twelve Wildland units (ten Type 3 engines and two Type 6 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 with a 2,100 gallon porta-tank, which carries Class A and AFFF foam with portable pumps and tanks. In addition, the District maintains eight Type 1 Engines and one Type 1 Aerial Ladder Truck as reserves that can be placed into service as needed.

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.

A Type 1 Communications Support Unit, which is a totally self-contained mobile communications post, provides an all-risk resource for the District and surrounding agencies. This mobile unit is specifically designed to provide the rigidity needed to operate on the steep fire

roads it may encounter and has 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 rest room 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. The District 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 since being placed into service in 2004, and in January 2016 was deployed as the backup communications post for Super Bowl 50 played at Levi's Stadium in Santa Clara, CA.



The District has five Advanced Life Support (ALS) modular ambulances equipped to provide advanced emergency medical services. In addition, all units have Hurst extrication tools and rope rescue equipment. The District also maintains four reserve ambulances and a multi-casualty unit that can be placed into service as needed.

The District's Breathing Support Unit is a multi-functional piece of equipment that can fill both high and low pressure air bottles, with an air storage capacity capable of filling 100 bottles. The unit is equipped with large pop-up scene lights, salvage equipment, medical supplies and other items, such as hot coffee, soups and beverages for the support of crews working on an extended incident.

Through a Homeland Security Grant, the District acquired a state-of-the-art emergency response vehicle for its Type II HazMat team. The crew and vehicle provide assistance for a wide variety of calls such as: spills, abandoned chemicals, carbon monoxide emissions, natural gas leaks, household chemical issues, structure fires, pipeline ruptures, vehicle accidents involving tankers and industrial accidents. The apparatus is stocked with the state-of-the-art hazardous materials detection equipment, advanced life support supplies and a hazardous materials database 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 an on-board air compressor for various pneumatic tools. This unit meets State Office of Emergency Services standards and has been certified as a medium rescue apparatus.



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 (CAFR) to San Ramon Valley Fire Protection District for its comprehensive annual financial report for the year ended June 30, 2019. This was the eighteenth consecutive year the District has achieved this prestigious fiscal award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report reflects the combined and dedicated effort of District staff, particularly in the Finance Division. Staff in each Division has our sincere appreciation for their contributions in the preparation of this report.

ACKNOWLEDGEMENTS

We would like to take this opportunity to express our sincere appreciation to the Board of Directors for their continued support to maintain the highest standards of professionalism in the management of the District's finances.

SUMMARY

The San Ramon Valley Fire Protection District’s administration and 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 the Strategic Plan, San Ramon Valley Fire Protection District is committed to these goals:

- Financial sustainability to provide the highest level of service possible in the present while planning and acting for the ability to maintain these ideals indefinitely.
- Personnel development through mentoring, training and supportive policy to assure the District has well qualified personnel to meet current and future needs.
- Provide organizational clarity by fully understanding the District’s role in providing public value for our communities, continually evaluating our programs and practices, and commitment to individual responsibility toward the success of our goals.
- Information–led Management that emphasizes high accountability at all levels of the organization, strategic response to organizational challenges that rapidly remove impediments to high performance, and capitalization of the expertise and input of all District personnel.

Sincerely,



Paige Meyer
Fire Chief



Kenneth R. Campo
Interim Chief Financial Officer



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**San Ramon Valley Fire Protection District
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

Financial Section





Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the San Ramon Valley Fire Protection District (District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the District as of June 30, 2020, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedule, schedule of changes in the net OPEB liability and related ratios, schedule of OPEB contributions, schedule of the District's proportionate share of the net pension liability and schedule of pension contributions, as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

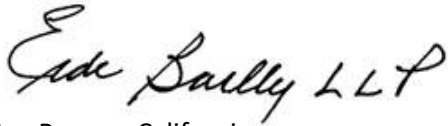
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, budgetary comparison schedules for the capital projects fund and debt service fund, the changes in assets and liabilities of the agency fund and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedules for the capital projects fund and debt service fund and the changes in assets and liabilities of the agency fund are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 29, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

San Ramon, California

January 29, 2021



MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&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 fiscal year ending June 30, 2020. The MD&A describes the significant changes in general operations from the previous year and discusses other financial initiatives during the year relating to 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 going forward. We encourage the reader to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal.

MAJOR INITIATIVES

A major focus for the current year was on ensuring the District was ready and able to meet the increased service demand expected from the opening of the City Center project in San Ramon; as well as the ongoing evolution of the fire service from primarily emergency fire responders to predominantly emergency medical responders. The District's Board of Directors provided strategic direction to the Fire Chief that they wanted the District to be "proactive" rather than "reactive" to the changing service needs of the communities served. As a result, a change in deployment was initiated to eliminate cross-staffing of engines and ambulances at several stations, allowing for a dedicated ambulance and dedicated truck company at Station 34 San Ramon to better serve the City Center project. Another area of focus was on preparing for the types of natural disasters likely to impact the District's service area.

Recent events locally and around the world have shown that effective preplanning for wildfires and earthquakes translates to lives saved and reduced property damage; so, several new initiatives were undertaken to enhance community preparedness and readiness. The District began working with a Bay Area company that is in the process of deploying a network of ground sensors as part of an earthquake early warning system. The District developed and distributed Emergency Travel Routes and Temporary Refuge Area maps for wildland-fire prone areas; and acquired four new Type 5 (brush) engines to better contend with the steep terrain in the more remote areas of the District. Recognizing that early prevention is sometimes the best defense, the District continued to place emphasis on fire plan reviews, annual inspections, hazard abatement inspections and other preventative activities to ensure our local communities meet or exceed fire code requirements in preparation of emergency events.

The District has executed an agreement with the City of San Ramon for the development of a joint public safety facility that will eventually house fire District administration, the City Police Department, a new 9-1-1 consolidated dispatch center and a new joint City/District emergency operations center. This project will free up the existing District administration site for development of a much-needed training center that could be used by both police and fire; and will avoid having to send fire crews out of the District for mandatory training. Project costs are estimated at \$40 million, depending upon final configuration of the training center. Under the agreement, the District will provide funding for the project while the City contributes land and existing building.

The Board of Directors and management have an ongoing commitment to fiscal sustainability. Streamlining of administrative functions, partnering with Alameda County Fire for fleet maintenance and with the City of San Ramon Police Department for consolidated dispatch services are examples of the initiatives undertaken by the District to improve public safety services to the community, enhance the safety of first responders and contribute to the long-term fiscal health of the District by reducing ongoing operating costs.

Other examples of the commitment to fiscal sustainability include fully funding the annual Actuarially Determined Contribution (ADC) for employee retirement benefits (i.e., retirement benefits administered by the Contra Costa County Employees' Retirement Association (CCCERA), and retiree medical benefits (OPEB) administered by California Employers' Retiree Benefit Trust (CERBT) Fund so as to keep the District "on track" toward fully funding the promised benefits upon retirement. In addition to paying the full ADC, the Board has adopted a policy to accelerate the pay down of the current

unfunded liabilities associated with these retirement benefits. The policy states in part that (1) if a budget surplus exists at the end of the fiscal year, the District will contribute an additional \$200,000 payment toward the unfunded OPEB liability; and (2) the District will utilize 50% of the savings resulting from prepaying the annual contribution amount owed to CCCERA for retirement benefits as an additional contribution toward the unfunded pension liability. The additional payments to the OPEB trust fund and to CCCERA were \$200,000 and \$236,000, respectively, during the current year. The District also utilizes a long-range Capital Improvement Program (CIP) to plan for, and maintain, the significant investment in the capital infrastructure necessary for the effective delivery of emergency services, including fleet, facilities, technology, communications and other equipment. The CIP is funded primarily through an annual transfer from the General Fund (\$3.1 million in FY 2019/20) and supplemented from time to time with debt financing for larger acquisitions or construction projects. The annual transfer to the CIP ensures that when capital replacement needs are identified there is adequate funding available.

A combination of retirements and belt-tightening measures implemented during the previous economic recession have resulted in the District operating for several years at a firefighter staffing level well below the minimum level needed to fully staff the daily compliment of fire and EMS apparatus. The District has been able to meet its daily staffing needs primarily through the use of overtime, which saves the District money when compared to the cost of a fully benefitted firefighter but is not a sustainable operational model for the long term. The District is anticipating more retirements over the next several years and has stepped up recruitment efforts. Recruitment and academy costs for the current year, including personnel, overtime, training, uniforms and supplies, was just over \$1 million. The District expects to continue the hiring process over the next several years.

As noted above, during the year the District acquired four Type 5 (brush) engines at a cost of \$1 million, in addition to a new Type 1 engine at a cost of \$700,000.

The District participates in the statewide mutual aid system administered by the California Office of Emergency Services and is a member of the Federal Emergency Management Agency Region IX emergency response team. During the year the District sent resources to assist with the devastating California wildfires and the equally devastating hurricane events in Texas and Florida. As a result, the District incurred overtime costs of approximately \$215,000 for which it was fully reimbursed by state and federal agencies.

FINANCIAL HIGHLIGHTS

Government-wide

- The District had a positive Net Position of \$6.5 million at June 30, 2020, which represented an improvement of \$12 million over the beginning negative Net Position of (\$5.4 million). The significant improvement in Net Position, as reported on the Statement of Net Position, is due in large measure to reduction in the unfunded liabilities associated with pension and retiree medical benefits (OPEB) of \$26 million and \$12 million, respectively (See Notes 8 and 9).
- Total Program Expenses were \$75.2 million; an increase of \$6.9 million.
- Total Program Revenues were \$7.7 million; an increase of \$712,000.
- Total General Revenues were \$79.4 million; an increase of \$3.6 million.

General Fund

- Revenues exceeded expenses by \$16.4 million, while financing uses exceeded financing sources by \$4.6 million, resulting in a \$11.8 million increase in fund balance.
- The ending fund balance is \$83.8 million; of which, \$14.9 million is committed to mitigate any potential negative impacts on operations resulting from adverse economic conditions; \$4.5 million is committed to mitigate any potential negative impacts on operations resulting from serious on the job injuries; \$63.9 million is classified as unassigned. Of the unassigned balance, \$43.6 million represents the District's operating reserve requirement at June 30, 2020. (The operating reserve is needed to cover the five-month "Dry Period" between the April and December property tax payments.)

- Actual revenues of \$87.1 million exceeded final budget by \$3.3 million; actual operating expenditures of \$70.7 million were \$1.5 million below final budget; and transfers out of \$4.6 million were \$2.5 million under budget as a result of the delayed financing for the joint safety complex project. The net result for the year was an increase in fund balance of \$11.8 million, an additional \$7.3 million more than projected in the final budget.
- The net assessed valuation of taxable property within the District rose by \$2.6 billion in 2019, or 5.2%, which exceeded expectations. As a result, property tax revenue of \$77.3 million exceeded budget by approximately \$2 million.
- The District made contributions of \$7 million during the year toward retiree medical benefits. Of this amount, \$3 million was for current retiree medical premiums and \$4 million was deposited into a trust fund established for the payment of future medical benefits.
- The District paid retirement contributions of \$15.9 million to the Contra Costa County Employees' Retirement System (CCCERA) during the year. Prepaying the contributions at the beginning of the year saved the District \$0.5 million.

Capital Projects Fund

- The District maintains a comprehensive long-range Capital Improvement Plan ("CIP") that is formally adopted by the Board of Directors.
- The CIP is used to guide major capital outlays associated with the maintenance and replacement of facilities, apparatus, equipment and information technology. Funding for the CIP is provided primarily by an annual transfer from the General Fund; \$3.1 million was the transfer amount for the current year.
- Capital expenditures for the year were \$3.5 million; \$1.8 million of which went toward the purchase of a Type 1 engine and four Type 5 engines discussed previously; \$1.3 million was spent on facility improvements; and \$204,000 was used for the purchase of equipment. The year-end fund balance is \$9.4 million, of which \$1.7 million is classified as non-spendable, \$3.1 million is classified as assigned (for encumbrances), and \$4.4 million is classified as committed for capital projects.

Long Term Fiscal Stability

- The District utilizes long-range financial planning tools to identify potential fiscal challenges, guide current decision making and to keep the District on a fiscally sustainable path moving forward. These tools consist of a two-year operating budget, twelve-year CIP and ten-year general operating cash flow model.
- A plan has been developed and implemented to address the unfunded liabilities associated with pension and retiree medical benefits (or "OPEB"). The plan calls for the elimination of the OPEB unfunded liability by 2025 and then shifting efforts toward extinguishment of the pension unfunded liability. (See further discussion under the Economic Outlook section below.)
- The Board of Directors has formally adopted a Reserve Policy to ensure the District has adequate working capital to cover operational costs and to mitigate the potential adverse operational impacts stemming from another major economic downturn, sudden increase in operating costs or costs associated with a serious on the job injury. The policy calls for:
 - A "Dry Period" reserve in the General Fund at year end equivalent to 50% of projected revenues for the subsequent fiscal year; this amount (\$43.6 million at June 30, 2020) is intended to cover the cash flow needs between property tax payments.
 - Stabilization Arrangement commitment (or "rainy day fund") equivalent to 20% of the current General Fund expenditures (\$14.9 million) and an amount equivalent to twice the District's self-insured retention for Workers' Compensation (\$4.5 million). These funds cannot be used without formal action by the Board of Directors.

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 include the Statement of Net Position and Statement of Activities. The manner of presentation is similar to a private-sector business.

The Statement of Net Position 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 position is one indicator in monitoring the financial health of the District.

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

The District's primary activities, as reported in the government-wide financial statements, consist of all-risk fire suppression and prevention services, emergency medical services (EMS), ambulance transport services and other hazard response services. These activities are supported by property taxes, intergovernmental revenues and charges for certain services, such as ambulance transport and fire safety code compliance (i.e., building plan check, fire inspection and weed abatement services). The government activities of the District include the general government services noted above and the payment of 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 it functions 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 17 and 18 of this report.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the District's governmental funds, focusing primarily on the short-term activities of the organization. The Governmental Fund Financial Statements measure 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 property taxes, ambulance service charges and inspection fees. In the District's case, the four funds of the primary government (General Fund, Capital Projects Fund, San Ramon Valley Fire Community Fund and Debt Service 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 available for spending in the near term to finance the District's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds (reported in the Balance Sheet and Statement of

Revenues, Expenditures, and Changes in Fund Balance) in a reconciliation following the fund financial statements and in Note 7.

The fund financial statements can be found on pages 20-23 of this report.

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.

The notes to the basic financial statements can be found on pages 25-52 of this report.

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 financial tables conforming to GASB 44 standard requirements and historical trend data on the District.

FINANCIAL ACTIVITIES OF THE DISTRICT AS A WHOLE

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

Table 1

Condensed Net Position

(in thousands)

| | 2019 | 2020 |
|--|------------|-----------|
| Cash and investments | \$ 80,506 | \$ 92,610 |
| Other assets | 5,264 | 4,644 |
| Capital assets | 36,590 | 37,017 |
| Total assets | 122,360 | 134,271 |
| Deferred outflow of resources | 48,189 | 22,097 |
| Total assets and deferred outflow of resources | 170,549 | 156,368 |
| Long-term debt outstanding | 17,264 | 16,209 |
| Net pension liability | 69,578 | 43,246 |
| Net OPEB liability | 60,210 | 47,814 |
| Other liabilities | 12,466 | 13,966 |
| Total liabilities | 159,518 | 121,235 |
| Deferred inflow of resources | 16,388 | 28,603 |
| Total liabilities and deferred inflow of resources | 175,906 | 149,838 |
| Net position | | |
| Net investment in capital assets | 19,745 | 21,199 |
| Restricted | 9 | 137 |
| Unrestricted | (25,111) | (14,807) |
| Total net position | \$ (5,357) | \$ 6,529 |

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

- Cash and investments increased by \$12.1 million principally due to the favorable operating results discussed earlier.
- Capital assets additions of \$2.8 million were offset by current depreciation and retirements of \$2.3 million, for a net increase \$400,000, or 1%.
- The deferred outflow of resources decreased by \$26 million. The actuarially determined deferred outflow of

resources related to pensions decreased by \$24 million, or 67%, while the actuarially determined deferred outflow of resources related to OPEB decreased by \$2 million, or 17%. As discussed below regarding the decrease in net pension liability, the decrease in the deferred outflow of resources related to pensions is attributable to a net difference between projected and actual earnings on pension plan investments.

- Long-term debt decreased by a net \$1 million as a result of regularly scheduled principal payments and bond premium amortization.
- The actuarially determined net pension liability (NPL) decreased by 38%, or \$26.3 million, primarily due to a 14.4% return on the fair value of assets during 2019 (that was higher than the assumed return of 7.00%).
- Other liabilities increased by \$1.5 million, primarily attributable to \$566,000 increase in claims payable related to open workers' compensation claims and increased compensated absences due to the pandemic resulting in a \$757,000 increase.
- Deferred inflow of resources increased by \$12.2 million, or 75%. The increase in deferred inflow related to pensions is \$5.6 million and is primarily attributable to the higher than projected investment earnings on plan assets mentioned previously. The remainder of the increase (\$6.7 million) is attributable to plan experience related to OPEB.
- Net investment in capital assets decreased by \$836,000. Asset additions of \$2.8 million plus repayment of capital-related debt of \$1 million was offset by current depreciation of \$2.3 million.
- Unrestricted net position represents those assets that can be used to finance current operations without constraints established by debt covenants or other legal requirements. The unrestricted net position at year end is negative due to the recording of the net pension and OPEB liabilities. Current year operating results improved the unrestricted net position by \$12.6 million from the prior year.

Table 2

Condensed Statement of Activities

| | (in thousands) | |
|------------------------------------|----------------|-----------|
| | 2019 | 2020 |
| Expenses | | |
| Public safety - Fire | \$ 67,689 | \$ 74,672 |
| Interest on long-term debt | 538 | 505 |
| Total Program Expenses | 68,227 | 75,177 |
| Revenues | | |
| Program Revenues | | |
| Charges for services | 6,004 | 5,549 |
| Operating grants and contributions | 2,415 | 2,158 |
| Total Program Revenues | 8,419 | 7,707 |
| General Revenues | | |
| Property taxes | 73,774 | 77,282 |
| Use of money and property | 2,019 | 2,032 |
| Other revenue | 25 | 42 |
| Total General Revenues | 75,818 | 79,356 |
| Total Revenues | 84,237 | 87,063 |
| Change in Net Position | 16,010 | 11,886 |
| Beginning Net Position | (21,367) | (5,357) |
| Ending Net Position | \$ (5,357) | \$ 6,529 |

The following explains the major changes impacting governmental activities as shown in Table 2:

EXPENSES

Personnel costs of \$63.8 million account for 90% of Public Safety expenditures, and is consistent with the prior year. Salaries of \$26.9 million were unchanged from the prior year. Current pension expense (\$14 million) was \$1.4 million higher than the previous year, while the current OPEB expense (\$3.8 million) was \$2.7 million less than the previous year. Overtime costs were \$400,000 lower than last year, while other benefits remain unchanged. Salaries and benefits are more fully discussed below under General Fund expenditures.

Other significant program expenses include Professional and Other Services (\$3.3 million), and Supplies and Utilities (\$2 million), annual depreciation expense (\$2.4 million) and interest on long-term debt (\$544,000); all of which were consistent with the prior year.

PROGRAM REVENUES

Program revenues decreased by \$712,000 from the prior year. The District was reimbursed \$1.4 million from the City of San Ramon for the cost of operating the consolidated fire/police dispatch center; an increase of \$50,000 over the prior year. The District also received \$297,000 from the state and federal government for the cost of providing mutual aid services related to wildland fire deployments and other disaster assistance – down \$389,000 from the prior year.

Charges for services were down \$455,000 over the previous year, primarily related to decreased ambulance transport revenue related to the pandemic.

GENERAL REVENUES

Property tax revenue increased by \$3.5 million, or 5%, over the prior year. (Property tax revenue is more fully discussed under General Fund revenues below.) Use of money and property increased by \$13,000 due to larger cash balances, coupled with unrealized gains on the fair value of investments at June 30, 2020.

ANALYSES OF GOVERNMENTAL FUNDS

Based on GASB 34 revisions to the format of the fund financial statements, the individual major funds are presented along with non-major funds and combined in a single column.

At June 30, 2020, the combined fund balances of the District's governmental funds amounted to \$93.2 million; an increase of \$11.6 million, or 14%, over the prior year. General Fund revenues exceeded expenditures by \$16.4 million; the Capital Projects Fund expended \$3.3 million on capital projects; and \$1.5 million was paid out of the Debt Service Fund for annual principal and interest on long-term indebtedness.

Overall, governmental fund revenues increased by \$3.3 million (4%) for the year and totaled \$87 million. As noted earlier, property tax revenue grew by \$3.5 million, accounting for the majority of the increase. Charges for services, along with Use of money and property, remained unchanged from the prior year.

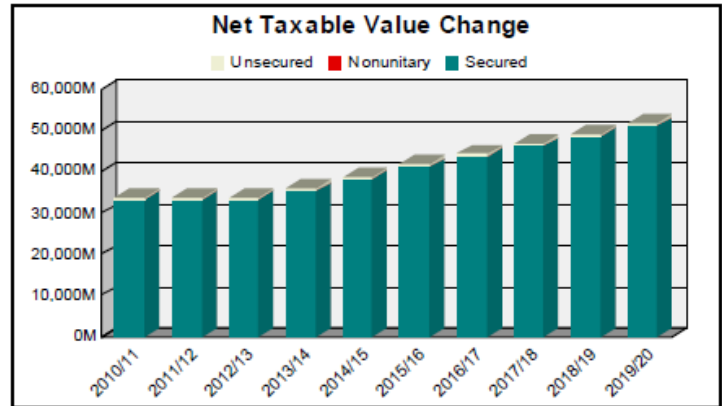
Governmental fund expenditures decreased by a combined \$2 million (or 2.5%) from the prior year and totaled \$75.8 million. Personnel costs (\$63.8 million) were up unchanged, while spending on capital projects (\$3.5 million) decreased by \$2.3 million over the prior year. Expenditures for principal and interest (\$1.5 million) decreased from the prior year which included the final payment on a prior debt issuance.

GENERAL FUND

The General Fund is the general operating fund of the District and is used to account for all financial resources relative to current operations. The Board of Directors has continued to emphasize the delivery of a high level of service to the community, but in a cost effective and fiscally sustainable manner. Management's focus on cost containment and cost

recovery throughout District operations, combined with a continuing, strong local real estate market, have resulted in a surplus of revenues over expenditures of \$4 million or more *for a seventh* consecutive year. After transfers of \$1.5 million for debt service and \$3.1 million for capital projects, General Fund operations added \$11.8 million to the overall ending fund balance in the current year compared to \$9 million last year.

The major source of revenue for the General Fund is property taxes (\$77.3 million), accounting for 88% of the District’s operational funding for the year. The growth of \$3.5 million over last year is attributable to an increase in the net taxable value of property in the District of \$2.6 billion, or 5.2%, which was slightly above the 5.1% growth experienced for Contra Costa County as a whole. Major components of the growth in assessed value include: \$1 billion from higher value sales of property, representing 38% of the growth; \$841 million in added value from the 2% Proposition 13 inflation adjustment, accounting for 32% of the growth; and \$159 million in growth attributable to the recapture of values previously reduced during the economic recession, which accounted for 6% of the growth. This is the *seventh* consecutive year of 5% or better property value growth within the District. These



| Year | D-SFR Sales | Median Price | % Change |
|------|-------------|--------------|----------|
| 2013 | 1,944 | \$925,000 | |
| 2014 | 2,055 | \$1,025,000 | 10.81% |
| 2015 | 1,942 | \$1,095,000 | 6.83% |
| 2016 | 1,919 | \$1,198,000 | 9.41% |
| 2017 | 1,949 | \$1,250,000 | 4.34% |
| 2018 | 1,696 | \$1,325,000 | 6.00% |
| 2019 | 1,305 | \$1,325,000 | 0.00% |

increases are attributed primarily to the continued growth in residential property values, which comprised 93% of the assessed value of District property. The median sales price of a single-family home in the District remained flat between 2018 and 2019 at \$1,325,000, but remains well beyond the 2006 pre-recession high of \$1,008,000. The average home price in 2019 also remained at a high of \$1,254,000. Charges for ambulance transport services and fire prevention

activities (\$5.5 million) accounts for 6% of operational funding. Interest earnings, rent for cell tower sites, revenue from other governmental agencies, and miscellaneous other revenue make up the remainder of General Fund revenues (\$4.3 million).

General Fund expenditures are driven by personnel costs, which comprise 90% of General Fund expenditures. Salaries and benefits for District personnel were \$63.8 million for the year; a decrease of \$125,000, or .20% less than the prior year. Non-personnel related costs of \$6.3 million were up \$300,000 from the prior year.



There were transfers from the General Fund of \$1.5 million to the Debt Service Fund to fund the annual debt payments on the District’s long-term indebtedness and \$3 million to the Capital Projects Fund to fund the CIP program, both of which were consistent with similar transfers made in the prior year.

As noted earlier, the Board has directed a minimum “unassigned” fund balance be maintained in the General Fund equal to 50% of budgeted General Fund revenue for the upcoming year to fund operations during the “dry period.” The District receives the majority of its property tax revenue in two installments: December and April. Therefore, to avoid having to borrow funds, the District needs to ensure sufficient funds are on hand to cover the operational cash flow needs during the seven-month period between the April and December property tax installments. At June 30, 2020, the fund balance of the General Fund totaled \$83.8 million; of which, \$19.4 million is classified as committed, \$354,000 is classified as non-spendable, \$93,000 is classified as assigned, and the balance of \$63.9 million is available to cover “dry period” funding requirements which exceeds the \$43.6 million “dry period” funding requirement for fiscal year 2020-21.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual revenues exceeded budget by \$3.3 million. A higher than anticipated increase in the assessed value of property within the District resulted in \$2 million more of property tax revenue than budgeted. Larger cash balances, coupled with unrealized gains on the fair value of investments at year end, resulted in investment earnings exceeding budget by \$800,000. The District was awarded a Federal Emergency Management Agency, Assistance to Firefighters Grant (SAFER) grant for six Firefighter/ Paramedic positions. The SAFER grant will provide partial funding for these positions over a three-year period, with the District receiving \$507,000 in grant revenue for the fiscal year ended June 30, 2020.

Overall spending was \$1.5 million below budget, major components of which include: \$845,000 reduction in current year retirement contributions due to prior years adjustments; spending on legal, professional and medical services was \$557,000 less than budget; and costs associated with workers compensation benefits were \$115,000 less than budget.

OTHER GOVERNMENTAL FUNDS

CAPITAL PROJECTS FUND

The District's comprehensive long-range Capital Improvement Plan ("CIP") is utilized to plan for major capital maintenance, replacement and acquisitions over a 12-year planning horizon. CIP activity is accounted for in the Capital Projects Fund and is funded primarily through annual transfers from the General Fund, along with an information technology surcharge on building permits, the sale of surplus assets, grant funding when available and from debt financing when deemed appropriate. The IT surcharge revenue is restricted for technology and other enhancements in the delivery of building plan review and permitting services. In the current year, there was a General Fund transfer of \$3.1 million, investment earnings of \$205,000 and IT surcharge revenue of \$29,000. The District spent \$1.8 million on fire apparatus, \$1.3 million on facility improvements, \$204,000 on major emergency equipment and technology projects. At June 30, 2020, the ending fund balance stood at \$9.5 million, all of which is intended to meet the future capital needs of the District.

DEBT SERVICE FUND

The Debt Service Fund is used to account for the annual principal and interest payments and other activity associated with the District's long-term indebtedness, as well as the annual transfers from the General Fund used to fund the debt payments. Over the last several years, the District has taken advantage of the current low interest rate environment by refinancing earlier debt issues. As a result, the annual interest charge was reduced substantially. The General Fund transfer for the current year of \$1.5 million was used to pay current principal (\$1 million) and interest (\$544,000) on outstanding indebtedness, including Certificates of Participation and capital leases.

CAPITAL ASSETS

As of June 30, 2020, the District had \$37 million in net capital assets. Asset additions for the year exceeded depreciation by \$429,000. The following table identifies the specific governmental activity:

Table 3
Capital Assets
(in thousands)

| Governmental Activities | 2019 | 2020 |
|--------------------------------|-----------|----------|
| Land | \$ 6,001 | \$ 6,001 |
| Construction in progress | 154 | 384 |
| Buildings and improvements | 33,931 | 34,353 |
| Equipment | 31,298 | 33,199 |
| Less: accumulated depreciation | (34,795) | (36,920) |
| Capital assets, net | \$ 36,589 | 37,017 |

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 estimated fair market value on the date contributed. Capital assets with a value of \$10,000 or more are recorded as capital assets (except for federal grant acquisitions, in which case the threshold is \$5,000). All capital assets are depreciated over estimated useful lives, using the straight-line method. Construction in progress at June 30, 2020, related to facility improvement projects underway at year end. For additional information on capital assets see Note 3.

DEBT ADMINISTRATION

As discussed earlier, the Debt Service Fund accounts for the annual principal and interest payments on the District's long-term indebtedness. In 2015, the District issued \$12,010,000 of 2015 Refunding Certificates of Participation (COP's). The proceeds of which were used to fully retire the higher interest-bearing 2006 COP's, resulting in substantial interest savings for the District. The 2015 COP also provided \$5,000,000 of new money for construction of the new (replacement) fire station (Station 32). During fiscal year 2019 the District entered into a \$5.4 million lease purchase transaction for the acquisition of replacement fire engines and ambulances.

The Debt Service Fund paid principal and interest on the 2015 COP issue in the amount of \$500,000 and \$431,350, respectively. Principal and interest on the equipment lease/purchase agreement was \$500,679 and \$112,000, respectively. See Note 5 for additional information on long-term debt.

Table 4

Outstanding Debt

(in thousands)

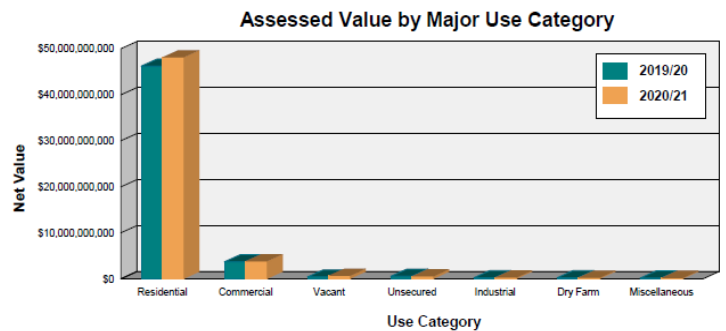
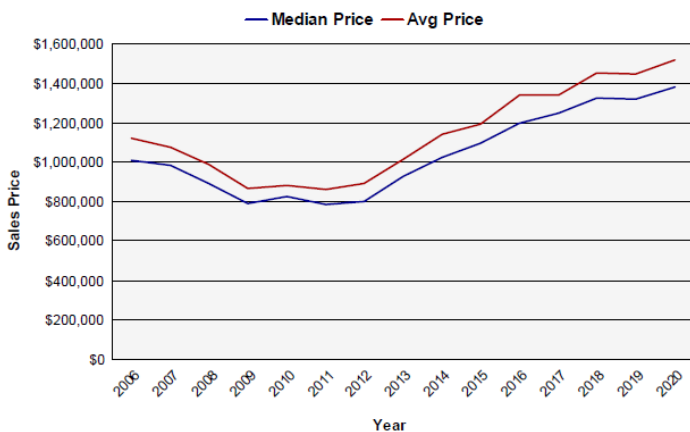
Governmental Activities

| | 2019 | 2020 |
|--------------------------------------|-----------|-----------|
| Certificates of participation - 2015 | \$ 11,405 | \$ 10,905 |
| Equipment lease purchase agreement | 4,952 | 4,452 |
| Capital assets, net | \$ 16,357 | 15,357 |

ECONOMIC OUTLOOK

The primary economic drivers of District finances are property tax revenue and personnel costs. Achieving and maintaining fiscal sustainability requires a solid understanding of the factors that influence changes in these primary sources and uses of fiscal resources. Other key factors that influence the long-term fiscal sustainability of the District include preserving the District's significant investment in its infrastructure and rolling stock, addressing the significant long-term liabilities associated with retirement benefits and ensuring an adequate level of reserves to mitigate any negative consequences arising from sudden economic changes in order to avoid disruption in District operations.

As discussed previously, property tax revenue for the District is heavily influenced by residential property values which comprises nearly 90% of the assessed value (AV) of property within the District. The local housing market, which had been very strong through 2018, growth in the number of home sales slowed, and even declined by mid-2019. The *median* sales price of a single-family home in the District for January through August 2019 was \$1,325,000, which was the same as for 2018; but, as mentioned



previously, remains well above the pre-recession peak price. The net taxable AV increase as of January 1, 2020 tax roll (which is the basis for the property tax revenue received in fiscal year 2020/21) was 4.5%, which equates to growth of \$2.3 billion. The change attributed to the 2% Proposition 13 inflation adjustment was \$929 million, or 40% of the increase; while the value change due to transfer of ownership added \$1 billion, accounting for 43% of growth. The increased AV should result in around \$3 million of added property tax revenue, which would bring the total for next fiscal year to around \$78.4 million; an increase of 4%.

Overall, personnel costs are expected to increase next year by a net \$5.5 million, or 9%. Salaries are projected to increase by \$2.1 million, while pension costs are expected to increase by \$2.3 million; which stem from the hiring of an additional six firefighter/paramedics through the SAFER Grant program and a scheduled 4% cost-of-living adjustment for all employees. (Also, last year's pension costs were reduced by a \$1 million carryover of excess contributions from previous years.) Medical

premiums and workers compensation claims costs are expected to increase by \$750,000. In addition, the District will be conducting another firefighter academy next year to maintain current staffing levels in lieu of pending retirements. The District will continue to fully fund the annual required contribution for retirement benefits, the cost of which is expected to remain roughly the same as the current year. In addition, however, the Board of Directors has provided policy to accelerate the pay-down of unfunded liabilities associated with OPEB and retirement benefits, and roughly \$4.7 million has been appropriated in the fiscal year 2020/21 budget for this purpose.

The District has taken full advantage of the current low interest rate environment by refinancing its long-term indebtedness and raising new money to upgrade facilities as well as to replace an aging fleet of emergency response apparatus. The District anticipates issuing approximately \$40 million in long-term debt in 2020/21 to finance the joint District/City of San Ramon safety complex and training center discussed previously. The annual funding of the long-range Capital Improvement Plan (“CIP”) is expected to continue with a planned transfer next year of \$3.2 million from the General Fund. The CIP is intended to ensure that capital needs are identified (technology, equipment, apparatus, facilities) and funding is available when needed.

Current financial projections indicate the operational cost saving measures enacted to control spending, combined with the current level of property values and tax revenue have stabilized the operating budget, brought ongoing spending in line with ongoing revenues throughout the District’s ten year planning horizon, and demonstrate the District to have sufficient funding over the forecast period to cover its dry-period financing needs, maintain an appropriate contingency reserve, address its long term liabilities associated with retirement benefits and maintain critical infrastructure.

The District continues to regularly review and adjust financial projections in response to current trends in real property values and historical growth patterns in the various tax rate areas in the San Ramon Valley, new commercial and residential development, State of California economic forecasts, and changes adopted by the retirement and healthcare systems under which the District provides benefits to its employees. District spending choices are prioritized and reflect public values, with service levels balanced against adequate funding to maintain facilities, vehicles and equipment and providing a sustainable level of fair and reasonable employee compensation. These efforts are undertaken with a commitment to maintain the high level of service currently being delivered to the community while sustaining the long-term fiscal viability of the District.

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 Division, at 1500 Bollinger Canyon Road, San Ramon, California, 94583.

San Ramon Valley Fire Protection District
Statement of Net Position and Statement of Activities
Year Ended June 30, 2020

The Statement of Net Position and the Statement of Activities 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 Position 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 Position focuses the reader on the composition of the District's Net Position, by subtracting total liabilities from total assets.

The Statement of Net Position summarizes the financial position of 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, Debt Service, and Capital Projects Funds.

The Statement of Activities reports increases and decreases in the District's net position. 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 Position is computed and reconciled with the Statement of Net Position.

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 Position
June 30, 2020

| | |
|--|---------------------|
| Assets | |
| Cash and investments: | |
| Cash and investments | \$ 92,609,415 |
| Petty cash | 1,250 |
| Cash with fiscal agent | 9,601 |
| Receivables: | |
| Accounts | 2,156,664 |
| Interest | 370,749 |
| Prepaid items | 2,105,195 |
| Capital assets: | |
| Non depreciable capital assets | 6,384,488 |
| Depreciable capital assets, net | 30,633,365 |
| Total assets | <u>134,270,727</u> |
| Deferred Outflows of Resources | |
| Deferred outflows related to pensions | 11,912,564 |
| Deferred outflows related to OPEB | 9,793,381 |
| Deferred loss on refunding | 391,294 |
| Total deferred outflows of resources | <u>22,097,239</u> |
| Liabilities | |
| Accounts payable | 752,938 |
| Accrued liabilities | 2,974,796 |
| Deposits payable | 19,183 |
| Compensated absences: | |
| Due within one year | 511,199 |
| Due in more than one year | 2,179,321 |
| Claims payable | |
| Due within one year | 2,634,800 |
| Due in more than one year | 4,893,200 |
| Bonds payable | |
| Due within one year | 1,027,413 |
| Due in more than one year | 15,182,291 |
| Noncurrent liabilities due in more than one year | |
| Net pension liability | 43,246,471 |
| Net OPEB liability | 47,813,605 |
| Total liabilities | <u>121,235,217</u> |
| Deferred Inflows of Resources | |
| Deferred inflows related to pensions | 17,554,185 |
| Deferred inflows related to OPEB | 11,049,225 |
| Total deferred inflows of resources | <u>28,603,410</u> |
| Net Position | |
| Net investment in capital assets | 21,199,443 |
| Restricted for: | |
| Debt service | 131 |
| Capital projects | 136,462 |
| Unrestricted | (14,806,697) |
| Total net position | <u>\$ 6,529,339</u> |

San Ramon Valley Fire Protection District

Statement of Activities
Year Ended June 30, 2020

| | |
|------------------------------------|----------------------------|
| Expenses: | |
| Public safety - fire | \$ 74,671,815 |
| Interest on long-term debt | <u>505,277</u> |
| Total program expenses | <u>75,177,092</u> |
| Program Revenues: | |
| Charges for services | 5,548,911 |
| Operating grants and contributions | <u>2,158,017</u> |
| Total program revenues | <u>7,706,928</u> |
| Net (expense) revenue | <u>(67,470,164)</u> |
| General Revenues: | |
| Property taxes | 77,282,053 |
| Use of money and property | 2,031,853 |
| Other revenues | <u>42,434</u> |
| Total general revenues | <u>79,356,340</u> |
| Change in Net Position | 11,886,176 |
| Net Position (Deficit) - Beginning | <u>(5,356,837)</u> |
| Net Position - Ending | <u><u>\$ 6,529,339</u></u> |

Fund Financial Statements

The Fund Financial Statements present individual major funds, 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

The funds described below were determined to be Major Funds by the District in fiscal 2020.

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 and equipment. Resources are provided by General Fund transfers and interest income on unspent funds.

San Ramon Valley Fire Protection District

Governmental Funds

Balance Sheet

June 30, 2020

| | Major Funds | | Nonmajor Fund | Total Governmental Funds |
|--|---------------|---------------------|-----------------|--------------------------------|
| | General | Capital Projects | Debt Service | |
| Assets | | | | |
| Cash and investments | \$ 84,659,807 | \$ 7,949,608 | \$ - | \$ 92,609,415 |
| Petty cash | 1,250 | - | - | 1,250 |
| Cash with fiscal agents | - | 9,470 | 131 | 9,601 |
| Receivables: | | | | |
| Accounts | 2,156,664 | - | - | 2,156,664 |
| Interest | 343,617 | 27,132 | - | 370,749 |
| Prepaid items | 353,793 | 1,751,402 | - | 2,105,195 |
| Total assets | \$ 87,515,131 | \$ 9,737,612 | \$ 131 | \$ 97,252,874 |
| Liabilities, Deferred Inflows of Resources and Fund Balance | | | | |
| Liabilities | | | | |
| Accounts payable | \$ 492,918 | \$ 260,020 | \$ - | \$ 752,938 |
| Accrued liabilities | 2,748,541 | 7,473 | - | 2,756,014 |
| Deposits payable | 19,183 | - | - | 19,183 |
| Total liabilities | 3,260,642 | 267,493 | - | 3,528,135 |
| Deferred Inflows of Resources | | | | |
| Unavailable revenue | 477,786 | - | - | 477,786 |
| Fund Balance | | | | |
| Nonspendable | 353,793 | 1,751,402 | - | 2,105,195 |
| Restricted | - | 136,462 | 131 | 136,593 |
| Committed | 19,408,313 | 4,419,847 | - | 23,828,160 |
| Assigned | 92,825 | 3,162,408 | - | 3,255,233 |
| Unassigned | 63,921,772 | - | - | 63,921,772 |
| Total fund balances | 83,776,703 | 9,470,119 | 131 | 93,246,953 |
| Total liabilities, deferred inflows and fund balances | \$ 87,515,131 | \$ 9,737,612 | \$ 131 | \$ 97,252,874 |

San Ramon Valley Fire Protection District
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
 June 30, 2020

| | |
|--|----------------------------|
| Total fund balance of governmental funds | \$ 93,246,953 |
| Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the governmental funds above because: | |
| Capital Assets | |
| Capital assets are not considered current financial resources and therefore are not reported in the governmental funds | 37,017,853 |
| Deferred Outflows of Resources | |
| Deferred loss on refunding is not recorded in the governmental funds | 391,294 |
| Deferred outflows related to pensions are not recorded in governmental funds | 11,912,564 |
| Deferred outflows related to OPEB are not recorded in governmental funds | 9,793,381 |
| Long-Term Liabilities | |
| Liabilities that are not considered due and payable are not reported in the governmental funds | |
| Certificates of Participation principal | (11,757,908) |
| Lease purchase agreement principal | (4,451,796) |
| Interest payable | (218,782) |
| Claims payable | (7,528,000) |
| Compensated absences | (2,690,520) |
| Net pension liability | (43,246,471) |
| Net OPEB liability | (47,813,605) |
| Deferred Inflows of Resources | |
| Amounts not meeting the availability criteria to be considered revenue in the governmental funds are recognized in the Statement of Activities | 477,786 |
| Deferred inflows of resources related to pensions are not recorded in the governmental funds | (17,554,185) |
| Deferred inflows of resources related to OPEB are not recorded in the governmental funds | <u>(11,049,225)</u> |
| Net position (deficit) of governmental activities | <u><u>\$ 6,529,339</u></u> |

San Ramon Valley Fire Protection District
Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
Year Ended June 30, 2020

| | Major Funds | | Nonmajor Fund | Total Governmental Funds |
|--|---------------------|---------------------|--------------------|--------------------------------|
| | General | Capital Projects | Debt Service | |
| Revenues | | | | |
| Property taxes | \$77,282,053 | \$ - | \$ - | \$77,282,053 |
| Intergovernmental revenues | 2,439,360 | - | - | 2,439,360 |
| Charges for services | 5,548,911 | - | - | 5,548,911 |
| Use of money and property | 1,758,395 | 205,434 | 45 | 1,963,874 |
| Rents, royalties, and commissions | 67,979 | - | - | 67,979 |
| Other revenues | 13,303 | 29,131 | - | 42,434 |
| Total revenues | <u>87,110,001</u> | <u>234,565</u> | <u>45</u> | <u>87,344,611</u> |
| Expenditures | | | | |
| Current: | | | | |
| Public safety-fire | | | | |
| Salaries and benefits | 63,833,664 | - | - | 63,833,664 |
| Central garage | 922,898 | - | - | 922,898 |
| Maintenance and repairs | 537,843 | - | - | 537,843 |
| Rents and leases | 128,497 | - | - | 128,497 |
| Professional and other services | 3,287,371 | 20,421 | 3,189 | 3,310,981 |
| Supplies and utilities | 1,967,116 | - | - | 1,967,116 |
| Capital outlay | - | 3,525,051 | - | 3,525,051 |
| Debt service: | | | | |
| Principal | - | - | 1,000,679 | 1,000,679 |
| Interest and fiscal agent charges | - | - | 543,827 | 543,827 |
| Total expenditures | <u>70,677,389</u> | <u>3,545,472</u> | <u>1,547,695</u> | <u>75,770,556</u> |
| Excess (deficiency) of revenues over expenditures | <u>16,432,612</u> | <u>(3,310,907)</u> | <u>(1,547,650)</u> | <u>11,574,055</u> |
| Other Financing Sources (Uses) | | | | |
| Transfers in | - | 3,090,764 | 1,547,695 | 4,638,459 |
| Transfers out | (4,638,459) | - | - | (4,638,459) |
| Total other financing Sources (uses) | <u>(4,638,459)</u> | <u>3,090,764</u> | <u>1,547,695</u> | <u>-</u> |
| Net Change in Fund Balances | 11,794,153 | (220,143) | 45 | 11,574,055 |
| Fund Balances at Beginning of Year | <u>71,982,550</u> | <u>9,690,262</u> | <u>86</u> | <u>81,672,898</u> |
| Fund Balances at End of Year | <u>\$83,776,703</u> | <u>\$ 9,470,119</u> | <u>\$ 131</u> | <u>\$93,246,953</u> |

San Ramon Valley Fire Protection District

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2020

The schedule below reconciles the net change in fund balances reported in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances, which measures only changes in current assets and liabilities on the modified accrual basis, with the change in net position in governmental activities reported in the Statement of Activities, which is prepared on the accrual basis.

Net Change in Fund Balances - Total Governmental Funds \$ 11,574,055

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 capitalized expenditures are therefore added back to net position | 469,844 |
| Net book value of retirements of capital assets are deducted from net position | (40,990) |
| Gain on disposition of assets | |
| Depreciation expense is deducted from the net position | |
| Contributed assets to other agency are deducted from net position | |
| The loss on disposal is deducted from the fund balance | |

Long-Term Debt Payments

Repayment of bond principal is an expenditure in the governmental funds, but in the Statement of Net Position the repayment reduces long-term liabilities.

| | |
|---|-----------|
| Change in accrued interest | 13,194 |
| Repayment of debt principal is added back to net position | 1,000,679 |
| Amortization of loss on debt refunding | (27,950) |
| Amortization of bond premium | 53,306 |

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 and expenditures in governmental funds (net change):

| | |
|-----------------------------------|-------------|
| Change in compensated absences | (757,373) |
| Change in unavailable revenue | (281,343) |
| Change in claims payable | (566,000) |
| Change in pension related amounts | (3,259,280) |
| Change in OPEB related amounts | 3,708,034 |

Change in Net Position of Governmental Activities \$ 11,886,176

San Ramon Valley Fire Protection District

Fiduciary Fund

Statement of Fiduciary Net Position

June 30, 2020

Agency Fund

Agency funds are used to account for assets held by the District as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the entity-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

| | <u>Agency Fund</u> |
|----------------------|-------------------------|
| Assets | |
| Cash and investments | \$ 54,093 |
| Accounts receivable | <u>20,000</u> |
| Total assets | <u><u>\$ 74,093</u></u> |
| Liabilities | |
| Accounts payable | \$ 836 |
| Due to members | <u>73,257</u> |
| Total liabilities | <u><u>\$ 74,093</u></u> |



Note 1 – Summary of Significant Accounting Policies

A. 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 sector 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 area 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 maintains its headquarters at 1500 Bollinger Canyon Road, San Ramon, California 94583.

B. 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 equipment and facilities within the District. While the Corporation is a separate legal entity, the District Board serves in a separate section 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.

C. 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 Governmental Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Statements require that the financial statements described below be presented.

Government-wide Financial Statements: The Statement of Net Position 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. 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.

Note 1 – Summary of Significant Accounting Policies (Continued)

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. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column.

D. 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 the following 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 and the replacement of equipment and vehicles. Resources are provided by General Fund transfers, and interest income on unspent funds.

The District also reports the following fund type:

Fiduciary Fund – Agency Funds are used to account for donated assets held by the District as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the entity-wide financial statements, but are presented in separate Fiduciary Fund financial statements. The Fiduciary Fund presented is for the Citizens Corps Council (CCC), consisting of five member agencies including: San Ramon Valley Fire Protection District, City of San Ramon, Town of Danville, San Ramon Valley Unified School District, and Contra Costa County. The CCC's mission is to preserve the life, health, and welfare of all who reside, visit, or work in San Ramon Valley.

E. 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.

Note 1 – Summary of Significant Accounting Policies (Continued)

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 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*. The agency fund has no measurement focus but uses the full accrual basis of accounting.

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 position 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.

F. 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 Controller 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.

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.

Note 1 – Summary of Significant Accounting Policies (Continued)**G. 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.

H. 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.

I. Capital Assets and Depreciation

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 acquisition value on the date contributed. Capital assets with a value of \$10,000 or more are recorded as capital assets.

Capital assets with limited useful lives are depreciated over their estimated useful lives.

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.

Note 1 – Summary of Significant Accounting Policies (Continued)

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.

J. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of the prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

L. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the District's Contra Costa County Employees' Retirement Association (CCCERA) plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by CCCERA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Other Post-Employment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the District's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Note 1 – Summary of Significant Accounting Policies (Continued)**N. New Pronouncements**

The District has adopted new accounting and reporting standards in order to conform to the following Governmental Accounting Standards Board (GASB) Statements:

Adopted in the Current Year

GASB Statement No. 95 – In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*. The objective of this statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. The objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 30, 2018, and later. The effective dates of certain provisions contained in the following pronouncements are postponed by one year: Statement No. 83, No. 84, No. 88, No. 89, No. 90, No. 91, No. 92, and No. 93.

Effective in Future Fiscal Years

The District is currently evaluating the potential impact of the following issued, but not yet effective, accounting standards.

GASB Statement No. 84 – In January 2017, GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement is effective for reporting periods beginning after December 15, 2019. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases; enhancing the comparability of financial statements between governments; and also enhancing the relevance, reliability (representational faithfulness), and consistency of information about the leasing activities of governments. This Statement is effective for reporting periods beginning after June 15, 2021. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 89 – In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for certain interest costs. This Statement is effective for reporting periods beginning after December 15, 2020. The District is evaluating the impact of this Statement on the financial statements.

Note 1 – Summary of Significant Accounting Policies (Continued)

GASB Statement No. 90 – In September 2018, the GASB issues Statement No. 90, *Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61*. The objectives of this Statement are to improve the consistency and comparability of reporting a government’s majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The Statement is effective for reporting periods beginning after December 15, 2019. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 91 – In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objective of this statement is to better meet the information needs of financial statement users by enhancing the comparability and consistency of conduit debt obligation reporting and reporting of related transactions and other events by state and local government issuers. This statement is also intended to improve the relevance, reliability, and understandability of information about conduit debt obligations, as well as related transactions and other events. The Statement is effective for reporting periods beginning after December 15, 2021. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 92 – In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation of certain GASB Statements. This statement addresses a variety of topics including specific provisions about GASB Statements No. 87, No. 74, No. 84 and other topics. The Statement has various effective dates beginning June 15, 2020. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 93 – In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this statement is to address those and other accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR). The Statement is effective for reporting periods beginning after June 15, 2020. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 94 – In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this statement is to improve financial reporting by addressing issued related to public-private and public-public partnership arrangements. The Statement is effective for reporting periods beginning after June 15, 2022. The District is evaluating the impact of this Statement on the financial statements.

GASB Statement No. 96 – In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. The statements provide guidance on the accounting and financial reporting for subscription-based information technology arrangements for government end users. The Statement is effective for reporting periods beginning after June 15, 2022. The District is evaluating the impact of this Statement on the financial statements.

Note 1 – Summary of Significant Accounting Policies (Continued)

GASB Statement No. 97 – In June 2020, the GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans- An Amendment of GASB Statements No. 14 and No. 84, and a Suppression of GASB Statement No. 32. The primary objective of the statement is to 1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; 2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution OPEB plans, and employee benefit plans other than pension plans or OPEB plans as fiduciary component units in fiduciary fund financial statements; and 3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans. The Statement is effective for reporting periods beginning after June 15, 2021. The District is evaluating the impact of this Statement on the financial statements.

Note 2 – 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.

Cash and investments as of June 30, 2020, are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of District debt instruments or Agency agreements.

| | |
|--|-----------------------------|
| Cash and investments | \$ 92,609,415 |
| Petty cash | 1,250 |
| Cash and investments with fiscal agent | <u>9,601</u> |
| Total district cash and investments | 92,620,266 |
| Fiduciary funds cash and investments | <u>54,093</u> |
| Total cash and investments | <u><u>\$ 92,674,359</u></u> |

Custodial credit risk for cash in bank, or deposits, is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Custodial credit risk for investments is the risk, that, in the event of the failure of the counterparty (e.g. broker-dealer used by the District to buy the securities), the government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial risk for deposits or investments, other than the following provision: A financial institution is required to secure deposits in excess of \$250,000 made by state and local governmental units by pledging securities in a undivided collateral pool held by a depository regulated under state law secured by US government securities at a constant margin ratio of 110% for government securities.

Note 2 – Cash and Investments (Continued)**A. Investments Authorized by the California Government Code and the District's Investment Policy**

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

| Permitted Investment/Deposit | Maximum Maturity |
|---|-------------------------|
| 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 |
| Passbook Savings, Money Market Accounts, and Money Market Funds | N/A |

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 following table 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 bc | N/A | N/A |

Note 2 – Cash and Investments (Continued)**C. Local Agency Investment Fund (LAIF)**

At June 30, 2020, the District had \$55,174,359 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. LAIF is not registered with the Securities and Exchange Commission. 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, 2020, LAIF had an average maturity of 173 days. As of June 30, 2020, LAIF was not rated.

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity as of June 30, 2020:

| | Maturities of | | | Total |
|-------------------------------------|----------------------|-----------------|-----------------|---------------|
| | 12 months or less | 12-24 months | 25-60 months | |
| U.S. Agency Securities: | | | | |
| FFCB | \$ - | \$ - | \$ 7,011,480 | \$ 7,011,480 |
| FHLB | - | - | 9,042,170 | 9,042,170 |
| FNMA | - | - | 2,112,860 | 2,112,860 |
| Certificates of Deposit | 500,030 | 2,038,453 | 4,251,784 | 6,790,267 |
| Comercial Paper | 4,992,811 | - | - | 4,992,811 |
| LAIF | 55,174,359 | - | - | 55,174,359 |
| Total investments | 60,667,200 | 2,038,453 | 22,418,294 | 85,123,947 |
| Cash in bank and money market funds | 7,550,412 | - | - | 7,550,412 |
| Total cash and investments | \$ 68,217,612 | \$ 2,038,453 | \$ 22,418,294 | \$ 92,674,359 |

Note 2 – Cash and Investments (Continued)**E. Credit Risk**

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization (Moody's). Presented below is the actual rating as of June 30, 2020, for each investment type:

| | AAA | A1 | Total |
|---|----------------------|---------------------|----------------------|
| U.S. Agency Securities: | | | |
| FFCB | \$ 7,011,480 | \$ - | \$ 7,011,480 |
| FHLB | 9,042,170 | - | 9,042,170 |
| FNMA | 2,112,860 | - | 2,112,860 |
| Commercial paper | - | 4,992,811 | 4,992,811 |
| | <u>\$ 18,166,510</u> | <u>\$ 4,992,811</u> | <u>\$ 23,159,321</u> |
| Exempt from credit rate risk disclosure | | | |
| Certificates of deposit | | | 6,790,267 |
| Not rated | | | |
| Local Agency Investment Fund | | | 55,174,359 |
| Cash in banks and money market | | | <u>7,550,412</u> |
| | | | <u>\$ 92,674,359</u> |

F. Fair Value Measurements

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value. The following provides a summary of the hierarchy used to measure fair value:

Level 1 - Quoted prices in active markets for identical assets that the District has the ability to access at the measurement date. Level 1 assets may include debt and equity securities that are traded in an active exchange market and that are highly liquid and are actively traded in over-the-counter markets.

Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, or other inputs that are observable, such as interest rates and curves observable at commonly quoted intervals, implied volatilities, and credit spreads. For financial reporting purposes, if an asset has a specified term, a Level 2 input is required to be observable for substantially the full term of the asset.

Level 3 - Unobservable inputs should be developed using the best information available under the circumstances, which might include the District's own data. The District should adjust that data if reasonably available information indicates that other market participants would use different data or certain circumstances specific to the District are not available to other market participants.

San Ramon Valley Fire Protection District

Notes to Financial Statements

June 30, 2020

Note 2 – Cash and Investments (Continued)

Uncategorized - The funds deposited in the Local Agency Investment Fund are invested in accordance with Government Code Sections 16430 and 16480, the stated investment authority for the Pooled Money Investment Account. Deposits and withdrawals in LAIF are made on the basis of \$1 and not fair value and, therefore, are uncategorized in the fair value hierarchy.

| Investment Type | Fair Value Measurements Using | | |
|-------------------------|-------------------------------|----------------------|----------------------|
| | Fair Value | Level 2 Inputs | Total |
| U.S. Agency Securities | \$ 18,166,510 | \$ 18,166,510 | \$ 18,166,510 |
| Commercial Paper | 4,992,811 | 4,992,811 | 4,992,811 |
| Certificates of deposit | 6,790,267 | 6,790,267 | 6,790,267 |
| Total | <u>\$ 29,949,588</u> | <u>\$ 29,949,588</u> | 29,949,588 |
| | | | <u>62,724,771</u> |
| | | | <u>\$ 92,674,359</u> |

Note 3 – Capital Assets

Capital assets activity comprised the following:

| | Balance at June 30, 2019 | Additions | Deductions | Balance at June 30, 2020 |
|--|-----------------------------|--------------------|---------------------|-----------------------------|
| Governmental Activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | \$ 6,000,878 | \$ - | \$ - | \$ 6,000,878 |
| Construction in progress | 154,735 | 383,610 | (154,735) | 383,610 |
| Total capital assets not being depreciated | <u>6,155,613</u> | <u>383,610</u> | <u>(154,735)</u> | <u>6,384,488</u> |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 33,930,690 | 423,755 | - | 34,354,445 |
| Vehicles | 22,672,502 | 1,865,407 | (5,803) | 24,532,106 |
| Equipment | 8,625,444 | 291,104 | (249,533) | 8,667,015 |
| Total capital assets being depreciated | <u>65,228,636</u> | <u>2,580,266</u> | <u>(255,336)</u> | <u>67,553,566</u> |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (14,941,998) | (534,644) | - | (15,476,642) |
| Vehicles | (13,591,802) | (1,061,133) | 5,803 | (14,647,132) |
| Equipment | (6,261,450) | (784,510) | 249,533 | (6,796,427) |
| Total accumulated depreciation | <u>(34,795,250)</u> | <u>(2,380,287)</u> | <u>255,336</u> | <u>(36,920,201)</u> |
| Net capital assets being depreciated | <u>30,433,386</u> | <u>199,979</u> | <u>-</u> | <u>30,633,365</u> |
| Capital assets, net | <u>\$ 36,588,999</u> | <u>\$ 583,589</u> | <u>\$ (154,735)</u> | <u>\$ 37,017,853</u> |

Depreciation expense for the year ended June 30, 2020 was \$ 2,380,287.

Note 4 – Compensated Absences

The changes of the compensated absence balances were as follows:

| | Governmental Activities |
|------------------------------------|----------------------------|
| Beginning Balance, at July 1, 2019 | \$ 1,933,147 |
| Additions made during fiscal year | 1,091,543 |
| Payments made during fiscal year | (334,170) |
| Ending balance, at June 30, 2020 | \$ 2,690,520 |
| Current Portion | \$ 511,199 |

The compensated absences liability is liquidated primarily by the General Fund.

Note 5 – Long-Term Liabilities

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 issuances and transactions are summarized below:

| | Original Issue Amount | Balance June 30, 2019 | Additions | Retirements | Balance June 30, 2020 | Current Portion |
|--|-----------------------------|--------------------------|-----------|----------------|--------------------------|--------------------|
| 2015 Certificates of Participation 2%-5%, due 8/1/35 | \$ 12,010,000 | \$ 11,405,000 | \$ - | \$ (500,000) | \$ 10,905,000 | \$ 515,000 |
| Lease Purchase Agreement, 2.33%, due 2/1/28 | 5,432,359 | 4,952,475 | - | (500,678) | 4,451,797 | 512,413 |
| Subtotal governmental activities debt | 17,442,359 | 16,357,475 | - | (1,000,678) | 15,356,797 | 1,027,413 |
| Premium net of amortization | 1,122,249 | 906,214 | - | (53,307) | 852,907 | - |
| Debt net of premium | \$ 18,564,608 | \$ 17,263,689 | \$ - | \$ (1,053,985) | \$ 16,209,704 | \$ 1,027,413 |

A. 2015 Refunding of Certificates of Participation and Capital Project Financing

On February 2, 2015, the District issued \$12,010,000 in Certificates of Participation (COPs) with interest rates ranging from 2.0% to 5.0%. The proceeds were used to advance refund \$7,995,000 of 2006 COPs and provide financing of \$5,000,000 for capital projects. The District reported a premium of \$1,122,249 at the time of issuance which is being amortized over the life of the bonds, with \$852,907 remaining at June 30, 2020.

At the time of refunding, the reacquisition price exceeded the net carrying amount of the old debt by \$526,109. This amount is reported as a deferred outflow of resources and is being amortized over the remaining life of the bonds. As of June 30, 2020, this balance is \$ 391,294.

Note 5 – Long-Term Liabilities (Continued)

B. Lease Purchase Agreement

On December 20, 2017, the District entered into a lease purchase agreement in the amount of \$5,432,359 for the purchase of five ambulances and nine fire engines. Ownership of the vehicles and equipment passes to the District at the end of the lease. The lease is payable from the debt service fund. Interest and principal are payable semi-annually on August 1 and February 1 until February 1, 2028. The cost of the vehicles is included in the capital asset balances reported by the District.

C. Debt Service Requirements

The District’s debt service requirements are presented below:

| <u>For the year ending June 30,</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-------------------------------------|----------------------|---------------------|----------------------|
| 2021 | \$ 1,027,413 | \$ 511,792 | \$ 1,539,205 |
| 2022 | 1,064,423 | 475,983 | 1,540,406 |
| 2023 | 1,101,713 | 436,067 | 1,537,780 |
| 2024 | 1,134,293 | 403,514 | 1,537,807 |
| 2025 | 1,157,165 | 378,840 | 1,536,005 |
| 2026-2030 | 5,061,790 | 1,386,002 | 6,447,792 |
| 2031-2035 | 3,915,000 | 691,250 | 4,606,250 |
| 2036 | 895,000 | 22,375 | 917,375 |
| Total payments due | <u>\$ 15,356,797</u> | <u>\$ 4,305,823</u> | <u>\$ 19,662,620</u> |

Note 6 – Interfund Transactions

A. Transfers Between Funds

Transfers between funds during the fiscal year ended June 30, 2020, were as follows:

| <u>Fund Receiving Transfers</u> | <u>Fund Making Transfers</u> | <u>Amount Transferred</u> | |
|---------------------------------|------------------------------|---------------------------|-----|
| Debt Service Fund | General Fund | \$ 1,547,695 | (A) |
| Capital Projects Fund | General Fund | <u>3,090,764</u> | (B) |
| | | <u>\$ 4,638,459</u> | |

(A) To fund debt service payments

(B) To fund capital related expenditures

Note 7 – Net Position and Fund Balances

Net position is reported on an accrual basis while fund balances are measured on the modified accrual basis.

A. Net Position

Net position is the excess of the District's assets and deferred outflows of resources over its liabilities and deferred inflows of resources. Net Position is divided into three categories described below:

Net Investment in Capital Assets represents capital assets, net of accumulated depreciation less the outstanding balance of any debt issued to finance these assets including any deferred balances.

Restricted net position is restricted to use by the terms and conditions of third-parties, governmental regulations, laws, or other restrictions. These include amounts restricted for debt service and debt proceeds held for the acquisition and construction of facilities and equipment.

Unrestricted describes the Net Position which is not categorized in the classifications above.

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

B. Fund Balance

Governmental fund balances represent the net current assets of each fund.

The District classifies its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the District prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendable represents balances set aside to indicate items that do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact and assets not expected to be converted to cash, such as prepaid, are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then nonspendable amounts are required to be presented as a component of the applicable category.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose.

Committed fund balances have constraints imposed by Board resolution which may be altered only by the same legal action of the Board. The governing board is the highest level of decision-making authority for the District. Nonspendable amounts subject to Board commitments are included along with spendable resources.

San Ramon Valley Fire Protection District

Notes to Financial Statements

June 30, 2020

Note 7 – Net Position and Fund Balances (Continued)

Assigned fund balances are amounts constrained by the District’s intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Board or its designee and may be changed at the discretion of the Board and its designee. The Fire Chief or Chief Financial Officer are the Board approved designees. This category includes nonspendables, when it is the Board’s intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, of Special Revenue, Capital Projects, and Debt Service Funds which have not been restricted or committed.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds.

For programs with multiple funding sources, the District prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned.

Detailed classifications of the District’s Fund Balances, as of June 30, 2020, are below:

| Fund Balance Classifications | General Fund | Capital Projects | Debt Service | Total |
|--------------------------------|---------------|------------------|--------------|---------------|
| Nonspendable: | | | | |
| Items not in spendable form: | | | | |
| Prepays | \$ 353,793 | \$ 1,751,402 | \$ - | \$ 2,105,195 |
| Restricted for: | | | | |
| Capital projects | - | 136,462 | - | 136,462 |
| Debt service | - | - | 131 | 131 |
| Total restricted fund balances | - | 136,462 | 131 | 136,593 |
| Committed to: | | | | |
| Workers' compensation claims | 4,500,000 | - | - | 4,500,000 |
| Capital projects | - | 4,419,847 | - | 4,419,847 |
| Stabilization arrangements | 14,908,313 | - | - | 14,908,313 |
| Total committed fund balances | 19,408,313 | 4,419,847 | - | 23,828,160 |
| Assigned to: | | | | |
| Services and supplies | 92,825 | 92,997 | - | 185,822 |
| Capital projects | - | 3,069,411 | - | 3,069,411 |
| Total assigned fund balances | 92,825 | 3,162,408 | - | 3,255,233 |
| Unassigned: | | | | |
| General fund | 63,921,772 | - | - | 63,921,772 |
| Total Fund Balances | \$ 83,776,703 | \$ 9,470,119 | \$ 131 | \$ 93,246,953 |

Note 7 – Net Position and Fund Balances (Continued)**C. Minimum Fund Balance Policy**

The District has a minimum fund balance policy. The Policy requires the District to maintain a minimum fund balance of 50% of the current fiscal year operating revenues in the General Fund at the end of the fiscal year. This amount is intended to cover the negative cash flow between property tax payments ("Dry Period Reserve"). At June 30, 2020, the Dry Period Reserve requirement of \$43,555,021 is included in unassigned fund balance.

The policy also required the District to maintain a Stabilization Arrangement balance equal to 20% of current fiscal year operating expenditures in the General Fund at the end of the fiscal year. The committed funds may only be used as a result of a prolonged economic downturn which is defined in the District's fund balance policy and is not anticipated to occur frequently. At June 30, 2020, the Stabilization Arrangement requirement of \$14,445,017. Also included in the committed fund balance classification is the District's self-insured retention for Workers' Compensation in the amount of \$4,500,000.

Note 8 – Defined Benefit Pension Plan**Plan Description***Plan administration*

The Contra Costa County Employees' Retirement Association (CCCERA) was established by the County of Contra Costa in 1945. CCCERA is governed by the County Employees' Retirement Law of 1937 (California Government Code Section 31450 et. seq), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures, and policies adopted by CCCERA's Board of Retirement. CCCERA is a cost-sharing multiple employer public employee retirement association whose main function is to provide service retirement, disability, death and survivor benefits to the General and Safety members employed by the County of Contra Costa. CCCERA also provides retirement benefits to the employee members for 16 other participating agencies which are members of CCCERA, including the District. CCCERA issues a publicly available financial report that can be obtained at www.cccera.org.

The management of CCCERA is vested with the CCCERA Board of Retirement. The Board consists of twelve trustees. Of the twelve members, three are alternates. Four trustees are appointed by the County Board of Supervisors; four trustees (including the Safety alternate) are elected by CCCERA's active members; two trustees (including one alternate) are elected by the retired membership. Board members serve three-year terms, with the exception of the County Treasurer who is elected by the general public and serves during his tenure in office.

Note 8 – Defined Benefit Pension Plan (Continued)*Benefits provided*

CCCERA provides service retirement, disability, death and survivor benefits to eligible employees. All regular full-time employees of the County of Contra Costa or participating agencies become members of CCCERA effective on the first day of the first full pay period after employment. Part-time employees in permanent positions must work at least 20 hours a week in order to be a member of CCCERA. There are separate retirement plans for General and Safety member employees. Safety membership is extended to those involved in active fire suppression and certain other "Safety" classifications. All other employees are classified as General employees. District employees are classified as Safety Tier A (Enhanced) or General Tier 1 (Enhanced). New District employees who become a Safety or General Member on or after January 1, 2013 are designated as PEPRA Safety Tier D or General Tier 4 and are subject to the provisions of California Government Code 7522 et seq.

General members hired prior to January 1, 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 52, and have acquired five years of retirement service credit.

Safety members prior to January 2013, are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 20 years of service is eligible to retire regardless of age. Safety members who are first hired on or after January 1, 2013, are eligible to retire once they have attained the age of 70 regardless of service or at age 50, and have acquired five years of retirement service.

The retirement benefit the member will receive is based upon age at retirement, final average compensation, years of retirement service credit and retirement plan and tier. General Tier 1 benefits are calculated pursuant to the provisions of Sections §31676.16. The monthly allowance is equal to 1/50th of final compensation multiplied by years of accrued retirement service credit multiplied by the age factor from §31676.16. General members with membership dates on or after January 1, 2013 (PEPRA General Tier 4) are calculated pursuant to the provisions found in California Government Code Section §7522.20(a). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement credit multiplied by the age factor from Section §7522.20(a).

Safety member benefits are calculated pursuant to the provisions of California Government Code Sections §31664 and §31664.1 for Non-enhanced and Enhanced formulae, respectively. The monthly allowance is equal to 1/50th (or 2%) of final compensation times years of accrued retirement service credit times age factor from Section §31664 (Non-Enhanced) or 3% of final compensation times years of accrued retirement service credit times age factor from §31664.1 (Enhanced). For those Safety members with membership dated on or after January 1, 2013 (PERPA Safety Tier D and Tier E) benefits are calculated pursuant to the provisions found in California Government Code Section §7522.25(d). The monthly allowance is equal to the final compensation multiplied by years of accrued retirement service credit multiplied by the age factor from Section §7522.25(d).

Note 8 – Defined Benefit Pension Plan (Continued)

For members with membership dates before January 1, 2013, the maximum monthly retirement allowance is 100% of final compensation. PEPRA pensionable compensation cap is \$151,549 + CPI for employees not participating in Social Security.

Final average compensation consists of the highest 12 consecutive months for Safety Tier A and General Tier 1, and the highest 36 consecutive months for PEPRA Safety Tier D and General Tier 4.

The member may elect an unmodified retirement allowance, or choose an optional retirement allowance. The unmodified retirement allowance provides the highest monthly benefit and a 60% continuance to an eligible surviving spouse or domestic partner. An eligible surviving spouse or domestic partner is one married to or registered with the member one year prior to the effective retirement date or at least two years prior to the date of death and has attained age 55 on or prior to the date of death. There are four optional retirement allowances the member may choose. Each of the optional retirement allowances requires a reduction in the unmodified retirement allowance in order to allow the member the ability to provide certain benefits to a surviving spouse, domestic partner, or named beneficiary having an insurable interest in the life of the member.

CCCERA provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustment, based upon the Consumer Price Index for the San Francisco-Oakland-San Jose Area, is capped at 3.0% for Safety Tier A, General Tier 1, PEPRA Safety Tier D, and PEPRA General Tier 4. The plan also provides a post retirement lump sum death benefit of \$5,000 to the member’s beneficiary (\$31789.5) paid from the Post Retirement Death Benefit Reserve.

The County of Contra Costa and participating agencies contribute to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from CCCERA’s actuary after the completion of the annual actuarial valuation. Members are required to make contributions to CCCERA regardless of the retirement plan or tier in which they are included.

The Plan’s provisions and benefits in effect at June 30, 2020 are summarized as follows:

| | Safety | | Non-Safety | | | |
|---|-----------------------------|--------------------------------|-----------------------------|--------------------------------|--|--|
| | Prior to January 1, 2013 | On or after January 1, 2013 | Prior to January 1, 2013 | On or after January 1, 2013 | | |
| Hire date | | | | | | |
| Formula | 3% at 50 | 2.7% at 57 | 2% at 55 | 2.5 % at 67 | | |
| Benefit vesting schedule | 5 years of service | 5 years of service | 5 years of service | 5 years of service | | |
| Benefit payments | Monthly for life | Monthly for life | Monthly for life | Monthly for life | | |
| Retirement age | 70 (1) | 70 (2) | 70 (3) | 70 (4) | | |
| Monthly benefits as percentage of annual salary | 1.9-3.0% | 2.0-2.7% | 1.4-2.4% | 1.0% to 2.5% | | |
| Required employee contribution rates | 16.05% - 22.61% | 18.06% | 8.10% - 15.23% | 11.96% | | |
| Employee contribution on behalf of employer | 8.00% | 8.00% | 6.00% | 6.00% | | |
| Required employer contribution rates | 76.84% | 65.60% | 37.76% | 33.47% | | |

(1) Or 50 with ten years of service credit; Members with 20 years of service are eligible to retire regardless of age.

(2) Or 50 with five years of service credit

(3) Or 50 with ten years of service credit; Members with 30 years of service are eligible to retire regardless of age.

(4) Or 52 with five years of service credit

Note 8 – Defined Benefit Pension Plan (Continued)

Contributions - Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis as of June 30 by Contra Costa County Employees' Retirement Association. The actuarially determined rate is the estimated amount necessary to fund the costs of benefits earned by employees during the year, with an additional amount to fund any unfunded accrued liability.

The District is required to contribute the actuarially determined rate which is offset by a contribution by the employees. Contributions to the pension plan were \$16,128,715 for the year ended June 30, 2020.

Plan's Collective Net Pension Liability

As of June 30, 2020, the District reported a liability of \$43,246,471 for its proportionate share of the Plan's collective net pension liability.

The District's net pension liability for the Plan is measured as the proportionate share of the total net pension liability. The net pension liability of the Plan is measured as of December 31, 2019. Plan fiduciary net position was valued as of the measurement date while the total pension liability (TPL) was determined based upon rolling forward the TPL from an actuarial valuation as of December 31, 2019. The District's proportion of the net pension liability is based on the District's actual pensionable compensation relative to the actual pensionable compensation of all participating employers. The District's proportionate share of the net pension liability of the plan as of December 31, 2019 was as follows:

| | |
|--|----------------------|
| Proportion - 2018 | 4.872% |
| Proportion - 2019 | <u>5.005%</u> |
| Change in proportion - Increase/(Decrease) | <u><u>0.133%</u></u> |

For the year ended June 30, 2020, the District recognized pension expense of \$13,952,057. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|---|---|--|
| Changes in proportion and differences between the District's contributions and proportionate share of contributions | \$ 5,733,622 | \$ 4,253,985 |
| Changes in assumptions | - | 2,623,545 |
| Net difference between projected and actual earnings on plan investments | - | 10,031,596 |
| Difference between expected and actual experience | <u>6,178,942</u> | <u>645,059</u> |
| Total | <u><u>\$ 11,912,564</u></u> | <u><u>\$ 17,554,185</u></u> |

Note 8 – Defined Benefit Pension Plan (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

| Year ended June 30 | |
|--------------------|----------------|
| 2021 | \$ (1,607,720) |
| 2022 | (1,953,395) |
| 2023 | 2,821,651 |
| 2024 | (4,902,157) |
| Total | \$ (5,641,621) |

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

| | Safety and Non-Safety |
|---------------------------|--|
| Valuation Date | December 31, 2019 |
| Measurement Date | December 31, 2019 |
| Actuarial Cost Method | Entry-Age Actuarial Cost Method |
| Amortization method | Level percent of payroll - fixed |
| Actuarial Assumptions: | |
| Discount Rate | 7.00% |
| Inflation | 2.75% |
| Projected Salary Increase | 3.75% - 16.25% |
| Investment Rate of Return | 7.00% (1) |
| Mortality | MP-2018 Combined Healthy Mortality Table (2) |

(1) Net of pension plan investment expenses

(2) For General Members: Headcount-Weighted RP-2018 Healthy Annuitant Mortality Table, projected generationally with the two-dimensional MP-2015 projection scale. For Safety Members: Headcount-Weighted RP-2018 Healthy Annuitant Mortality Table set back three years, projected generationally with the two-dimensional MP-2015 projection scale.

The underlying mortality assumptions and all other actuarial assumptions used in the December 31, 2019 valuation were based on the results of an experience study performed by an independent actuarial consulting firm for the period January 1, 2016 through December 31, 2018.

Note 8 – Defined Benefit Pension Plan (Continued)**Discount Rate**

The discount rate used to measure the total pension liability was 7.00% for the Plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that the District's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the employee rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. This return is combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and risk margin. The target allocation (approved by the CCCERA board) and projected arithmetic real rates of return for each major asset class, after deducting inflation but before deducting investment expenses, used in the derivation of the long-term expected investment rate of return assumptions are summarized in the following table:

| Asset Class | Target Allocation | Long-Term Expected Real Rate of |
|--------------------------------|----------------------|---------------------------------------|
| Large Cap U.S. Equity | 5% | 5.44% |
| Developed International Equity | 13% | 6.54% |
| Emerging Market Equity | 11% | 8.73% |
| Short-Term Govt/Credit | 23% | 0.84% |
| U.S. Treasury | 3% | 1.05% |
| Private Equity | 8% | 9.27% |
| Risk Diversifying | 7% | 3.53% |
| Global Infrastructure | 3% | 7.90% |
| Private Credit | 12% | 5.80% |
| REIT | 1% | 6.80% |
| Value Add Real Estate | 5% | 8.80% |
| Opportunistic Real Estate | 4% | 12.00% |
| Risk Parity | 5% | 5.80% |
| Total | 100% | |

Note 8 – Defined Benefit Pension Plan (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability for the Plan, calculated using the discount rate for the Plan, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|----------------------------------|------------------------|-------------------------------------|------------------------|
| District's Net Pension Liability | \$ 109,001,061 | \$ 43,246,471 | \$ (10,640,109) |

Pension Plan Fiduciary Net Position

The pension plan's fiduciary net position has been determined on the same basis of accounting as the District. Detailed information about the pension plan's fiduciary net position is available in the separately issued CCCERA financial reports.

Note 9 – Post-Employment Health Care Benefits

Plan Description – The District provides certain other postemployment benefits (OPEB) to employees. The District's agent multiple-employer defined benefit postemployment healthcare plan provides health care benefits to eligible retirees in accordance with a Board resolution. The District is a participant in the California Employers' Retirees Benefit Trust (CERBT), an irrevocable trust established to fund OPEB. CERBT, an agent multiple-employer defined benefit postemployment healthcare trust, is administrated by CalPERS. The District contracts with CalPERS to administer its retiree health benefit plan. A summary of eligibility and retiree contribution requirements are shown below by bargaining unit:

| | Miscellaneous | Safety |
|----------------------------|--|---|
| Eligibility | <ul style="list-style-type: none"> • Full time employees who retire directly from the District • Service ret: 50 & 10, or 30 YOS • Service-connected disability ret: regardless age or service • Service includes all 37 Act & CalPERS service • Participates in PEMHCA | <ul style="list-style-type: none"> • Full time employees who retire directly from the District • Service ret: 50 & 10, or 20 YOS • Service-connected disability ret: regardless ages or service • Service includes all 37 Act & CalPERS service • Participates in PEMHCA |
| Medical Benefits | <ul style="list-style-type: none"> • District pays 100% of the medical premium for retiree, spouse and dependents • District pays 92% of the second highest bay Area Basic plan offered by CalPERS | |
| Dental, Vision, Life & EAP | <ul style="list-style-type: none"> • Dental, Vision, EAP: District pays 50% of the premium for retiree, spouse and dependents • Life: District pays 50% of the premium for retiree only until age 65 | |

Note 9 – Post-Employment Health Care Benefits (Continued)

Employees Covered – As of the June 30, 2019 actuarial valuation, the following current and former employees were covered by the benefit terms under the OPEB Plan:

| | |
|--|-------------------|
| Inactive employees or beneficiaries currently receiving benefit payments | 176 |
| Inactive employees entitled to but not yet receiving benefit payments | 4 |
| Active employees | <u>158</u> |
| Total | <u><u>338</u></u> |

Contributions – The obligation of the District to contribute to the plan is based on an actuarial determined rate. For the fiscal year ended June 30, 2020, the District's contributions were \$7,469,089. The District makes contributions and participates in the California Employers' Retiree Benefit Trust (CERBT) Fund for the purpose of prefunding obligations for past services. Through this plan, the California Public Employees' Retirement System (CalPERS) Board of Administration has the sole and exclusive control and power over the administration and investment of the prefunding plan.

Net OPEB Liability – The District's net OPEB Liability was measured as of June 30, 2019 and the Net OPEB Liability was determined by an actuarial valuation as of June 30, 2019. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|----------------------------|--|
| Valuation Date | June 30, 2019 |
| Funding Method | Entry age normal cost, level percent of pay |
| Asset Valuation Method | Market value of assets |
| Long Term Return on Assets | 6.90% net of plan investment expenses and including inflation |
| Discount Rate | 6.90% |
| Assumed Wage Inflation | 3.00% |
| General Inflation Rate | 2.50% |
| Salary Increases | 3.00% |
| Mortality Improvement | McLeod Watts Scale 2020 applied generationally |
| Healthcare Trend | 7.5% - Dental and vision premiums are assumed to increase by 4.5% annually |

Discount Rate – The discount rate used to measure the total OPEB liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that the District contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

San Ramon Valley Fire Protection District

Notes to Financial Statements

June 30, 2020

Note 9 – Post-Employment Health Care Benefits (Continued)

Changes in Net OPEB Liability – The changes in the net OPEB liability for the District’s Plan are as follows:

| | Increase / (Decrease) | | |
|--|-------------------------|---------------------------|-----------------------|
| | Total OPEB Liability | Fiduciary Net Position | Net OPEB Liability |
| Balance at June 30, 2019 | \$ 82,282,863 | \$ 22,073,287 | \$ 60,209,576 |
| Service cost | 2,149,589 | - | 2,149,589 |
| Interest cost | 5,798,040 | - | 5,798,040 |
| Difference between expected and actual experience | (11,952,323) | - | (11,952,323) |
| Changes in assumptions | 439,039 | - | 439,039 |
| Administrative expenses | - | (5,095) | 5,095 |
| Benefit payments | (3,206,613) | (3,206,613) | - |
| Net investment income | - | 1,579,868 | (1,579,868) |
| Employer contributions | - | 7,255,543 | (7,255,543) |
| Net changes | <u>(6,772,268)</u> | <u>5,623,703</u> | <u>(12,395,971)</u> |
| Balance at June 30, 2020 | <u>\$ 75,510,595</u> | <u>\$ 27,696,990</u> | <u>\$ 47,813,605</u> |

Sensitivity of the net OPEB liability to Changes in the Discount Rate – The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for the year ended June 30, 2020:

| | 1% Decrease | Current | 1% Increase |
|--------------------|---------------|------------------------|---------------|
| | 5.90% | Discount Rate 6.90% | 7.90% |
| Net OPEB Liability | \$ 57,464,055 | \$ 47,813,605 | \$ 39,884,202 |

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rate – The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2020:

| | 1% Decrease | Current Rate | 1% Increase |
|--|--------------------|---------------|---------------|
| | Net OPEB Liability | \$ 39,313,446 | \$ 47,813,605 |

Note 9 – Post-Employment Health Care Benefits (Continued)

Recognition of Deferred Outflows and Deferred Inflows of Resources – For the fiscal year ended June 30, 2020, the District recognized OPEB expense of \$3,761,055. As of fiscal year ended June 30, 2020, the District reported deferred inflows of resources related to OPEB from the following sources:

| | Deferred Outflows of Resources | (Deferred Inflows of Resources) |
|--|--------------------------------------|---------------------------------------|
| District contributions subsequent to measurement date | \$ 7,469,089 | \$ - |
| Changes in assumptions | 2,324,292 | - |
| Net difference between projected and actual earnings on plan investments | - | (158,714) |
| Difference between expected and actual experience | - | (10,890,511) |
| | <u>\$ 9,793,381</u> | <u>\$ (11,049,225)</u> |

At June 30, 2020, the District reported deferred outflows of resources in the amount of \$7,469,089 for contributions subsequent to the measurement date. This amount will be recognized as an OPEB expense in fiscal year 2021. Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in the future OPEB expense. Amounts will be recognized as follows:

| <u>Year ended June 30</u> | |
|---------------------------|-----------------------|
| 2021 | \$ (2,574,203) |
| 2022 | (2,805,873) |
| 2023 | (2,714,521) |
| 2024 | (630,336) |
| Total | <u>\$ (8,724,933)</u> |

Note 10 – Deferred Compensation Plan

District employees may defer a portion of their compensation under three 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, 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.

Note 11 – 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 is a member of Fire Agency Insurance Risk Authority (FAIRA), a public entity risk pool which provides insurance coverage to participating members. The District also has excess workers' compensation coverage through an insurance policy with a commercial insurance company.

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

| Coverage | Issuance Company/ Risk Pool | Limit of Liability | Deductible/ SIR |
|--------------------------------|--------------------------------|-----------------------|--|
| Workers' Compensation | Insurance Co. | Statutory | \$1,500,000 |
| All Risk Property | FAIRA | \$97,752,235 | \$5,000 |
| General Liability | FAIRA | \$1,000,000 Per | None |
| Management Liability | FAIRA | \$1,000,000 | \$7,500 |
| Auto Liability | FAIRA | \$1,000,000 | \$5,000 - Comp/Collision |
| Garage Keepers Legal Liability | FAIRA | \$500,000 | \$250 Comprehensive / \$500 Collision |
| Umbrella Liability | FAIRA | | Excess of Underlying Insurance |

FAIRA is governed by a Board consisting of representatives from member municipalities. The Board controls the operations of FAIRA, 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, 2020, the District's third party administrator responsible for processing Workers' Compensation claims determined that the liability for unpaid claims amounted to \$7,528,000. Based on previous experience, management estimated the liability for unpaid claims for the other types of losses discussed above to be immaterial. 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:

| | Fiscal Year 2019-20 | Fiscal Year 2018-19 |
|---|------------------------|------------------------|
| Balance July 1 | \$ 6,962,000 | \$ 5,999,000 |
| Current year claims and estimated changes in claims payable | 1,681,712 | 2,401,100 |
| Claims paid | (1,115,712) | (1,438,100) |
| Balance June 30 | <u>\$ 7,528,000</u> | <u>\$ 6,962,000</u> |
| Balance due within one year | <u>\$ 2,634,800</u> | <u>\$ 2,584,351</u> |

Note 12 – Contingent Liabilities and Commitments

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 which is likely to have a material adverse effect on the financial position of the District.

Note 13 – East Bay Regional Communications System Authority

The District is a member of the East Bay Regional Communications System Authority (EBRCSA), a joint exercise of powers authority. EBRCSA is authorized to borrow money for the purpose of paying the cost of public capital improvements within the State of California, including a P25 compliant or equivalent communications system. The communications system will provide fully interoperable communications to all public agencies serving Alameda and Contra Costa Counties. EBRCSA includes 40 member agencies. During fiscal year 2019/20, the District paid \$93,600 to EBRCSA for its share of the annual operating costs. The District is obligated to make annual service payments to EBRCSA from any source of legally available funds to pay for the District's share of service provided. Separate financial statements of EBRCSA may be obtained from 4985 Broder Boulevard, Dublin, California 94568.

Note 14 – Subsequent Event

In September 2020, the District issued Certificates of Participation in the amount of \$35,365,000. The proceeds will be used to finance the design and construction of facilities. Principal payments will commence on August 1, 2021 and the final maturity date is August 1, 2050.

Required Supplementary Information



San Ramon Valley Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund
Year Ended June 30, 2020

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-------------------|-------------------|-------------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Property taxes | \$ 75,231,946 | \$ 75,231,946 | \$ 77,282,053 | \$ 2,050,107 |
| Intergovernmental revenues | 1,773,000 | 2,424,000 | 2,439,360 | 15,360 |
| Charges for services | 5,434,692 | 5,434,692 | 5,548,911 | 114,219 |
| Use of money and property | 600,000 | 600,000 | 1,758,395 | 1,158,395 |
| Rents, royalties, and commissions | 66,461 | 66,461 | 67,979 | 1,518 |
| Other revenues | 10,000 | 10,000 | 13,303 | 3,303 |
| Total revenues | <u>83,116,099</u> | <u>83,767,099</u> | <u>87,110,001</u> | <u>3,342,902</u> |
| Expenditures | | | | |
| Current: | | | | |
| Public safety-fire: | | | | |
| Salaries and benefits | 64,852,587 | 64,852,587 | 63,833,664 | 1,018,923 |
| Central garage: | | | | |
| Repairs | 300,000 | 300,000 | 604,544 | (304,544) |
| Maintenance | 36,500 | 36,500 | 49,938 | (13,438) |
| Gas, diesel and oil | 168,800 | 168,800 | 211,700 | (42,900) |
| Tires | 54,000 | 54,000 | 46,865 | 7,135 |
| Mandated inspection | 24,500 | 24,500 | 9,851 | 14,649 |
| Total central garage | <u>583,800</u> | <u>583,800</u> | <u>922,898</u> | <u>(339,098)</u> |
| Maintenance and repairs: | | | | |
| Equipment | 209,977 | 209,977 | 173,064 | 36,913 |
| Radio and electronics | 109,876 | 109,876 | 107,191 | 2,685 |
| Buildings | 246,180 | 246,180 | 199,889 | 46,291 |
| Grounds | 53,000 | 53,000 | 57,699 | (4,699) |
| Total maintenance and repairs | <u>619,033</u> | <u>619,033</u> | <u>537,843</u> | <u>81,190</u> |
| Rents and leases | 68,148 | 68,148 | 128,497 | (60,349) |
| Professional and other services: | | | | |
| Professional and specialized services | 2,069,247 | 2,069,247 | 1,883,058 | 186,189 |
| Recruiting costs | 114,300 | 114,300 | 112,585 | 1,715 |
| Legal services | 605,000 | 605,000 | 280,688 | 324,312 |
| Software and licensing | 378,601 | 378,601 | 263,179 | 115,422 |
| Medical services | 123,500 | 123,500 | 78,900 | 44,600 |
| Communications services | 93,600 | 93,600 | 93,600 | - |
| Insurance services | 529,236 | 529,236 | 506,263 | 22,973 |
| Publication of legal notices | 3,500 | 3,500 | 210 | 3,290 |
| Other special district expense | - | - | 26,635 | (26,635) |
| Specialized printing | 28,913 | 28,913 | 42,253 | (13,340) |
| Total professional and other services | <u>3,945,897</u> | <u>3,945,897</u> | <u>3,287,371</u> | <u>658,526</u> |

San Ramon Valley Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund
Year Ended June 30, 2020

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|----------------------|---|
| | Original | Final | | |
| Supplies and utilities: | | | | |
| Office supplies | \$ 31,436 | 31,436 | \$ 29,868 | \$ 1,568 |
| Postage | 29,034 | 29,034 | 9,504 | 19,530 |
| Telecommunications | 213,064 | 213,064 | 237,407 | (24,343) |
| Utilities | 381,800 | 381,800 | 422,617 | (40,817) |
| Small tools and equipment | 156,700 | 156,700 | 164,738 | (8,038) |
| Miscellaneous supplies | 124,400 | 124,400 | 69,339 | 55,061 |
| Medical supplies | 193,000 | 193,000 | 249,532 | (56,532) |
| Firefighting supplies | 55,000 | 55,000 | 64,438 | (9,438) |
| Pharmaceutical supplies | 35,000 | 35,000 | 58,122 | (23,122) |
| Computer supplies | 15,500 | 15,500 | 10,227 | 5,273 |
| Radio equipment and supplies | 20,500 | 20,500 | 31,559 | (11,059) |
| Food supplies | 35,350 | 35,350 | 23,165 | 12,185 |
| PPE Inspections & Repairs | 19,500 | 19,500 | 9,258 | 10,242 |
| Safety clothing and supplies | 182,100 | 182,100 | 137,236 | 44,864 |
| Class A uniforms & supplies | 10,500 | 10,500 | 16,087 | (5,587) |
| Non-Safety clothing and supplies | 33,924 | 33,924 | 11,394 | 22,530 |
| Class B uniforms & supplies | 86,000 | 86,000 | 76,249 | 9,751 |
| Household supplies | 38,000 | 38,000 | 58,267 | (20,267) |
| Dues and memberships | 84,748 | 84,748 | 91,207 | (6,459) |
| Educational courses and supplies | 111,200 | 111,200 | 90,733 | 20,467 |
| Educational assistance program | 25,000 | 25,000 | 22,447 | 2,553 |
| Public educational supplies | 9,500 | 9,500 | 9,368 | 132 |
| Books and periodicals | 27,813 | 27,813 | 13,037 | 14,776 |
| Recognition supplies | 3,500 | 3,500 | 3,452 | 48 |
| Property Tax Share Agreement | 125,000 | 125,000 | | 125,000 |
| Meetings and travel expenses | 44,800 | 44,800 | 57,865 | (13,065) |
| | <u>2,092,369</u> | <u>2,092,369</u> | <u>1,967,116</u> | <u>125,253</u> |
| Total supplies and utilities | | | | |
| Total expenditures | <u>72,161,834</u> | <u>72,161,834</u> | <u>70,677,389</u> | <u>1,484,445</u> |
| Excess of Revenues over Expenditures | <u>10,954,265</u> | <u>11,605,265</u> | <u>16,432,612</u> | <u>4,827,347</u> |
| Other Financing Sources Transfers out | <u>(4,638,459)</u> | <u>(4,638,459)</u> | <u>(4,638,459)</u> | <u>-</u> |
| Net Change in Fund Balance | <u>\$ 6,315,806</u> | <u>\$ 6,966,806</u> | 11,794,153 | <u>\$ 4,827,347</u> |
| Fund Balance at Beginning of Year | | | <u>71,982,550</u> | |
| Fund Balance at End of Year | | | <u>\$ 83,776,703</u> | |

San Ramon Valley Fire Protection District
Schedule of Proportional Share of the Net Pension Liability
Last Ten Years*
Year Ended June 30, 2020

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| Proportion of the net pension liability | 5.005% | 4.872% | 5.806% | 5.176% | 5.357% | 5.815% |
| Proportionate share of the net pension liability | \$ 43,246,471 | \$ 69,577,960 | \$ 47,110,096 | \$ 72,491,195 | \$ 80,736,003 | \$ 69,527,014 |
| Covered payroll | \$ 24,771,927 | \$ 24,477,353 | \$ 23,767,950 | \$ 22,113,978 | \$ 19,540,557 | \$ 18,614,252 |
| Proportionate Share of the net pension liability as a percentage of covered payroll | 174.58% | 284.25% | 198.21% | 327.81% | 413.17% | 373.51% |
| Plan fiduciary net position as a percentage of the total pension liability | 91.21% | 84.91% | 89.41% | 82.68% | 79.70% | 81.67% |

* Fiscal year 2015 was the first year of implementation. Additional years will be displayed when available.

San Ramon Valley Fire Protection District
Schedule of the Proportional Share of the Net Pension Liability – Schedule of Contributions
Last Ten Years*
Year Ended June 30, 2020

| | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Actuarially determined contributions | \$ 16,128,715 | \$ 18,481,702 | \$ 16,716,767 | \$ 15,280,694 | \$ 14,694,250 | \$ 14,723,941 |
| Contributions in relation to the actuarially determined contribution | <u>16,128,715</u> | <u>18,481,702</u> | <u>16,716,767</u> | <u>15,280,694</u> | <u>14,694,250</u> | <u>14,723,941</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered payroll | \$ 24,771,927 | \$ 24,477,353 | \$ 25,345,281 | \$ 23,416,517 | \$ 20,945,087 | \$ 19,188,961 |
| Contributions as a percentage of covered payroll | 65.11% | 75.51% | 65.96% | 65.26% | 70.16% | 76.73% |

* - Fiscal year 2015 was the first year of implementation. Additional years will be displayed when available.

San Ramon Valley Fire Protection District
Schedule of Changes in Net OPEB Liability
Last Ten Years*
Year Ended June 30, 2020

| Total OPEB Liability | Fiscal Year Ending | | |
|---|---------------------------|----------------------|----------------------|
| | June 30, 2020 | June 30, 2019 | June 30, 2018 |
| Service cost | \$ 2,149,589 | \$ 2,081,926 | \$ 1,920,677 |
| Interest | 5,798,040 | 5,475,945 | 4,962,556 |
| Changes of benefit terms | - | - | 1,859,863 |
| Differences between expected and actual experience | (11,952,323) | - | (8,603,099) |
| Change of assumptions | 439,039 | - | 9,737,365 |
| Benefit payments, included refunds of employee contributions | (3,206,613) | (2,841,734) | (2,567,229) |
| Net change in total OPEB liability | <u>(6,772,268)</u> | <u>4,716,137</u> | <u>7,310,133</u> |
| Total OPEB liability - beginning of year | <u>82,282,863</u> | <u>77,566,726</u> | <u>70,256,593</u> |
| | | | |
| Total OPEB liability - end of year (a) | <u>\$ 75,510,595</u> | <u>\$ 82,282,863</u> | <u>\$ 77,566,726</u> |
| | | | |
| Plan Fiduciary Net Position | | | |
| Net investment income | \$ 1,579,868 | \$ 1,418,661 | \$ 1,406,664 |
| Employer contributions | 7,255,543 | 6,576,273 | 6,525,146 |
| Benefit payments, included refunds of employee contributions | (3,206,613) | (2,841,734) | (2,567,229) |
| Administrative expense | (5,095) | (9,785) | (7,124) |
| Other | - | (22,430) | - |
| Net change in plan fiduciary net position | <u>5,623,703</u> | <u>5,120,985</u> | <u>5,357,457</u> |
| Plan fiduciary net position - beginning of year | <u>22,073,287</u> | <u>16,952,302</u> | <u>11,594,845</u> |
| Plan fiduciary net position - end of year (b) | <u>27,696,990</u> | <u>22,073,287</u> | <u>16,952,302</u> |
| | | | |
| District's net OPEB liability - end of year = (a) - (b) | <u>\$ 47,813,605</u> | <u>\$ 60,209,576</u> | <u>\$ 60,614,424</u> |
| Plan fiduciary net position as a percentage of the total OPEB liability | 36.68% | 26.83% | 21.86% |
| Covered-employee payroll | 31,172,299 | 34,363,379 | 31,625,185 |
| District's net OPEB liability as a percentage of covered payroll | 153.38% | 175.21% | 191.67% |

* - Fiscal year 2018 was the first year of implementation.

San Ramon Valley Fire Protection District
Schedule of OPEB Contributions
Last Ten Years*
Year Ended June 30, 2020

| | <u>2020</u> | <u>2019</u> | <u>2018</u> |
|---|--------------------|--------------------|--------------------|
| Actuarially determined contribution | \$ 7,469,089 | \$ 7,255,543 | \$ 6,576,273 |
| Contributions in relation to the actuarially determined contribution | <u>(7,469,089)</u> | <u>(7,255,543)</u> | <u>(6,576,273)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered-employee payroll | \$ 34,487,152 | \$ 31,172,299 | \$ 34,363,379 |
| Contributions as a percentage of covered payroll | 21.66% | 23.28% | 19.14% |

* - Fiscal year 2018 was the first year of implementation.

San Ramon Valley Fire Protection District

Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Capital Projects Fund
Year Ended June 30, 2020

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 and the replacement of equipment and vehicles. Resources are provided by General Fund transfers and interest income on unspent funds.

| | Budgeted Amounts | | Actual | Variance Positive (Negative) |
|--|------------------|----------------|--------------|------------------------------------|
| | Original | Final | | |
| Revenue | | | | |
| Other revenue | \$ 35,018 | \$ 35,018 | \$ 29,131 | \$ (5,887) |
| Investment earnings | 150,000 | 150,000 | 205,434 | 55,434 |
| Total revenue | 185,018 | 185,018 | 234,565 | 49,547 |
| Expenditures | | | | |
| Current: | | | | |
| Professional and other services | 60,350 | 60,350 | 20,421 | 39,929 |
| Capital outlay: | | | | |
| Various improvements | 1,428,446 | 1,428,446 | 1,298,456 | 129,990 |
| Radio, electronic equipment | 259,564 | 259,564 | 112,341 | 147,223 |
| Tools and sundry equipment | 85,859 | 85,859 | 91,431 | (5,572) |
| Automobiles and trucks | 2,464,678 | 4,240,678 | 2,022,823 | 2,217,855 |
| Total capital outlay | 4,238,547 | 6,014,547 | 3,525,051 | 2,489,496 |
| Total expenditures | 4,298,897 | 6,074,897 | 3,545,472 | 2,529,425 |
| Excess (Deficiency) of Revenues over Expenditures | (4,113,879) | (5,889,879) | (3,310,907) | 2,578,972 |
| Other Financing Sources | | | | |
| Transfers in | 3,090,764 | 3,090,764 | 3,090,764 | - |
| Net Change in Fund Balance | \$ (1,023,115) | \$ (2,799,115) | (220,143) | \$ 2,578,972 |
| Fund Balance at Beginning of Year | | | 9,690,262 | |
| Fund Balance at End of Year | | | \$ 9,470,119 | |

San Ramon Valley Fire Protection District

Schedules of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Debt Service Fund Year Ended June 30, 2020

Debt Service Fund – The Debt Service Fund is used to account for accumulation of resources for, and the payment of long-term debt principal, interest, and related costs. Resources are provided by General Fund transfers, bond proceeds, and interest income on unspent funds.

| | Budgeted Amounts | | Actual | Variance with Final Budget Positive (Negative) |
|--|------------------|----------------|-------------|---|
| | Original | Final | | |
| Revenues | | | | |
| Use of money and property | \$ - | \$ - | \$ 45 | \$ 45 |
| Expenditures | | | | |
| Current: | | | | |
| Professional services | - | - | 3,189 | (3,189) |
| Debt Service: | | | | |
| Principal | 3,544,505 | 3,544,505 | 1,000,679 | 2,543,826 |
| Interest | 543,827 | 543,827 | 543,827 | - |
| Total expenditures | 4,088,332 | 4,088,332 | 1,547,695 | 2,540,637 |
| Excess (Deficiency) of Revenues over Expenditures | (4,088,332) | (4,088,332) | (1,547,650) | 2,540,682 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers in | 1,547,695 | 1,547,695 | 1,547,695 | - |
| Net Change in Fund Balance | \$ (2,540,637) | \$ (2,540,637) | 45 | \$ 2,540,682 |
| Fund Balance at Beginning of Year | | | 86 | |
| Fund Balance at End of Year | | | \$ 131 | |

San Ramon Valley Fire Protection District

Agency Fund

Year Ended June 30, 2020

Agency Fund

Agency funds are used to account for assets held by the District as an agent for individuals, private organizations, and other governments. The financial activities of these funds are excluded from the entity-wide financial statements, but are presented in separate Fiduciary Fund financial statements.

Citizen Corps Council (CCC) Program

Accounts for grant monies received and expenditures incurred related to the Citizen Corps Council Program. The District acts as custodian for the operating resources of the entity.

| | Balance June 30, 2019 | Additions | Reductions | Balance June 30, 2020 |
|----------------------|--------------------------|------------------|---------------|--------------------------|
| Assets | | | | |
| Cash and investments | \$ 42,821 | \$ 11,272 | \$ - | \$ 54,093 |
| Accounts receivable | - | 20,000 | - | 20,000 |
| | <u>\$ 42,821</u> | <u>\$ 31,272</u> | <u>\$ -</u> | <u>\$ 74,093</u> |
| Liabilities | | | | |
| Accounts payable | \$ 960 | \$ - | \$ 124 | \$ 836 |
| Due to members | 41,861 | 31,396 | - | 73,257 |
| | <u>\$ 42,821</u> | <u>\$ 31,396</u> | <u>\$ 124</u> | <u>\$ 74,093</u> |



Statistical Section



This part of the District's Comprehensive Annual Financial Report presents detailed information as a content for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health. In contrast to the financial section, the statistical section information is not subject to independent audit.

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time:

1. Net Position by Component
2. Changes in Net Position
3. Fund Balances of Governmental Funds
4. Changes in Fund Balances of Governmental Funds
5. General Expenditures by Function

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax:

1. General Revenues by Source
2. Assessed Value of Taxable Property
3. Assessed and Estimated Actual Value of Taxable Property
4. Property Tax Levies and Collections
5. Property Tax Rates, All Overlapping Governments
6. Principal Property Taxpayers

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future:

1. Ratio of Outstanding Debt by Type
2. Computation of Direct and Overlapping Debt
3. Computation of Legal Bonded Debt Margin

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place:

1. Demographic Statistics
2. Demographic and Economic Statistics

Operating Information

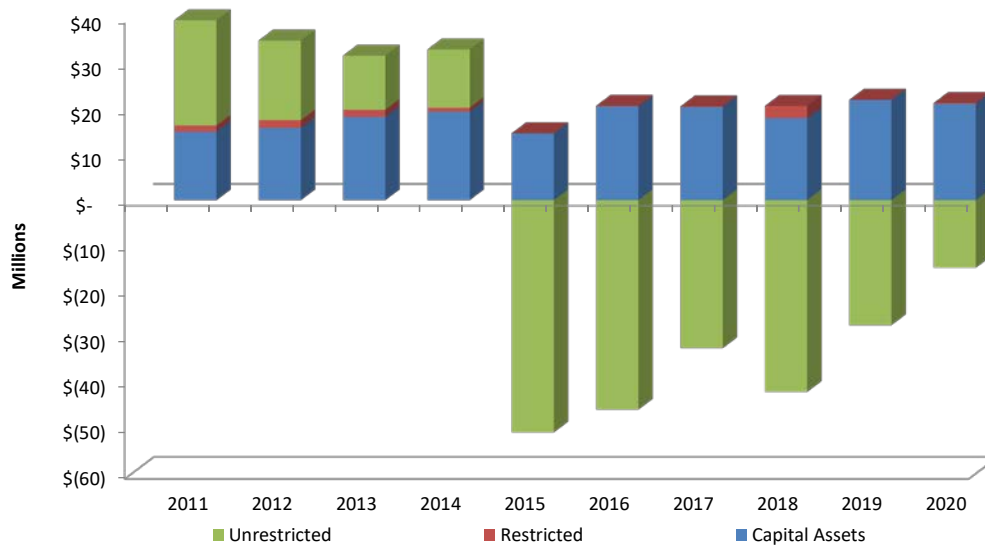
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs:

1. Summary of District Activities
2. Comparative Annual Graph -- Total Responses
3. Emergency Response Analysis
4. Emergency Response Detail Analysis
5. Emergency Responses Graph
6. Call Frequency Analysis
7. Mutual Aid Fire Responses
8. Training Hours for Suppression Personnel
9. Service Connected Illness/Injury Report
10. Operating Indicators by Function
11. Staffing Summary

Sources

Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year. The District implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)**



| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--------------------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|--------------------|--------------------|-------------------|-----------------|
| | (in thousands) | | | | | | | | | |
| Governmental Activities | | | | | | | | | | |
| Net Investment in | | | | | | | | | | |
| Capital Assets | \$ 15,039 | \$ 15,911 | \$ 18,266 | \$ 19,458 | \$ 14,699 | \$ 20,631 | \$ 20,505 | \$ 17,992 | \$ 22,035 | \$ 21,199 |
| Restricted | 1,330 | 1,656 | 1,567 | 838 | 1 | 98 | 98 | 2,710 | 9 | 136 |
| Unrestricted | 23,132 | 17,499 | 11,907 | 12,804 | (50,933) | (45,965) | (32,451) | (42,069) | (27,401) | (14,807) |
| Total governmental activities | | | | | | | | | | |
| net position | <u>\$ 39,501</u> | <u>\$ 35,066</u> | <u>\$ 31,740</u> | <u>\$ 33,100</u> | <u>\$ (36,233)</u> | <u>\$ (25,236)</u> | <u>\$ (11,848)</u> | <u>\$ (21,367)</u> | <u>\$ (5,357)</u> | <u>\$ 6,528</u> |

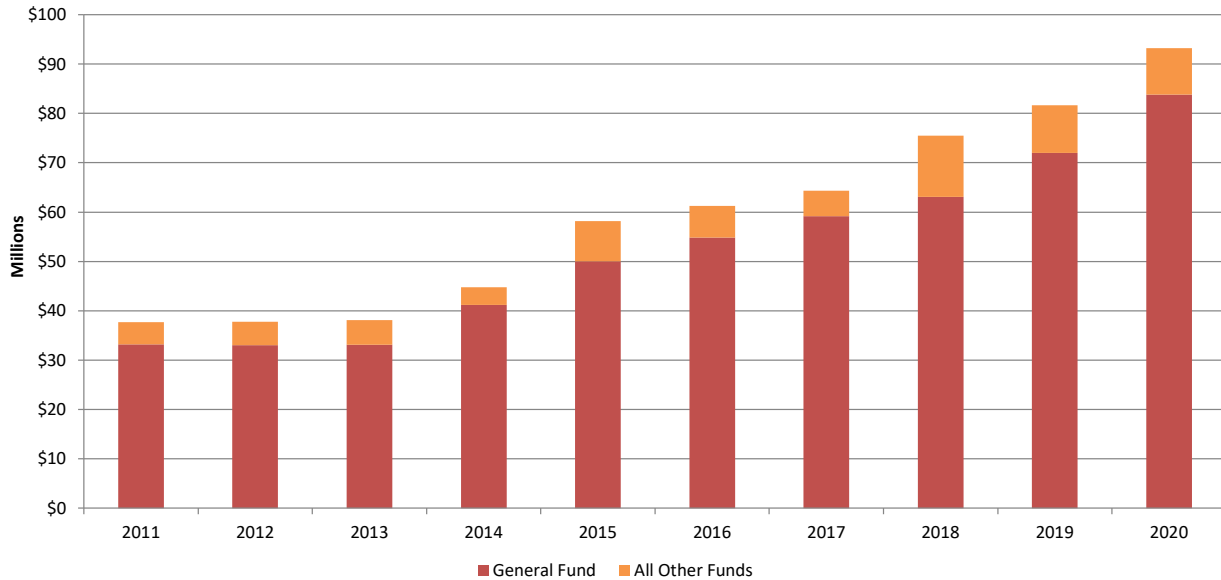
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| | (in thousands) | | | | |
| Expenses | | | | | |
| Governmental Activities: | | | | | |
| Public Safety | \$ 56,676 | \$ 56,404 | \$ 57,028 | \$ 56,756 | \$ 51,464 |
| Interest on Long-Term Debt | 698 | 967 | 646 | 561 | 490 |
| Total Governmental Activities Expenses | <u>57,374</u> | <u>57,371</u> | <u>57,674</u> | <u>57,317</u> | <u>51,954</u> |
| Program Revenues | | | | | |
| Governmental Activities: | | | | | |
| Charges for Services | 2,585 | 2,985 | 3,576 | 3,904 | 3,892 |
| Operating Grants and Contributions | 3,054 | 462 | 1,874 | 1,427 | 470 |
| Total Government Activities Program Revenues | <u>5,639</u> | <u>3,447</u> | <u>5,450</u> | <u>5,331</u> | <u>4,362</u> |
| Net (Expense)/Revenue | | | | | |
| Total Government Activities Program Expenses | (51,735) | (53,924) | (52,224) | (51,986) | (47,592) |
| Total Primary Government Net Expense | <u>\$(51,735)</u> | <u>\$(53,924)</u> | <u>\$(52,224)</u> | <u>\$(51,986)</u> | <u>\$(47,592)</u> |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental Activities: | | | | | |
| Property Taxes | \$ 49,185 | \$ 49,329 | \$ 48,508 | \$ 53,140 | \$ 57,772 |
| Use of Money and Property | 152 | 99 | 58 | 80 | 144 |
| Other | 36 | 61 | 332 | 126 | 353 |
| Total General Revenues and Other Revenues | <u>49,373</u> | <u>49,489</u> | <u>48,898</u> | <u>53,346</u> | <u>58,269</u> |
| Total Primary Government | <u>\$ (2,362)</u> | <u>\$ (4,435)</u> | <u>\$ (3,326)</u> | <u>\$ 1,360</u> | <u>\$ 10,677</u> |
| Change in Net Position | | | | | |
| Governmental Activities Changes in Net Assets | \$ (2,362) | \$ (4,435) | \$ (3,326) | \$ 1,360 | \$ 10,677 |
| Net Position Beginning Fund Balance, as restated | 41,863 | 39,501 | 35,066 | 31,740 | (46,910) |
| Net Position Ending Fund Balance | <u>\$ 39,501</u> | <u>\$ 35,066</u> | <u>\$ 31,740</u> | <u>\$ 33,100</u> | <u>\$(36,233)</u> |

Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | (in thousands) | | | | |
| Expenses | | | | | |
| Governmental Activities: | | | | | |
| Public Safety | \$ 56,635 | \$ 60,065 | \$ 62,552 | \$ 67,689 | \$ 74,672 |
| Interest on Long-Term Debt | 479 | 456 | 496 | 538 | 505 |
| Total Governmental Activities Expenses | <u>57,114</u> | <u>60,521</u> | <u>63,048</u> | <u>68,227</u> | <u>75,177</u> |
| Program Revenues | | | | | |
| Governmental Activities: | | | | | |
| Charges for Services | 4,178 | 5,160 | 4,690 | 6,004 | 5,549 |
| Operating Grants and Contributions | 857 | 1,727 | 2,764 | 2,415 | 2,158 |
| Total Government Activities Program Revenues | <u>5,035</u> | <u>6,887</u> | <u>7,454</u> | <u>8,419</u> | <u>7,707</u> |
| Net (Expense)/Revenue | | | | | |
| Total Government Activities Program Expenses | <u>(52,079)</u> | <u>(53,634)</u> | <u>(55,594)</u> | <u>(59,808)</u> | <u>(67,470)</u> |
| Total Primary Government Net Expense | <u><u>\$(52,079)</u></u> | <u><u>\$(53,634)</u></u> | <u><u>\$(55,594)</u></u> | <u><u>\$(59,808)</u></u> | <u><u>\$(67,470)</u></u> |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental Activities: | | | | | |
| Property Taxes | \$ 62,506 | \$ 66,666 | \$ 69,841 | \$ 73,774 | \$ 77,282 |
| Use of Money and Property | 376 | 151 | 319 | 2,019 | 2,032 |
| Other | 194 | 205 | 234 | 25 | 42 |
| Total General Revenues and Other Revenues | <u>63,076</u> | <u>67,022</u> | <u>70,394</u> | <u>75,818</u> | <u>79,356</u> |
| Total Primary Government | <u><u>\$ 10,997</u></u> | <u><u>\$ 13,388</u></u> | <u><u>\$ 14,800</u></u> | <u><u>\$ 16,010</u></u> | <u><u>\$ 11,886</u></u> |
| Change in Net Position | | | | | |
| Governmental Activities Changes in Net Assets | \$ 10,997 | \$ 13,388 | \$ 14,800 | \$ 16,010 | \$ 11,886 |
| Net Position Beginning Fund Balance, as restated | (36,233) | (25,236) | (36,167) | (21,367) | (5,357) ^(b) |
| Net Position Ending Fund Balance | <u><u>\$(25,236)</u></u> | <u><u>\$(11,848)</u></u> | <u><u>\$(21,367)</u></u> | <u><u>\$(5,357)</u></u> | <u><u>\$ 6,529</u></u> |

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**



| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | (in thousands) | | | | | | | | | |
| General Fund | | | | | | | | | | |
| Committed | \$ 23,814 | \$ 23,085 | \$ 22,506 | \$ 12,100 | \$ 13,178 | \$ 16,107 | \$ 17,098 | \$ 17,518 | \$ 18,518 | \$ 19,408 |
| Nonspendable | - | - | - | - | - | 333 | - | 933 | 619 | 354 |
| Assigned | 2,975 | 4,274 | 157 | 81 | 87 | 49 | 59 | 44 | 44 | 93 |
| Unassigned | 6,404 | 5,686 | 10,429 | 28,989 | 36,747 | 38,385 | 41,993 | 44,578 | 52,802 | 63,922 |
| Total General Fund | <u>\$ 33,193</u> | <u>\$ 33,045</u> | <u>\$ 33,092</u> | <u>\$ 41,170</u> | <u>\$ 50,012</u> | <u>\$ 54,874</u> | <u>\$ 59,150</u> | <u>\$ 63,073</u> | <u>\$ 71,983</u> | <u>\$ 83,777</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Nonspendable | \$ 225 | \$ 225 | \$ 238 | \$ 238 | \$ 238 | \$ 238 | \$ 238 | \$ 3,165 | \$ 2,015 | \$ 1,751 |
| Restricted | 1,330 | 1,656 | 1,329 | 599 | 1 | 98 | 98 | 2,710 | 9 | 136 |
| Committed | 2,666 | 2,710 | 2,678 | 2,716 | 7,860 | 5,822 | 4,554 | 4,554 | 4,554 | 4,420 |
| Assigned | 300 | 97 | 787 | 12 | 78 | 256 | 323 | 1,962 | 3,112 | 3,162 |
| Total All Other Governmental Fu | <u>\$ 4,521</u> | <u>\$ 4,688</u> | <u>\$ 5,032</u> | <u>\$ 3,565</u> | <u>\$ 8,177</u> | <u>\$ 6,414</u> | <u>\$ 5,213</u> | <u>\$ 12,391</u> | <u>\$ 9,690</u> | <u>\$ 9,469</u> |

(a) The change in total fund balance for the General Fund and other governmental funds is explained in Management's Discussion and Analysis.



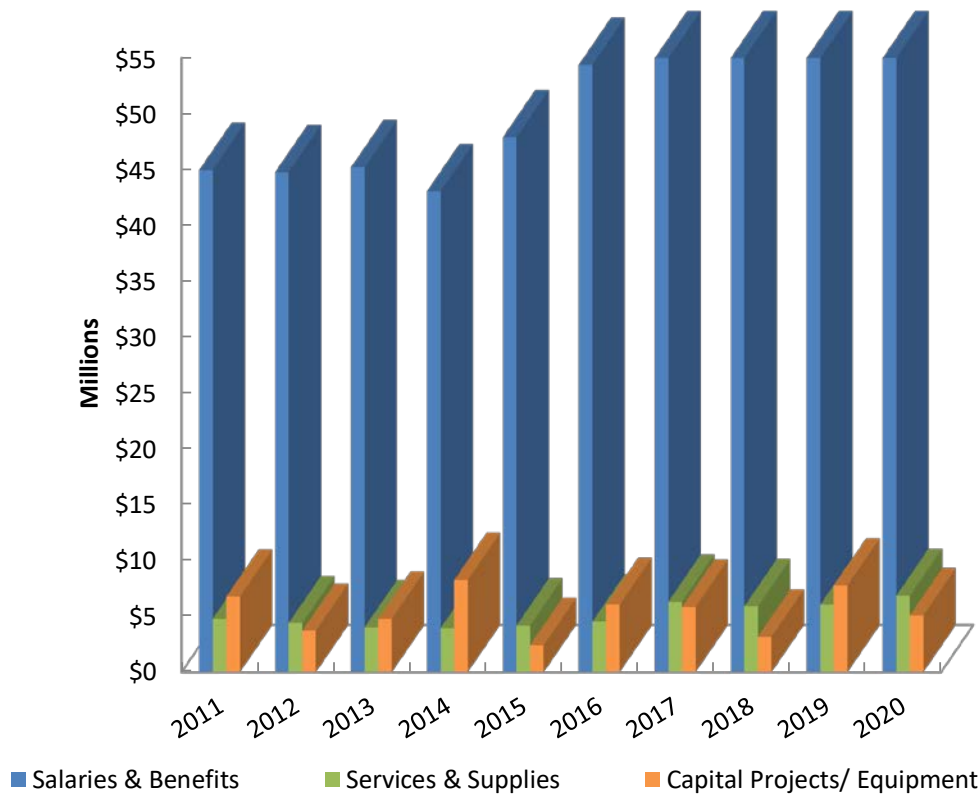
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|-----------------|---------------|---------------|-----------------|------------------|
| | (in thousands) | | | | |
| Revenues | | | | | |
| Taxes | \$ 49,185 | \$ 49,329 | \$ 48,508 | \$ 53,140 | \$ 57,772 |
| Use of money and property | 153 | 99 | 58 | 80 | 144 |
| Intergovernmental revenues | 3,054 | 462 | 1,874 | 1,426 | 470 |
| Charges for services | 2,426 | 2,795 | 3,254 | 3,662 | 3,892 |
| Other | 195 | 251 | 739 | 369 | 1,093 |
| Total Revenues | 55,013 | 52,936 | 54,433 | 58,677 | 63,371 |
| Expenditures | | | | | |
| Current: | | | | | |
| Public safety | 49,770 | 49,198 | 49,250 | 47,033 | 52,098 |
| Capital outlay | 4,365 | 771 | 2,933 | 2,499 | 633 |
| Debt service: | | | | | |
| Principal repayment | 1,713 | 2,225 | 1,211 | 5,151 | 1,316 |
| Interest and fiscal charges | 698 | 723 | 648 | 610 | 481 |
| Total Expenditures | 56,546 | 52,917 | 54,042 | 55,293 | 54,528 |
| Excess (deficiency) of revenues over (under) expenditures | (1,533) | 19 | 391 | 3,384 | 8,843 |
| Other Financing Sources (Uses) | | | | | |
| Transfers in | 3,325 | 3,647 | 3,458 | 2,562 | 1,798 |
| Transfers (out) | (3,325) | (3,647) | (3,458) | (2,562) | (1,798) |
| Refunding certificates of participation | - | - | - | 3,227 | - |
| Certificates of participation issued | - | - | - | - | 13,132 |
| Lease Proceeds | 3,400 | - | - | - | - |
| Payments to refunded bond escrow | - | - | - | - | (8,521) |
| Total other financing sources (uses) | 3,400 | - | - | 3,227 | 4,611 |
| Net Change in fund balances | \$ 1,867 | \$ 19 | \$ 391 | \$ 6,611 | \$ 13,454 |
| Debt service as a percentage of noncapital expenditures | 4.6% | 5.7% | 3.6% | 10.9% | 3.3% |

Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-----------------|-----------------|------------------|-----------------|------------------|
| | (in thousands) | | | | |
| Revenues | | | | | |
| Taxes | \$ 62,506 | \$ 66,666 | \$ 69,841 | \$ 73,774 | \$ 77,282 |
| Use of money and property | 376 | 151 | 319 | 1,953 | 1,964 |
| Intergovernmental revenues | 857 | 1,727 | 2,764 | 2,415 | 2,439 |
| Charges for services | 4,178 | 4,851 | 4,476 | 5,768 | 5,549 |
| Other | 194 | 205 | 234 | 91 | 110 |
| Total Revenues | 68,111 | 73,600 | 77,634 | 84,001 | 87,344 |
| Expenditures | | | | | |
| Current: | | | | | |
| Public safety | 58,955 | 64,680 | 68,779 | 70,008 | 70,680 |
| Capital outlay | 4,260 | 4,047 | 1,391 | 5,903 | 3,545 |
| Debt service: | | | | | |
| Principal repayment | 1,290 | 1,308 | 1,326 | 1,299 | 1,001 |
| Interest and fiscal charges | 508 | 489 | 469 | 582 | 544 |
| Total Expenditures | 65,013 | 70,524 | 71,965 | 77,792 | 75,770 |
| Excess (deficiency) of revenues over (under) expenditures | 3,098 | 3,076 | 5,669 | 6,209 | 11,574 |
| Other Financing Sources (Uses) | | | | | |
| Transfers in | 4,227 | 5,336 | 4,867 | 4,873 | 4,638 |
| Transfers (out) | (4,227) | (5,336) | (4,867) | (4,873) | (4,638) |
| Refunding certificates of participation | - | - | - | - | - |
| Certificates of participation issued | - | - | - | - | - |
| Lease Proceeds | - | - | 5,432 | - | - |
| Payments to refunded bond escrow | - | - | - | - | - |
| Total other financing sources (uses) | - | - | 5,432 | - | - |
| Net Change in fund balances | \$ 3,098 | \$ 3,076 | \$ 11,101 | \$ 6,209 | \$ 11,574 |
| Debt service as a percentage of noncapital expenditures | 3.0% | 2.7% | 2.5% | 2.6% | 2.1% |

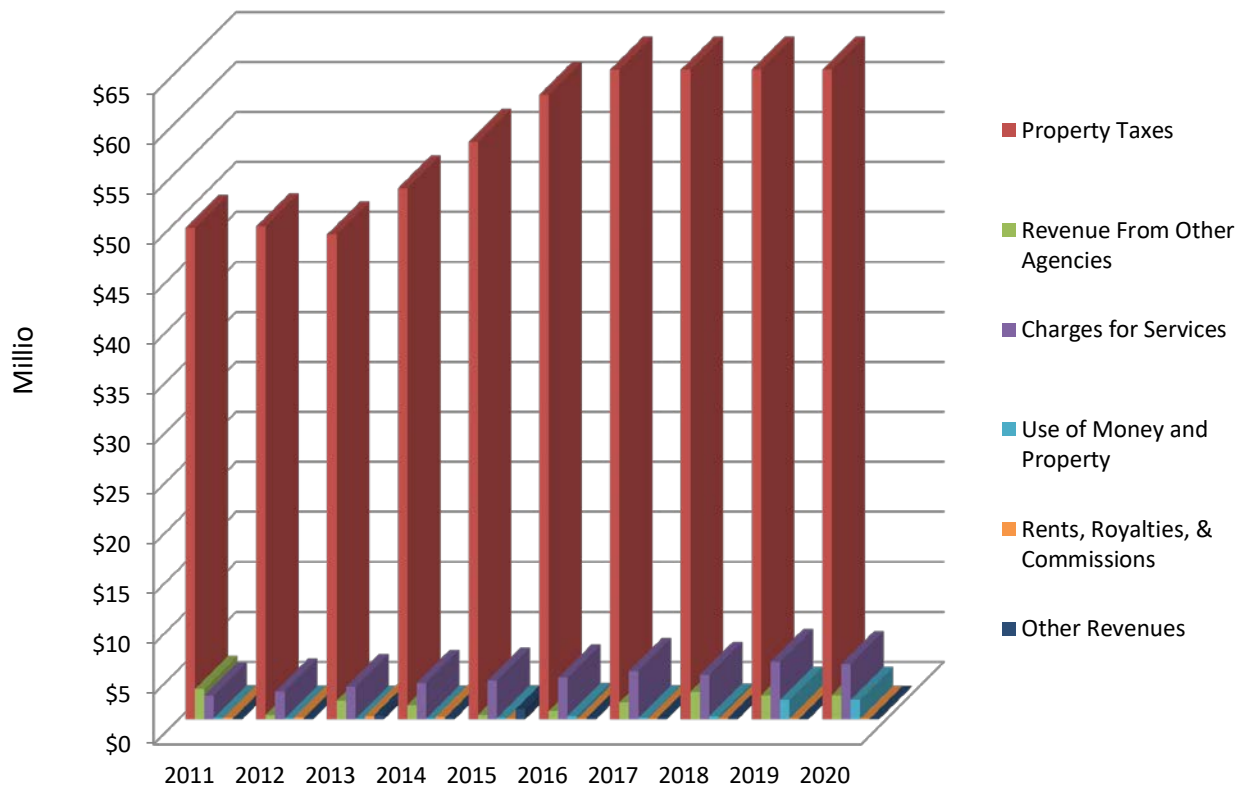
**General Expenditures By Function
All Governmental Fund Types
Last Ten Fiscal Years**



| Fiscal Year | Salaries & Benefits | Services & Supplies | Capital Projects/ Equipment/ Debt Service | Total |
|-------------|---------------------|---------------------|---|------------|
| 2011 | 44,973,080 | 4,796,561 | 6,776,520 | 56,546,161 |
| 2012 | 44,784,659 | 4,413,289 | 3,719,562 | 52,917,510 |
| 2013 | 45,219,529 | 4,030,652 | 4,791,767 | 54,041,948 |
| 2014 | 43,078,383 | 3,957,276 | 8,257,370 | 55,293,029 |
| 2015 | 47,916,087 | 4,181,440 | 2,430,617 | 54,528,144 |
| 2016 | 54,410,781 | 4,544,256 | 6,057,844 | 65,012,881 |
| 2017 | 58,357,026 | 6,323,707 | 5,843,473 | 70,524,206 |
| 2018 | 62,870,567 | 5,909,403 | 3,185,443 | 71,965,413 |
| 2019 | 63,959,422 | 6,049,108 | 7,783,898 | 77,792,428 |
| 2020 | 63,833,664 | 6,843,725 | 5,093,167 | 75,770,556 |

Source: Annual District Financial Statements and Records

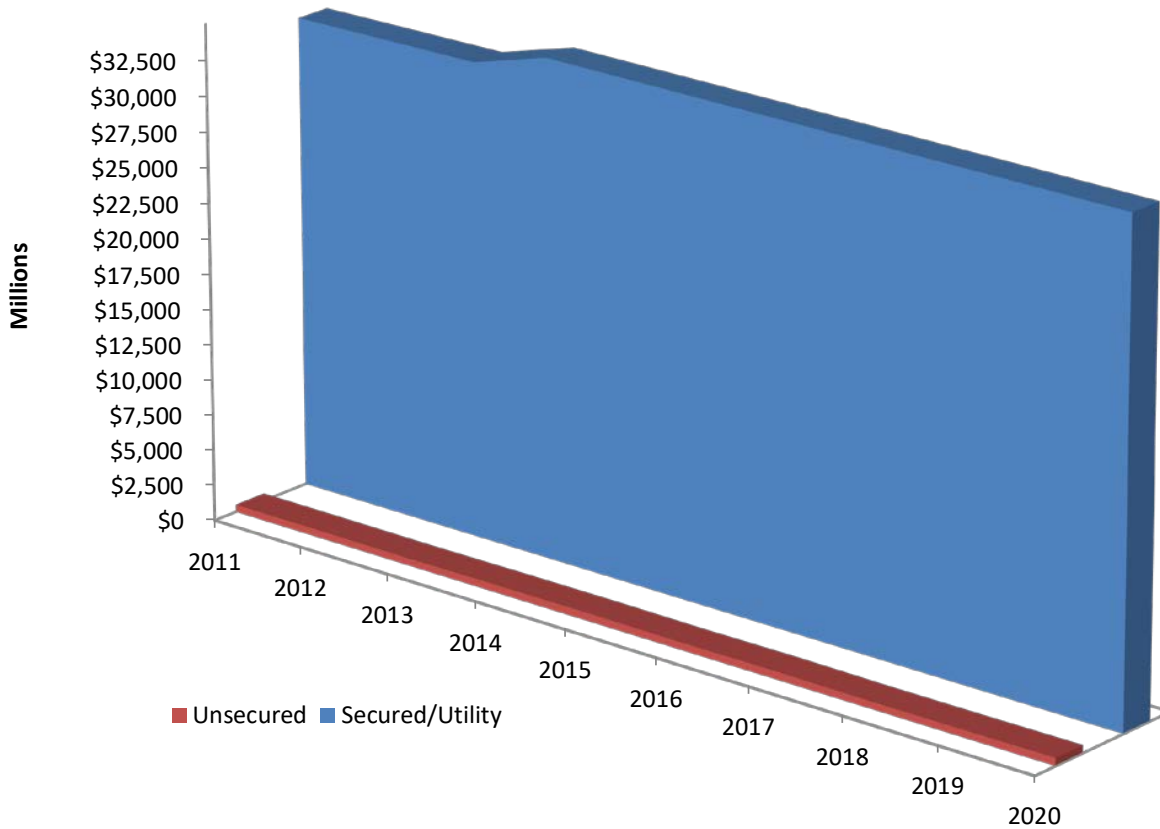
**General Revenues By Source
All Governmental Fund Types
Last Ten Fiscal Years**



| Fiscal Year | Property Taxes | Revenue From Other Agencies | Charges for Services | Use of Money and Property | Rents, Royalties, & Commissions | Other Revenues | Total |
|-------------|----------------|-----------------------------|----------------------|---------------------------|---------------------------------|----------------|------------|
| 2011 | 49,184,817 | 3,054,056 | 2,425,597 | 152,454 | 159,877 | 36,058 | 55,012,859 |
| 2012 | 49,329,131 | 462,267 | 2,795,046 | 98,834 | 189,978 | 61,084 | 52,936,340 |
| 2013 | 48,507,266 | 1,874,007 | 3,253,658 | 58,256 | 322,020 | 418,080 | 54,433,287 |
| 2014 | 53,139,723 | 1,426,473 | 3,662,306 | 80,077 | 242,098 | 125,934 | 58,676,611 |
| 2015 | 57,771,509 | 469,887 | 3,892,225 | 144,281 | 75,059 | 1,018,067 | 63,371,028 |
| 2016 | 62,506,117 | 857,038 | 4,177,905 | 376,027 | 45,958 | 148,308 | 68,111,353 |
| 2017 | 66,666,012 | 1,726,979 | 4,850,514 | 151,431 | 62,807 | 141,809 | 73,599,552 |
| 2018 | 69,840,587 | 2,764,241 | 4,476,020 | 319,282 | 64,224 | 169,516 | 77,633,870 |
| 2019 | 73,773,913 | 2,415,197 | 5,768,263 | 1,952,928 | 66,308 | 24,983 | 84,001,592 |
| 2020 | 77,282,053 | 2,439,360 | 5,548,911 | 1,963,874 | 67,979 | 42,434 | 87,344,611 |

Source: Annual District Financial Statements and Records

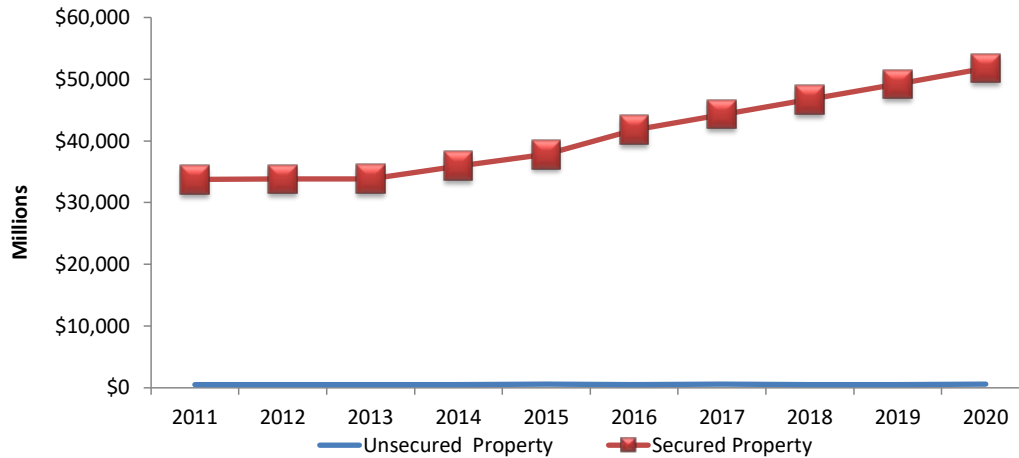
**Assessed Value of Taxable Property
Last Ten Fiscal Years**



| Fiscal Year | Local Secured | Utility | Unsecured | Total Assessed Value |
|-------------|----------------|-----------|-------------|----------------------|
| 2011 | 33,214,600,585 | 486,521 | 513,425,077 | 33,728,512,183 |
| 2012 | 33,301,067,929 | 1,279,399 | 514,027,979 | 33,816,375,307 |
| 2013 | 33,374,990,050 | 1,279,399 | 499,658,010 | 33,875,927,459 |
| 2014 | 35,398,665,984 | 1,279,399 | 538,281,086 | 35,938,226,469 |
| 2015 | 38,274,662,551 | 1,122,298 | 553,579,788 | 38,829,364,637 |
| 2016 | 41,268,709,897 | 425,894 | 519,977,616 | 41,789,113,407 |
| 2017 | 43,713,111,222 | 425,894 | 555,771,128 | 44,269,308,244 |
| 2018 | 46,216,973,345 | 423,830 | 507,923,716 | 46,725,320,891 |
| 2019 | 48,674,950,670 | 1,020,072 | 520,693,708 | 49,196,664,450 |
| 2020 | 51,205,942,470 | 1,020,072 | 555,989,127 | 51,762,951,669 |

Source: HdL Coren & Cone

**Assessed and Estimated Actual
Value of Taxable Property
Last Ten Fiscal Years**



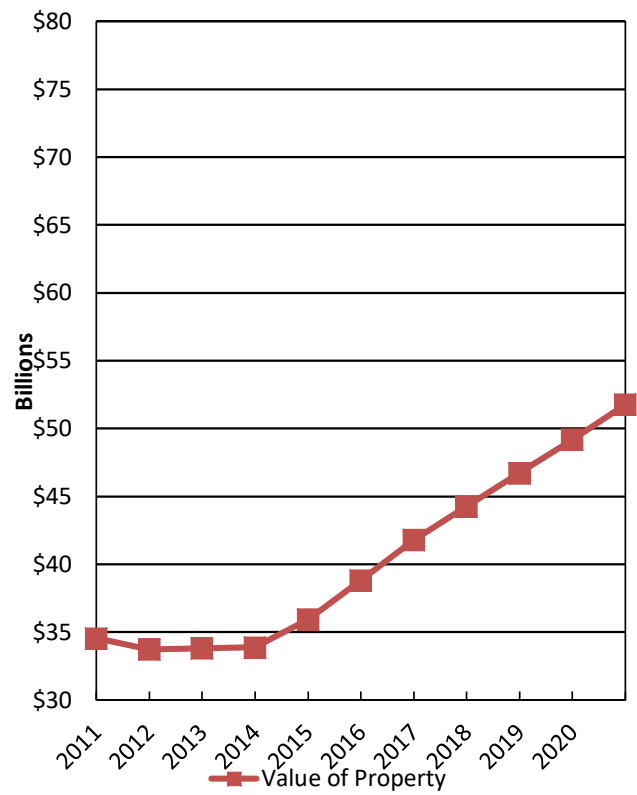
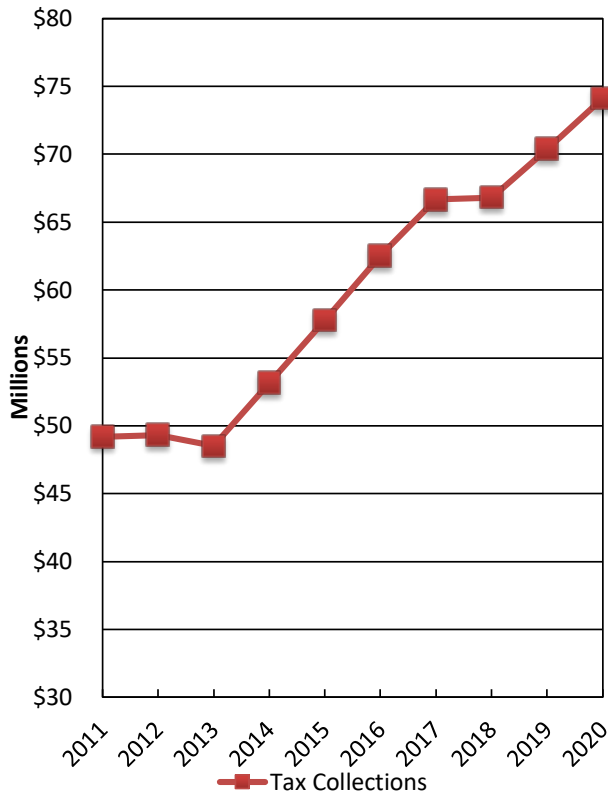
| Real Property | | | | | Total Direct Tax Rate (b) |
|---------------|-----------------------------|---------------------|---------------------|---------------------------|---------------------------|
| Fiscal Year | Residential Property | Commercial Property | Industrial Property | Other | |
| 2011 | 29,773,860,084 | 2,756,249,783 | 185,682,986 | 499,294,253 | |
| 2012 | 29,977,973,155 | 2,666,415,458 | 173,213,643 | 484,745,072 | |
| 2013 | 30,105,033,826 | 2,614,615,253 | 174,944,054 | 481,640,316 | |
| 2014 | 32,078,994,836 | 2,589,748,419 | 176,902,992 | 554,299,136 | |
| 2015 | 34,727,228,153 | 2,594,934,388 | 174,354,061 | 779,268,247 | |
| 2016 | 37,019,664,549 | 3,026,592,319 | 124,522,160 | 1,618,334,379 | |
| 2017 | 39,278,438,129 | 3,296,157,026 | 141,291,939 | 1,553,421,150 | |
| 2018 | 41,517,248,420 | 3,284,283,214 | 146,720,049 | 1,777,069,208 | |
| 2019 | 43,845,772,834 | 3,555,920,712 | 213,127,941 | 1,581,842,963 | |
| 2020 | 46,226,940,062 | 3,706,794,495 | 225,761,049 | 1,046,446,864 | |
| Fiscal Year | Total Real Secured Property | Unsecured Property | Total Assessed (a) | Estimated Full Market (a) | Total Direct Tax Rate (b) |
| 2011 | 33,215,087,106 | 513,425,077 | 33,728,512,183 | 33,728,512,183 | 1% |
| 2012 | 33,302,347,328 | 514,027,979 | 33,816,375,307 | 33,816,375,307 | 1% |
| 2013 | 33,376,233,449 | 498,814,784 | 33,875,048,233 | 33,875,048,233 | 1% |
| 2014 | 35,399,945,383 | 538,281,086 | 35,938,226,469 | 35,938,226,469 | 1% |
| 2015 | 37,275,784,849 | 553,563,332 | 38,829,348,181 | 38,829,348,181 | 1% |
| 2016 | 41,269,135,791 | 519,977,616 | 41,789,113,407 | 41,789,113,407 | 1% |
| 2017 | 43,713,537,116 | 555,771,128 | 44,269,308,244 | 44,269,308,244 | 1% |
| 2018 | 46,217,397,175 | 507,923,716 | 46,725,320,891 | 46,725,320,891 | 1% |
| 2019 | 48,675,970,742 | 520,693,708 | 49,196,664,450 | 49,196,664,450 | 1% |
| 2020 | 51,206,962,542 | 555,989,127 | 51,762,951,669 | 51,762,951,669 | 1% |

Source: HdL Coren & Cone

(a) The State Constitution requires property to be assessed at one hundred percent of the most recent purchase price, plus an increment of no more than two percent annually, plus any local over-rides. These values are considered to be full market values.

(b) California cities do not set their own direct tax rate. The State Constitution establishes the rate at 1% allocates a portion of that amount, by an annual calculation, to all the taxing entities within a tax rate

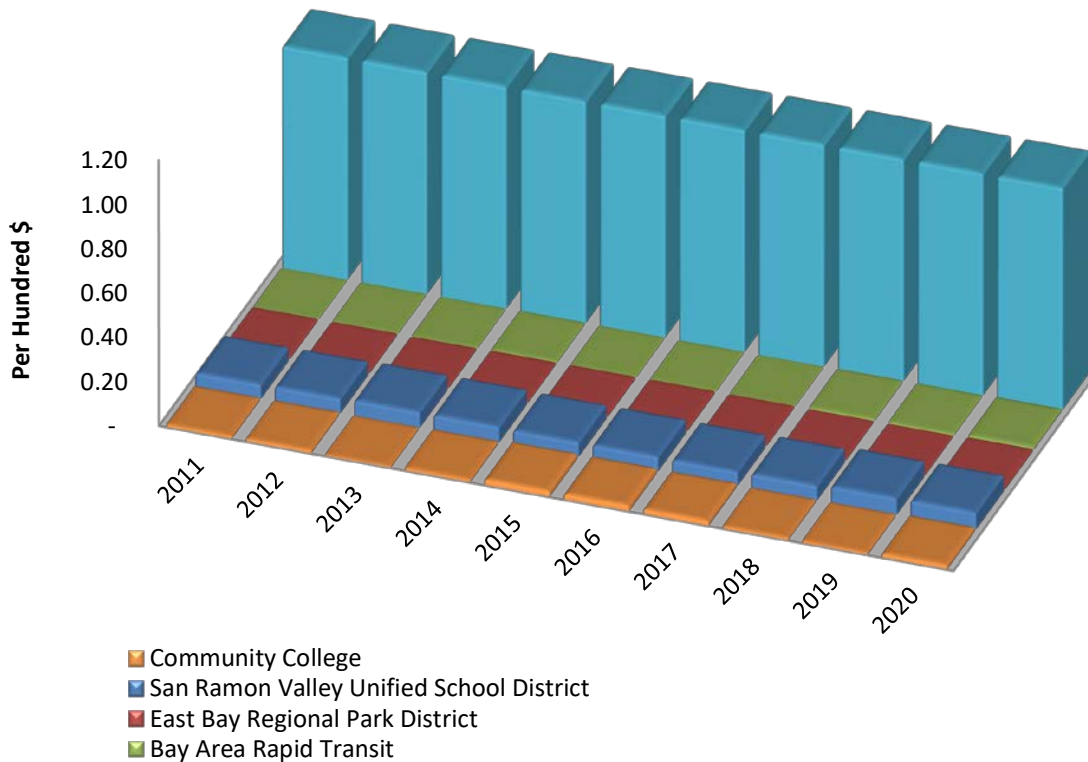
**Property Tax Levies and Collections
Last Ten Fiscal Years**



| Fiscal Year | Total Tax Levy | Current Tax Collections | Percent of Levy Collected | Value of Property Subject to Local Tax Rate |
|-------------|----------------|-------------------------|---------------------------|---|
| 2011 | 49,184,817 | 49,184,817 | 100.0000% | 33,728,512,183 |
| 2012 | 49,329,131 | 49,329,131 | 100.0000% | 33,816,375,307 |
| 2013 | 48,507,267 | 48,507,267 | 100.0000% | 33,875,084,233 |
| 2014 | 53,139,723 | 53,139,723 | 100.0000% | 35,938,226,469 |
| 2015 | 57,771,510 | 57,771,510 | 100.0000% | 38,829,348,181 |
| 2016 | 62,506,117 | 62,506,117 | 100.0000% | 41,789,113,407 |
| 2017 | 66,666,012 | 66,666,012 | 100.0000% | 44,269,308,244 |
| 2018 | 66,807,508 | 66,807,508 | 100.0000% | 46,725,320,891 |
| 2019 | 70,384,037 | 70,384,037 | 100.0000% | 49,196,664,450 |
| 2020 | 74,115,494 | 74,115,494 | 100.0000% | 51,762,951,669 |

Source: San Ramon Valley Fire Protection District Records

**Property Tax Rates
All Overlapping Governments
(General Obligation Bond Issuers Only)
Last Ten Fiscal Years**



| Fiscal Year | Basic County Wide Levy | Bay Area Rapid Transit | East Bay Regional Park District | San Ramon Valley Unified School District | Community College | Total |
|-------------|------------------------|------------------------|---------------------------------|--|-------------------|--------|
| 2011 | 1.0000 | 0.0031 | 0.0084 | 0.0641 | 0.0133 | 1.0889 |
| 2012 | 1.0000 | 0.0041 | 0.0071 | 0.0664 | 0.0144 | 1.0920 |
| 2013 | 1.0000 | 0.0043 | 0.0051 | 0.0705 | 0.0087 | 1.0886 |
| 2014 | 1.0000 | 0.0075 | 0.0078 | 0.0696 | 0.0133 | 1.0982 |
| 2015 | 1.0000 | 0.0045 | 0.0085 | 0.0651 | 0.0252 | 1.1033 |
| 2016 | 1.0000 | 0.0045 | 0.0085 | 0.0651 | 0.0252 | 1.1033 |
| 2017 | 1.0000 | 0.0026 | 0.0067 | 0.0624 | 0.0220 | 1.0937 |
| 2018 | 1.0000 | 0.0080 | 0.0032 | 0.0652 | 0.0120 | 1.0884 |
| 2019 | 1.0000 | 0.0070 | 0.0021 | 0.0750 | 0.0110 | 1.0951 |
| 2020 | 1.0000 | 0.0120 | 0.0094 | 0.0750 | 0.0188 | 1.1152 |

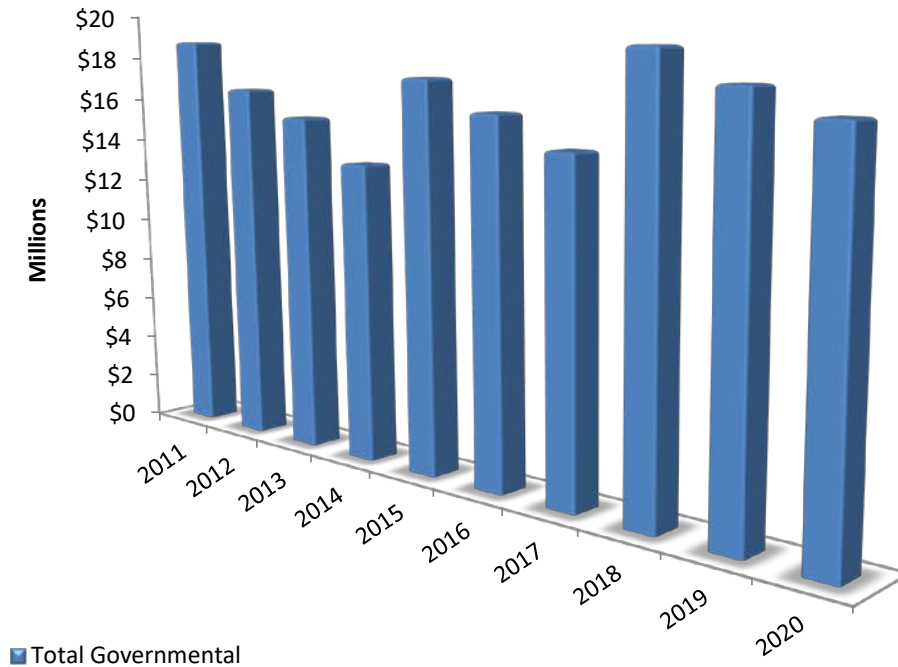
Source: Contra Costa County Auditor-Controller Detail of Tax Rates Report 2019-20
(Note: As of June 30, 2020, the District had no outstanding general obligation bonds)

**Principal Property Taxpayers
Current Year and Ten Years Ago**

| Taxpayer | 2019-20 | | | 2010-11 | | |
|---|-------------------------|------|---|-------------------------|------|---|
| | Taxable Assessed Value | Rank | Percentage of Total District Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total District Taxable Assessed Value |
| Chevron USA, Inc. | \$ 440,913,177 | 1 | 0.86% | \$ 379,945,994 | 1 | 1.14% |
| Sunset Building/Land Co. LLC | 398,548,058 | 2 | 0.78% | 365,946,382 | 2 | 1.10% |
| 2600 CR LLC | 329,263,329 | 3 | 0.64% | - | - | - |
| SDC 7 | 178,268,055 | 4 | 0.35% | 155,016,576 | 5 | 0.47% |
| Essex Portfolio LP | 146,990,345 | 5 | 0.29% | 215,017,856 | 4 | 0.65% |
| BRE Properties Inc. | 131,900,702 | 6 | 0.26% | - | - | - |
| Shapell Industries, Inc. | 129,845,667 | 7 | 0.25% | 276,248,319 | 3 | 0.83% |
| Faria Preserve, LLC | 129,085,070 | 8 | 0.25% | - | - | - |
| ROIC California LLC | 125,472,852 | 9 | 0.25% | - | - | - |
| Shappell norcall Rental Properties, LI | 108,816,085 | 10 | 0.21% | - | - | - |
| Annabel Investment Co. | - | - | - | 151,965,322 | 6 | 0.46% |
| Alexander Properties Co. | - | - | - | 92,913,441 | 7 | 0.28% |
| Legacy II and III San Ramon | - | - | - | 87,512,102 | 8 | 0.26% |
| Wittschen Capital Resources LP | - | - | - | 72,399,583 | 9 | 0.22% |
| San Ramon Regional Medical Center | - | - | - | 63,020,285 | 10 | 0.19% |
| Subtotal | \$ 2,119,103,340 | | 4.14% | \$ 1,859,985,860 | | 5.60% |
| Local Secured Assessed Valuation | | | | | | |
| Fiscal Year 2019-20 | \$ 51,205,942,470 | | | | | |
| Fiscal Year 2010-11 | \$ 33,214,600,585 | | | | | |

Source: HdL Coren & Cone

**Ratio of Outstanding Debt By Type
Last Ten Fiscal Years**



| <u>Fiscal Year</u> | <u>Certificates of Participation</u> | <u>Equipment Capital Leases</u> | <u>Total Governmental Primary Government</u> | <u>Percentage of Personal Income (a)</u> | <u>Per Capita (a)</u> |
|--------------------|--------------------------------------|---------------------------------|--|--|-----------------------|
| 2011 | 14,360,000 | 4,446,154 | 18,806,154 | 236.30% | 106.00496379 |
| 2012 | 13,630,000 | 2,950,830 | 16,580,830 | 200.77% | 92.13517298 |
| 2013 | 12,880,000 | 2,489,997 | 15,369,997 | 177.04% | 84.50637139 |
| 2014 | 11,432,000 | 2,017,197 | 13,449,197 | 155.27% | 72.93122428 |
| 2015 | 15,738,249 | 1,532,120 | 17,270,369 | 192.05% | 93.64807723 |
| 2016 | 14,892,137 | 1,032,281 | 15,924,418 | 168.06% | 85.47861307 |
| 2017 | 14,042,829 | 520,009 | 14,562,838 | 148.22% | 76.82453639 |
| 2018 | 13,183,521 | 5,432,359 | 18,615,880 | 182.77% | 96.52642528 |
| 2019 | 12,311,214 | 4,952,475 | 17,263,689 | 163.21% | 88.34695032 |
| 2020 | 11,757,907 | 4,451,796 | 16,209,703 | 147.73% | 83.89482557 |

Note : Debt amounts include premiums, discounts, and other amortization amounts.

Sources: San Ramon Valley Fire Protection District
 State of California, Department of Finance (population)
 (a) See Demographic Statistics for population data.

San Ramon Valley Fire Protection District

Statistical Section

June 30, 2020

Computation of Direct and Overlapping Debt June 30, 2020

2019-20 Assessed Valuation

\$ 51,762,951,669

| | Net Debt Outstanding | Percentage Applicable San Ramon Valley (1) | Amount Applicable San Ramon Valley |
|---|----------------------------|---|---|
| <u>OVERLAPPING TAX AND ASSESSMENT DEBT</u> | | | |
| Bay Area Rapid Transit District | \$ 1,282,740,000 | 6.433% | \$ 82,518,664 |
| Chabot-Las Positas Community College District | 626,920,000 | 0.548% | 3,435,522 |
| Contra Costa Community College District | 513,955,000 | 23.723% | 121,925,545 |
| Livermore Valley Joint Unified School District | 217,830,000 | 0.321% | 699,234 |
| San Ramon Valley Unified School District | 426,630,000 | 99.324% | 423,745,981 |
| Acalanes Union High School District | 170,374,470 | 0.005% | 8,519 |
| Lafayette School District | 71,605,000 | 0.020% | 14,321 |
| East Bay Regional Park District | 155,835,000 | 10.257% | 15,983,996 |
| ABAG Windemere Ranch Community Facilities District No. 2004-2 | 30,571,602 | 100.000% | 30,571,602 |
| Contra Costa County Community Facilities District No. 2001-1 | 3,850,000 | 100.000% | 3,850,000 |
| ABAG Windemere Ranch 1915 Act Bonds | 64,329,458 | 100.000% | 64,329,458 |
| SUBTOTAL OVERLAPPING TAX AND ASSESSMENT DEBT | | | <u>\$ 747,082,842</u> |
| <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u> | | | |
| Contra Costa County General Fund Obligations | \$ 232,484,653 | 23.992% | \$ 55,777,718 |
| Contra Costa County Pension Obligations | 85,690,000 | 23.992% | 20,558,745 |
| San Ramon Valley Unified School District General Fund Obligations | 22,869,938 | 99.335% | 22,717,853 |
| Town of Danville Certificates of Participation | 6,255,000 | 100.000% | 6,255,000 |
| City of San Ramon Certificates of Participation | 23,395,000 | 100.000% | 23,395,000 |
| City of San Ramon Pension Obligations | 15,070,000 | 100.000% | 15,070,000 |
| San Ramon Valley Fire Protection District Vehicle Lease-Purchase | 4,451,796 | 100.000% | 4,451,796 |
| San Ramon Valley Fire Protection District Certificates of Participation | 11,757,907 | 100.000% | 11,757,907 |
| SUBTOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT | | | <u>\$ 159,984,019</u> |
| LESS: Contra Costa County revenue supported obligations | | | (22,165,323) |
| TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT | | | <u>\$ 137,818,696</u> |
| Overlapping Tax Increment Debt (Successor Agency) | 58,145,898 | 100.000% | 58,145,898 |
| TOTAL DIRECT DEBT | | | <u>16,209,703</u> |
| Total Gross Overlapping Debt | | | \$ 949,003,055 |
| Total Net Overlapping Debt | | | \$ 926,837,732 |
| GROSS COMBINED TOTAL DEBT (2) | | | <u>\$ 965,212,758</u> |
| NET COMBINED TOTAL DEBT | | | <u>\$ 943,047,435</u> |

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the District.

(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and tax allocation bonds.

RATIOS TO 2019-20 ASSESSED VALUATION:

| | |
|--|-------|
| Combined Direct Debt | 1.44% |
| Total Gross Direct and Overlapping Tax Assessment Debt | 1.86% |
| Total Net Direct and Overlapping Tax Assessment Debt | 1.82% |

Source: California Municipal Statistics, Inc.

Computation of Legal Bonded Debt Margin

ASSESSED VALUATION:

Gross Assessed Valuation \$ 51,762,951,669

BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a) \$ 1,941,110,688

AMOUNT OF DEBT SUBJECT TO LIMIT:

Total Bonded Debt \$ 16,209,703

Less Tax Allocation Bonds and Sales Tax Revenue
Bonds, Certificates of Participation not subject to limit 16,209,703

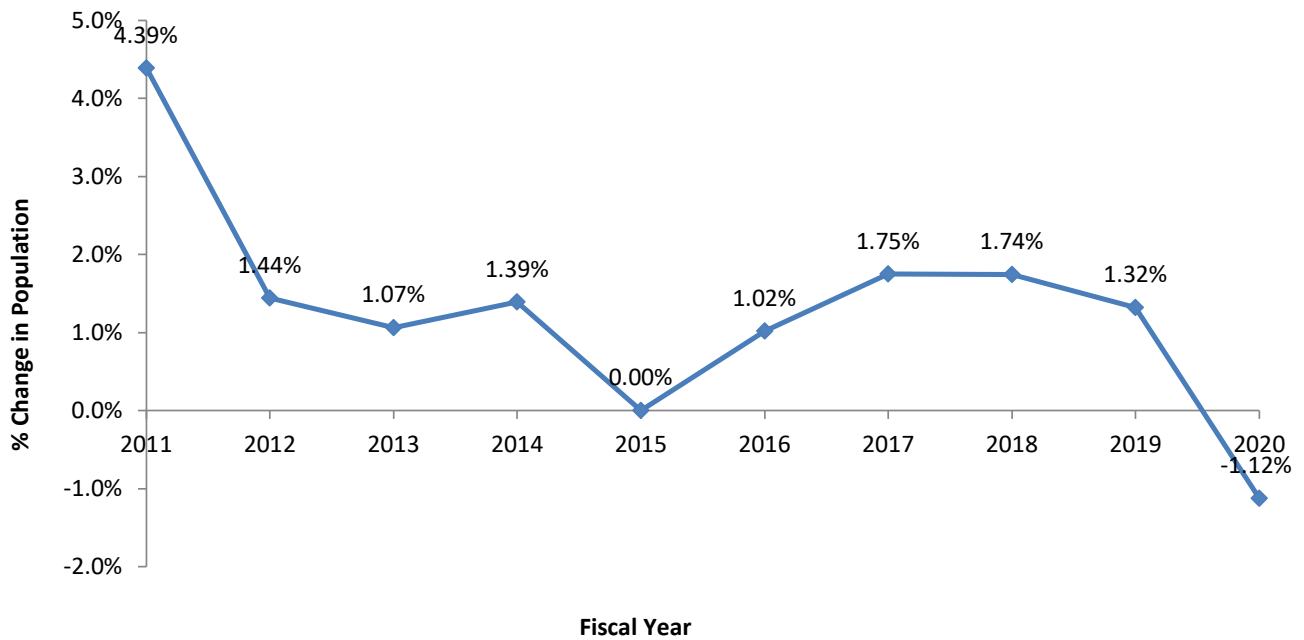
Amount of debt subject to limit -

LEGAL BONDED DEBT MARGIN \$ 1,941,110,688

| Fiscal Year | Debt Limit | Total Net Debt Applicable to Limit | Legal Debt Margin | Total net debt applicable to the limit as a percentage of debt limit |
|-------------|---------------|------------------------------------|-------------------|--|
| 2011 | 1,245,547,522 | - | 1,245,547,522 | 0.00% |
| 2012 | 1,268,114,074 | - | 1,268,114,074 | 0.00% |
| 2013 | 1,270,315,659 | - | 1,270,315,659 | 0.00% |
| 2014 | 1,347,683,493 | - | 1,347,683,493 | 0.00% |
| 2015 | 1,456,100,557 | - | 1,456,100,557 | 0.00% |
| 2016 | 1,567,091,753 | - | 1,567,091,753 | 0.00% |
| 2017 | 1,660,099,059 | - | 1,660,099,059 | 0.00% |
| 2018 | 1,752,199,533 | - | 1,752,199,533 | 0.00% |
| 2019 | 1,844,874,917 | - | 1,844,874,917 | 0.00% |
| 2020 | 1,941,110,688 | - | 1,941,110,688 | 0.00% |

NOTE: (a) California Health and Safety Code, Section 13937 sets the debt limit at 10%. The Code section was enacted prior to the change in basing assessed value to full market value when it was previously 25% of market value. Thus, the limit shown as 3.75% is one-fourth the limit to account for the adjustment of showing assessed valuation at full cash value.

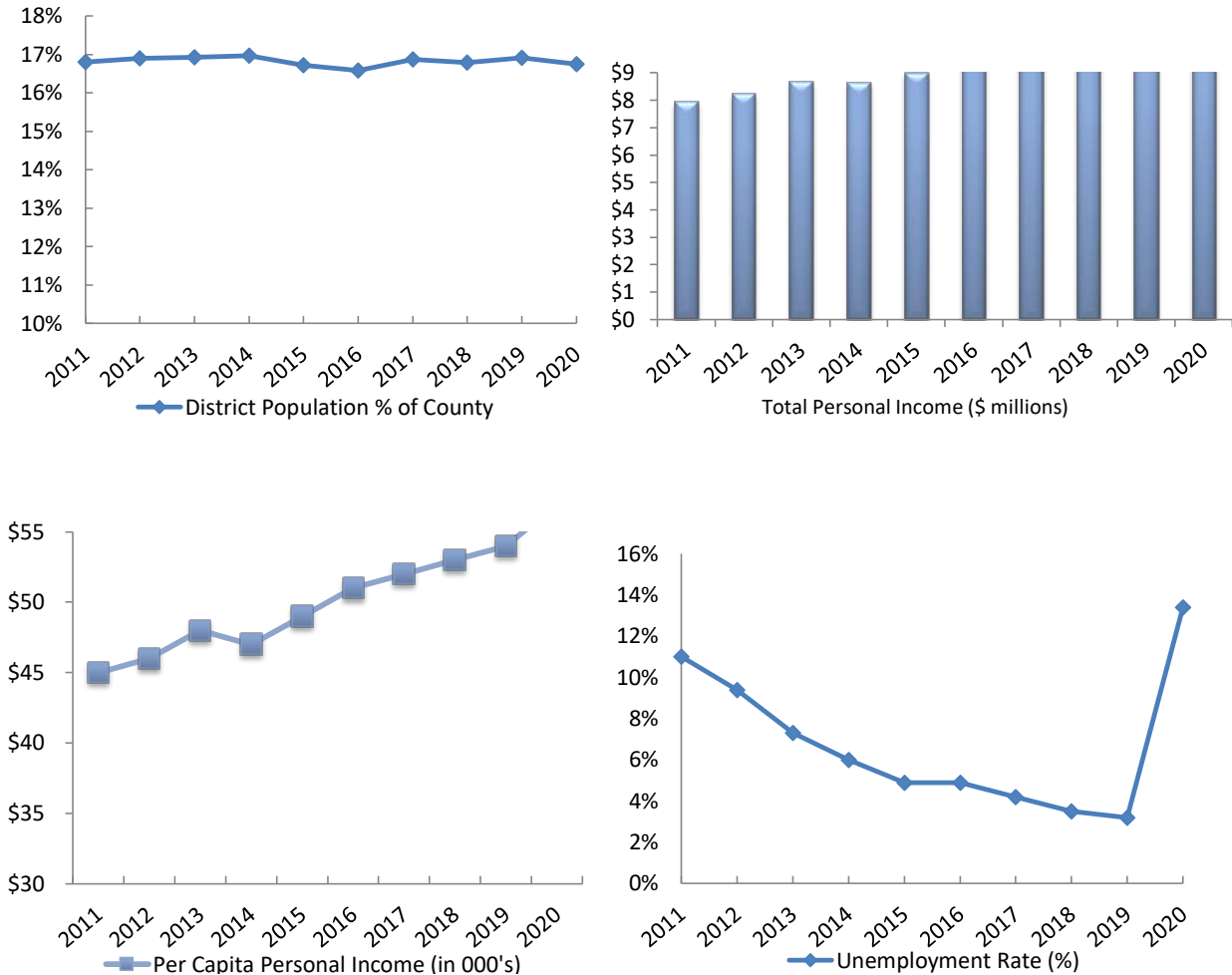
**Demographic Statistics
Last Ten Fiscal Years**



| Fiscal Year | Town of Danville Population | City of San Ramon Population | Unincorporated Population | Total Population | % Increase |
|-------------|-----------------------------|------------------------------|---------------------------|------------------|------------|
| 2011 | 42,215 | 73,109 | 62,084 | 177,408 | 4.3871% |
| 2012 | 42,498 | 74,753 | 62,711 | 179,962 | 1.4395% |
| 2013 | 42,720 | 76,154 | 63,006 | 181,880 | 1.0656% |
| 2014 | 43,206 | 77,410 | 63,793 | 184,409 | 1.3908% |
| 2015 | 42,491 | 77,470 | 64,457 | 184,418 | 0.0046% |
| 2016 | 42,865 | 78,363 | 65,069 | 186,297 | 1.0191% |
| 2017 | 43,355 | 80,550 | 65,655 | 189,560 | 1.7513% |
| 2018 | 44,396 | 82,643 | 65,819 | 192,858 | 1.7399% |
| 2019 | 45,270 | 83,957 | 66,181 | 195,408 | 1.3222% |
| 2020 | 43,876 | 83,118 | 66,221 | 193,215 | -1.1224% |

Source: State of California Department of Finance

**Demographic and Economic Statistics
Last Ten Fiscal Years**



| Fiscal Year | District Population | Total Personal Income (in 000's) | Per Capita Personal Income (in 000's) | Unemployment Rate (%) | Contra Costa County Population | District Population % of County |
|-------------|---------------------|----------------------------------|---------------------------------------|-----------------------|--------------------------------|---------------------------------|
| 2011 | 177,408 | 7,958,671 | 45 | 11.0% | 1,056,064 | 16.80% |
| 2012 | 179,962 | 8,258,713 | 46 | 9.4% | 1,065,117 | 16.90% |
| 2013 | 181,880 | 8,681,559 | 48 | 7.3% | 1,074,247 | 16.93% |
| 2014 | 184,409 | 8,661,591 | 47 | 6.0% | 1,087,008 | 16.96% |
| 2015 | 184,418 | 8,992,464 | 49 | 4.9% | 1,102,871 | 16.72% |
| 2016 | 186,297 | 9,475,360 | 51 | 4.9% | 1,123,429 | 16.58% |
| 2017 | 189,560 | 9,825,000 | 52 | 4.2% | 1,123,429 | 16.87% |
| 2018 | 192,858 | 10,185,578 | 53 | 3.5% | 1,149,279 | 16.78% |
| 2019 | 195,408 | 10,577,723 | 54 | 3.2% | 1,155,879 | 16.91% |
| 2020 | 193,215 | 10,972,272 | 57 | 13.4% | 1,153,561 | 16.75% |

Source: California State Department of Finance, California Employment Development Department

San Ramon Valley Fire Protection District

Statistical Section

June 30, 2020

Principal Employers

| Employer | 2020 | | 2011 | |
|-----------------------------------|---------------------|--------------------------------|---------------------|--------------------------------|
| | Number of Employees | Percent of Principal Employers | Number of Employees | Percent of Principal Employers |
| Chevron USA Inc | 3,176 | 25.46% | 3,521 | 28.52% |
| Bank of the West | 1,600 | 12.83% | 1,600 | 12.96% |
| Robert Half International Inc. | 1,474 | 11.82% | 982 | 7.96% |
| Accenture LLP | 750 | 6.01% | 750 | 6.08% |
| San Ramon Regional Medical Center | 727 | 5.83% | 500 | 4.05% |
| Primed Management Consulting | 453 | 3.63% | 348 | 2.82% |
| Old Republic Home Protection | 453 | 3.63% | - | - |
| Five 9, Inc. | 376 | 3.01% | - | - |
| Pacific Gas and Electric | 364 | 2.92% | 968 | 7.84% |
| Keller Williams Realty | 342 | 2.74% | - | - |
| Pacific Bell Telephone | 321 | 2.57% | 1,819 | 14.74% |
| United Parcel Service | 315 | 2.53% | - | - |
| Armanino LLP | 304 | 2.44% | - | - |
| Target Corporation | 272 | 2.18% | 319 | 2.58% |
| IBM Corporation | 222 | 1.78% | 358 | 2.90% |
| GE Digital LLC | 217 | 1.74% | - | - |
| Costco | 204 | 1.64% | - | - |
| Whole Foods Market Calif Inc. | 195 | 1.56% | - | - |
| CMG Mortgage | 185 | 1.48% | - | - |
| 24 Hour Fitness USA, Inc. | 180 | 1.44% | 372 | 3.01% |
| Sunset Development Company | 174 | 1.39% | - | - |
| Marriott | 170 | 1.36% | 368 | 2.98% |
| Safeway | - | - | 439 | 3.56% |

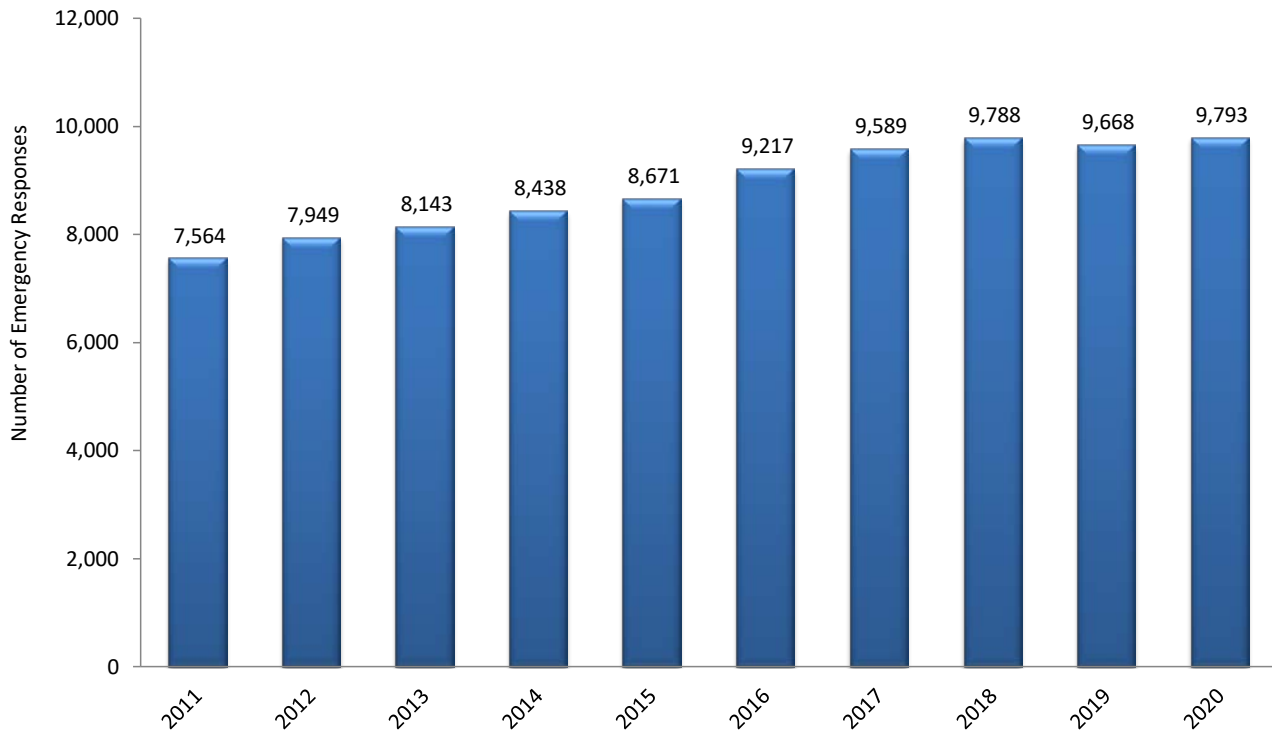
Source: City of San Ramon Finance Department and Town of Danville Business License Division

SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Summary of District Activities

| CATEGORY | TOTAL | % CHANGE |
|---|--------------|----------|
| POPULATION | 193,215 | -1.12% |
| RESPONSES | 9,793 | -0.72% |
| MUTUAL AID (Excluding Station Coverage) | | |
| Received | 7 | -36.36% |
| Extended | 356 | 2.59% |
| PROPERTY LOSS (Due to Fire) | | |
| Value of Property Involved | \$51,802,041 | -22.09% |
| Property Loss | \$2,506,745 | 47.59% |
| Property Loss: Percentage of Value of Property Involved | 4.84% | 89.43% |
| TOTAL FULL-TIME EMPLOYEES | 179 | -1.10% |
| WORKERS' COMPENSATION CLAIMS | | |
| Claims Expense | 1,115,712 | -17.37% |
| LEAVE HOURS (All Personnel) | | |
| Sick Leave Used | 15,651 | 4.68% |
| Service Connected Disability Leave | 12,560 | -17.48% |
| Vacation Time Used | 25,902 | -12.07% |
| TRAINING FOR SUPPRESSION PERSONNEL | | |
| Total Training Hours | 34,120 | -16.31% |

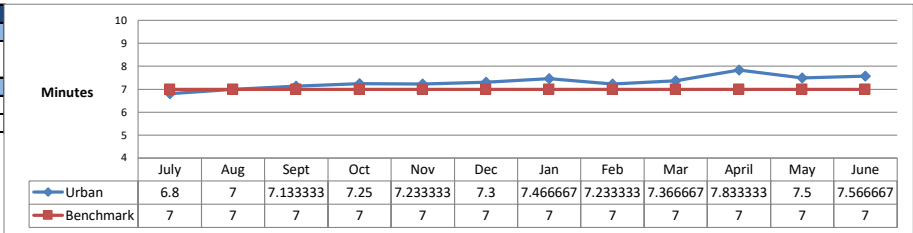
% Change is the measurement against prior year actuals

**Comparative Annual Graph
Total Responses FY 2011 - 2020**

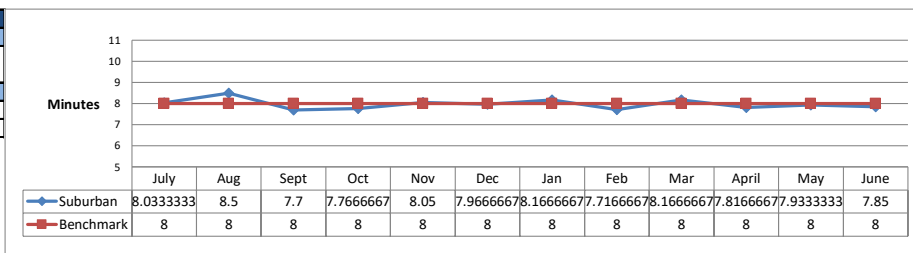


**Standards of Cover Policy Compliance Report
 First Unit Response**

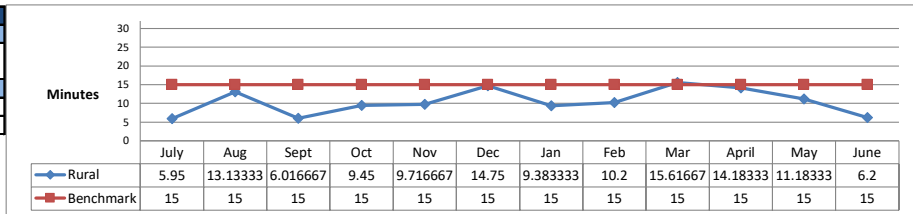
| | |
|----------------------------|---------------|
| First Unit Response | |
| Urban | |
| SOC Goal 1, 5, 6 | |
| Count = 3,776 | |
| Goal | Actual |
| 7:00 | 7:18 |
| 100% | 97% |



| | |
|----------------------------|---------------|
| First Unit Response | |
| Suburban | |
| SOC Goal 2, 5, 6 | |
| Count = 1,318 | |
| Goal | Actual |
| 8:00 | 7:57 |
| 100% | 100% |

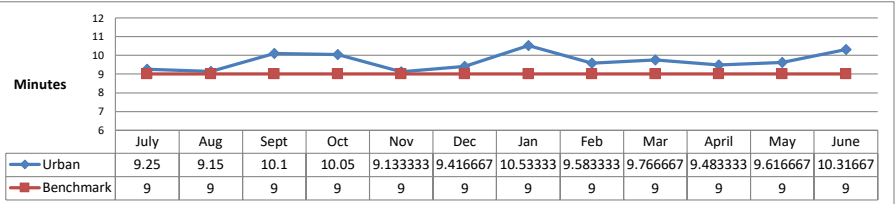


| | |
|----------------------------|---------------|
| First Unit Response | |
| Rural | |
| SOC Goal 3, 5, 6 | |
| Count = 43 | |
| Goal | Actual |
| 15:00 | 13:08 |
| 100% | 100% |

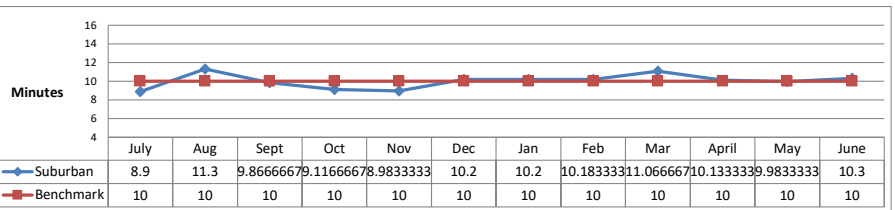


**Standards of Cover Policy Compliance Report
 Effective Response Force (ERF) Medical Response**

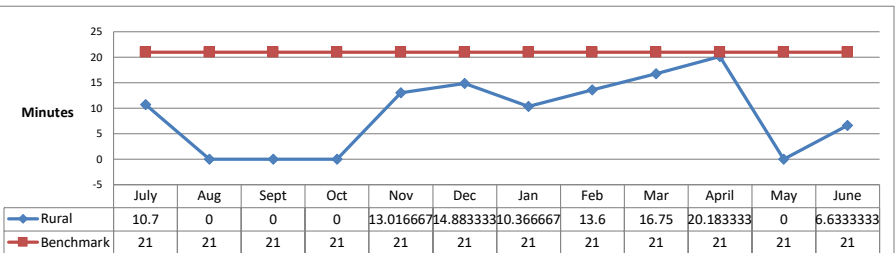
| | |
|--------------------|---------------|
| ERF Medical | |
| Urban | |
| SOC Goal 8 | |
| Count = 1,721 | |
| Goal | Actual |
| 9:00 | 9:42 |
| 100% | 94% |



| | |
|--------------------|---------------|
| ERF Medical | |
| Suburban | |
| SOC Goal 8 | |
| Count = 607 | |
| Goal | Actual |
| 10:00 | 10:10 |
| 100% | 99% |

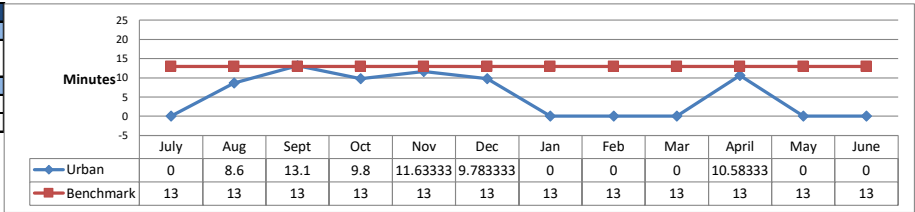


| | |
|--------------------|---------------|
| ERF Medical | |
| Rural | |
| SOC Goal 8 | |
| Count = 15 | |
| Goal | Actual |
| 21:00 | 16:45 |
| 100% | 100% |



**Standards of Cover Policy Compliance Report
 Effective Response Force (ERF) Fire Response**

| ERF Fire Response | |
|-------------------|--------|
| Urban | |
| SOC Goal 4 | |
| Count = 6 | |
| Goal | Actual |
| 13:00 | 13:06 |
| 100% | 86% |



| SOC Goal 7 | | | |
|----------------------|--------|--------------|--------|
| Call Processing Time | | Turnout Time | |
| Goal | Actual | Goal | Actual |
| 1:00 | 0:00 | 2:00 | 1:51 |
| 100% | 100% | 100% | 100% |

Emergency Response Detail Analysis

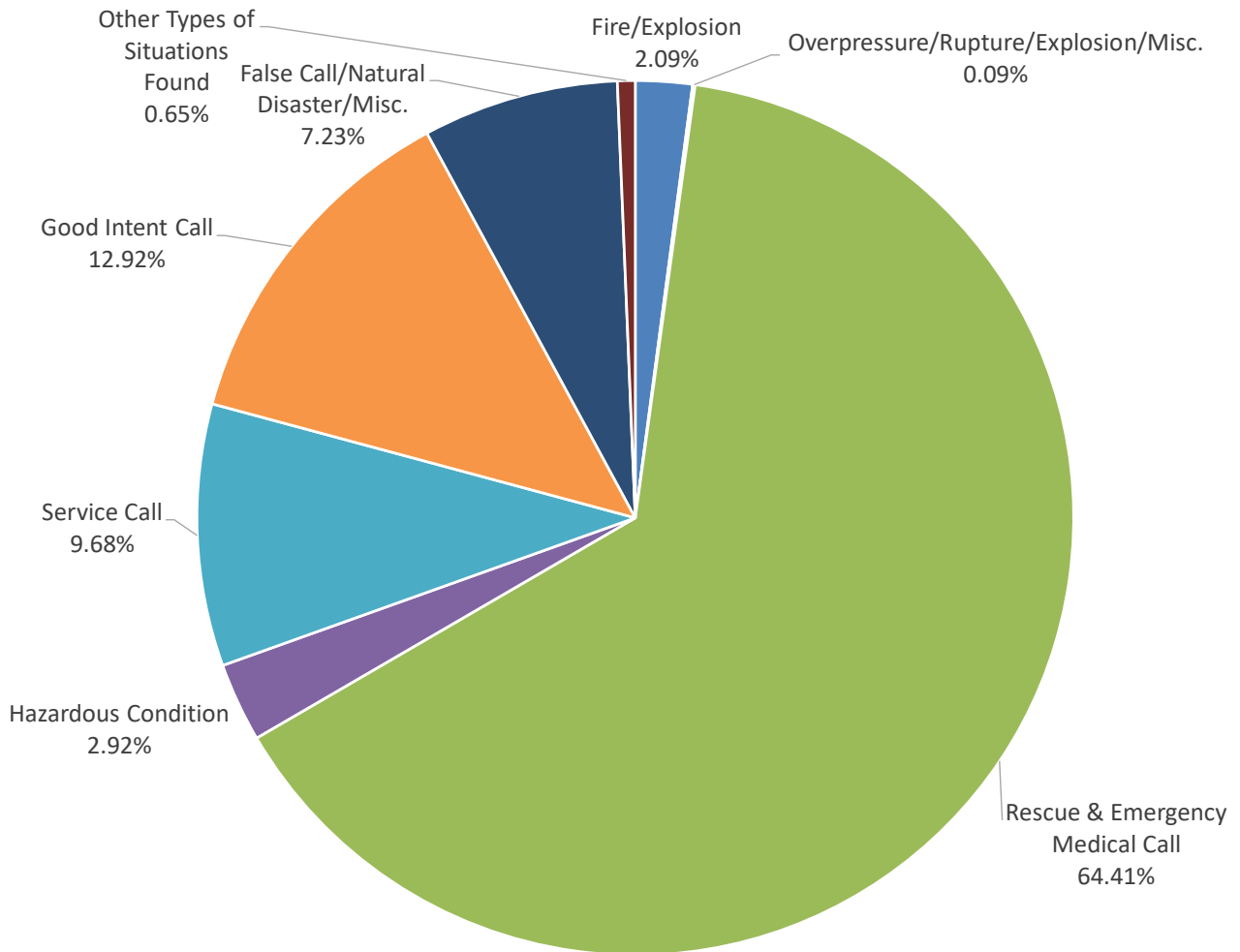
TOTAL RESPONSES: 9,793

| CA FIRE INCIDENT REPORT SYSTEM CODE | CATEGORY DESCRIPTION | NUMBER OF INCIDENTS |
|--|---|------------------------|
| FIRE & EXPLOSION | | |
| 10,16 | Fire, explosion; other outside fire; insufficient information | 31 |
| 11,12 | Structure fire | 72 |
| 13 | Fire in mobile property inside/outside a structure | 26 |
| 14,17 | Fire in trees, grass, brush, standing crops | 48 |
| 15 | Refuse fire outside | 28 |
| TOTAL: FIRE & EXPLOSION | | 205 |
| OVERPRESSURE RUPTURE & EXPLOSION | | |
| 20,21,22,23 | Steam, air, gas rupture | 5 |
| 24 | Fireworks explosion (no fire) | 3 |
| 25 | Excessive heat, overheat, scorch with no ignition | 1 |
| TOTAL: OVERPRESSURE RUPTURE & EXPLOSION | | 9 |
| RESCUE & EMERGENCY MEDICAL CALL | | |
| 30,39 | Rescue, emergency medical call; insufficient information | 23 |
| 31 | Emergency medical assist | 64 |
| 32 | Emergency medical call - Transports | 4,964 |
| | Emergency medical call - Non-Transport | 1,229 |
| 33,34,38 | Lock-in, land search (people), rescue/EMS standby | 17 |
| 35,36,37 | People trapped, caught, buried, electrocution | 11 |
| TOTAL: RESCUE & EMERGENCY MEDICAL CALL | | 6,308 |
| HAZARDOUS CONDITION | | |
| 40,47,49 | Hazardous condition, standby; insufficient information | 105 |
| 41 | Flammable gas or liquid condition | 64 |
| 42 | Toxic condition | 18 |
| 44 | Electrical arcing, shorted electrical equipment | 88 |
| 46 | Vehicle accident | 6 |
| 48 | Attempted burning, illegal action | 5 |
| TOTAL: HAZARDOUS CONDITION | | 286 |

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Emergency Response Detail Analysis**

| CA FIRE INCIDENT REPORT SYSTEM CODE | CATEGORY DESCRIPTION | NUMBER OF INCIDENTS |
|--|--|--------------------------------|
| SERVICE CALL | | |
| 50,54,59 | Service call; animal rescue; insufficient information | 169 |
| 51 | Lock-out | 22 |
| 52 | Water/steam leak | 87 |
| 53 | Smoke/odor removal | 12 |
| 55 | Assist invalid | 650 |
| 56 | Unauthorized burning | |
| 57 | Cover assignment | 8 |
| TOTAL: SERVICE CALL | | 948 |
| GOOD INTENT CALL | | |
| 60,62,69 | Good intent call; wrong location; insufficient information | 345 |
| 61 | Incident cleared prior to arrival | 717 |
| 64 | Vicinity alarm | 1 |
| 65 | Steam or other gas mistaken for smoke | 175 |
| 66 | EMS call where patient(s) transported prior to arrival | 22 |
| 67 | Hazardous materials investigation, no condition found | 5 |
| TOTAL: GOOD INTENT CALL | | 1,265 |
| FALSE CALL | | |
| 70,79 | False call; insufficient information | 3 |
| 73 | System malfunction | 222 |
| 74 | Unintentional alarm | 481 |
| TOTAL: FALSE CALL | | 706 |
| NATURAL DISASTER | | |
| 80,81,82,83,89 | Flood; Windstorm; Miscellaneous not classified | 2 |
| TOTAL: NATURAL DISASTER | | 2 |
| OTHER TYPES OF SITUATIONS FOUND | | |
| 90,91 | Type of situations found not classified above | 64 |
| TOTAL: OTHER | | 64 |

**Emergency Response
Percent of Total Response By Type**



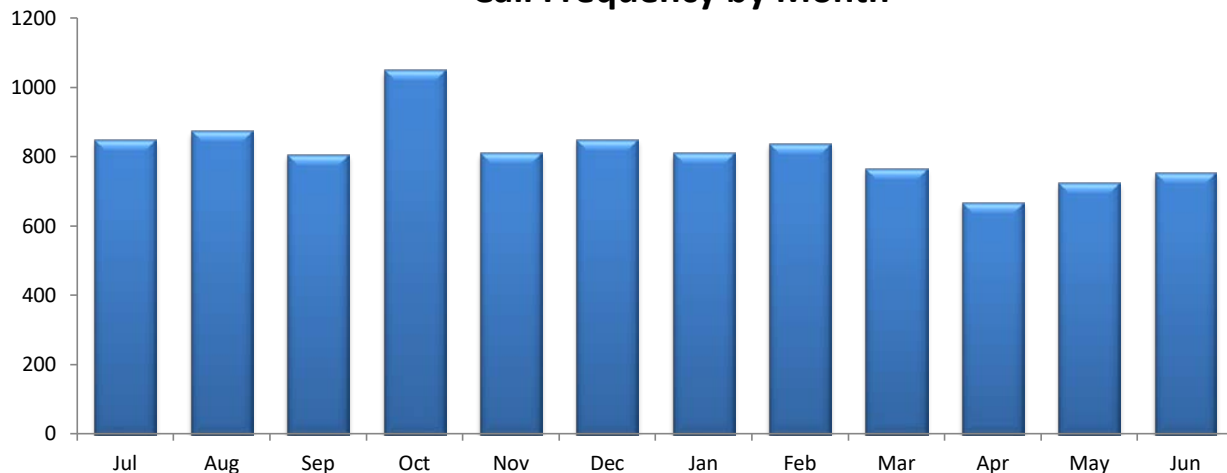
- Fire/Explosion
- Overpressure/Rupture/Explosion/Misc.
- Rescue & Emergency Medical Call
- Hazardous Condition
- Service Call
- Good Intent Call
- False Call/Natural Disaster/Misc.
- Other Types of Situations Found

Call Frequency Analysis
TOTAL RESPONSES: 9,793

| CALL FREQUENCY BY HOUR | | | | | |
|------------------------|-------|-------|-------------|-------|-------|
| TIME | TOTAL | % | TOTAL | TOTAL | % |
| 12-1 a.m. | 221 | 2.26% | Noon-1p.m. | 600 | 6.13% |
| 1-2 a.m. | 191 | 1.95% | 1-2 p.m. | 597 | 6.10% |
| 2-3 a.m. | 183 | 1.87% | 2-3 p.m. | 565 | 5.77% |
| 3-4 a.m. | 156 | 1.59% | 3-4 p.m. | 596 | 6.09% |
| 4-5 a.m. | 169 | 1.73% | 4-5 p.m. | 545 | 5.57% |
| 5-6 a.m. | 174 | 1.78% | 5-6 p.m. | 522 | 5.33% |
| 6-7 a.m. | 245 | 2.50% | 6-7 p.m. | 554 | 5.66% |
| 7-8 a.m. | 350 | 3.57% | 7-8 p.m. | 541 | 5.52% |
| 8-9 a.m. | 460 | 4.70% | 8-9 p.m. | 452 | 4.62% |
| 9-10 a.m. | 566 | 5.78% | 9-10 p.m. | 374 | 3.82% |
| 10-11 a.m. | 574 | 5.86% | 10-11 p.m. | 335 | 3.42% |
| 11-12 noon | 575 | 5.87% | 11-midnight | 248 | 2.53% |

| CALL FREQUENCY BY MONTH | | | | | |
|-------------------------|-------|--------|----------|-------|-------|
| MONTH | TOTAL | % | MONTH | TOTAL | % |
| July | 848 | 8.66% | January | 809 | 8.26% |
| August | 874 | 8.92% | February | 838 | 8.56% |
| September | 806 | 8.23% | March | 766 | 7.82% |
| October | 1049 | 10.71% | April | 667 | 6.81% |
| November | 811 | 8.28% | May | 724 | 7.39% |
| December | 849 | 8.67% | June | 752 | 7.68% |

Call Frequency by Month

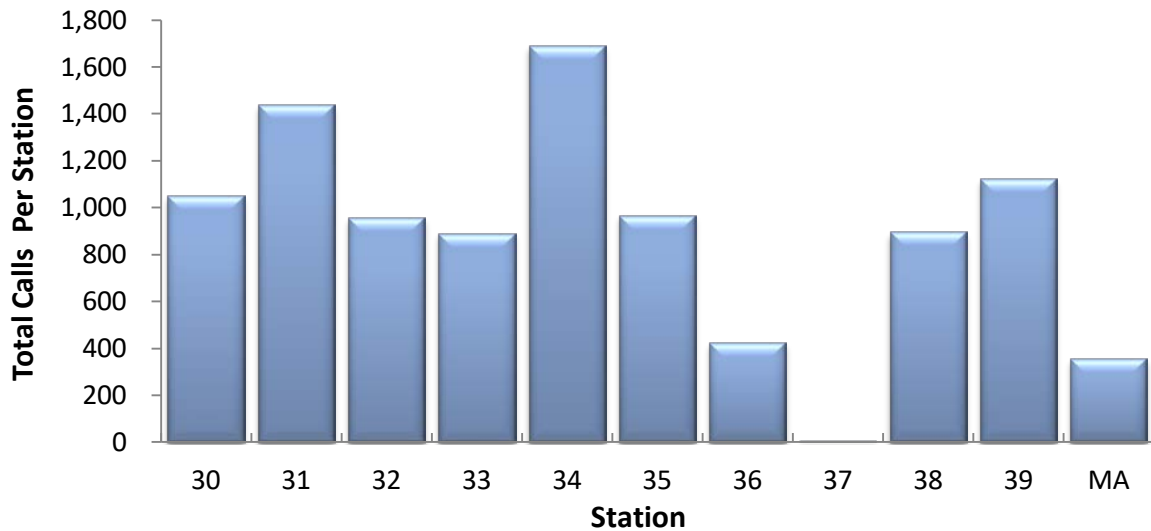


Call Frequency Analysis (Continued)

CALL FREQUENCY BY STATION AREA

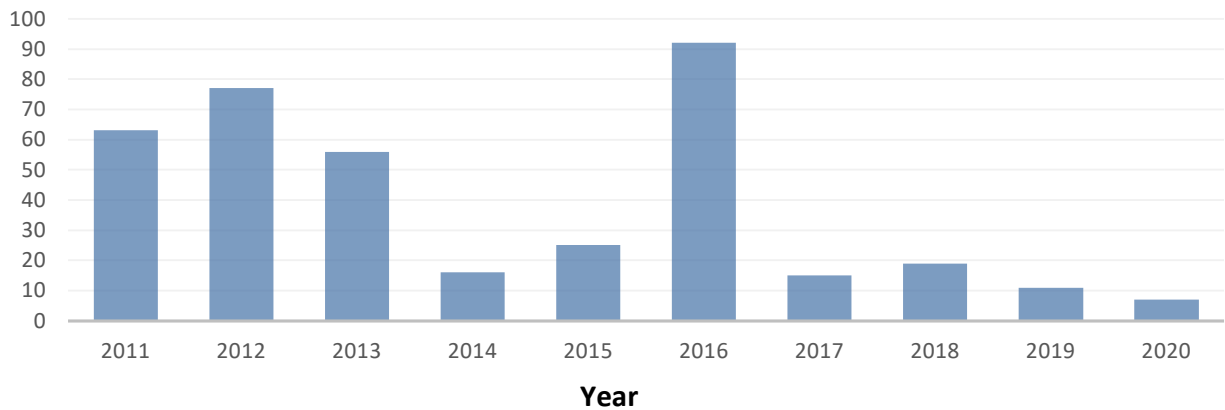
| STATION AREA | TOTAL CALLS | % |
|-------------------------------|-------------|--------|
| Station 30 - San Ramon | 1,051 | 10.73% |
| Station 31 - Danville | 1,438 | 14.68% |
| Station 32 - Alamo | 957 | 9.77% |
| Station 33 - Diablo | 890 | 9.09% |
| Station 34 - San Ramon | 1,688 | 17.24% |
| Station 35 - Blackhawk | 966 | 9.86% |
| Station 36 - Tassajara | 422 | 4.31% |
| Station 37 - Morgan Territory | 8 | 0.08% |
| Station 38 - San Ramon | 894 | 9.13% |
| Station 39 - San Ramon | 1,123 | 11.47% |
| Mutual Aid Extended | 356 | 3.64% |

Call Frequency by Station Area

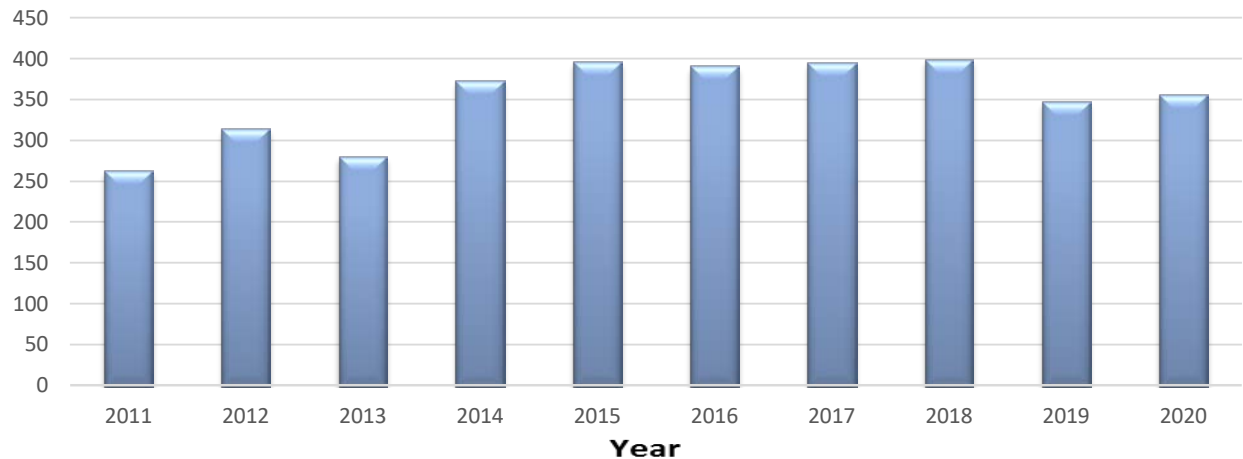


**Mutual Aid Fire Responses - Last Ten Fiscal Years
(Excluding Station Coverage)**

| Mutual Aid Received | | | | | | | | | | |
|---------------------|------|------|------|------|------|------|------|------|------|------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Mutual Aid Received | 63 | 77 | 56 | 16 | 25 | 92 | 15 | 19 | 11 | 7 |

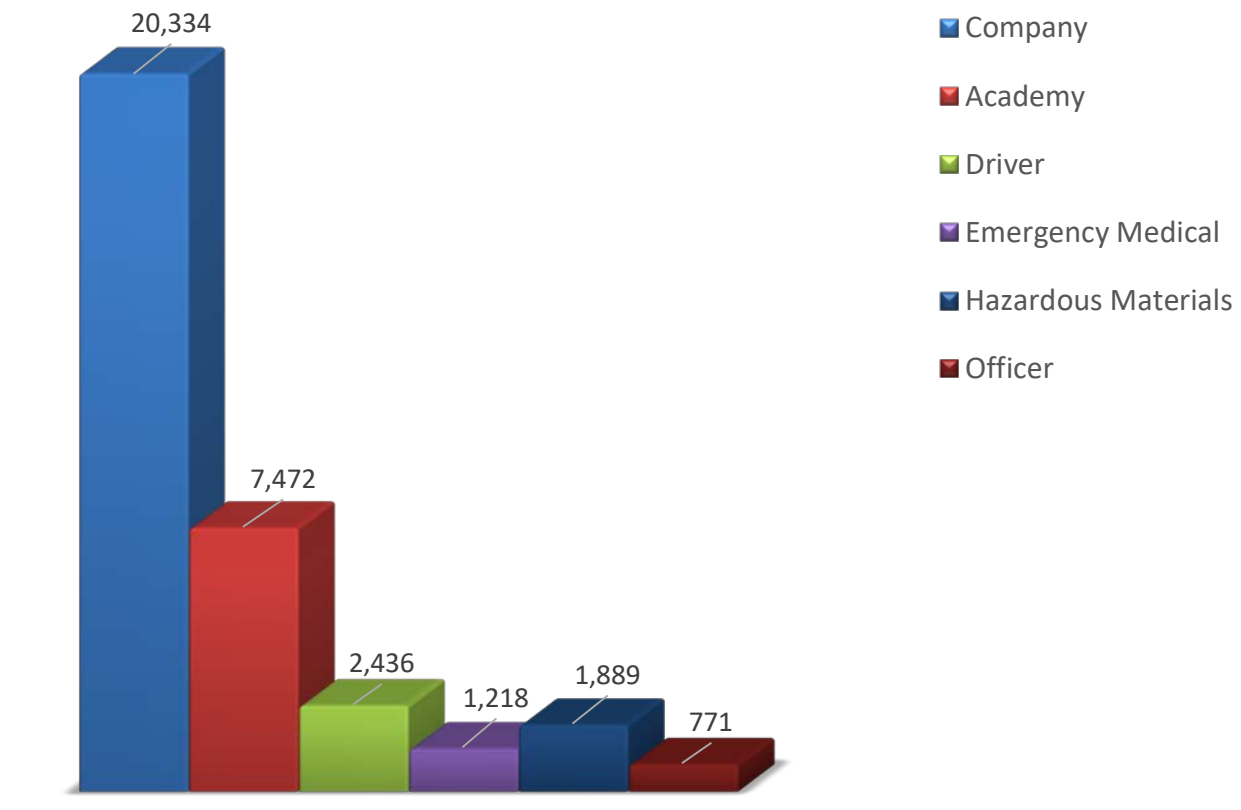


| Mutual Aid Extended | | | | | | | | | | |
|---------------------|------|------|------|------|------|------|------|------|------|------|
| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
| Mutual Aid Extended | 263 | 314 | 280 | 373 | 396 | 391 | 395 | 398 | 347 | 356 |



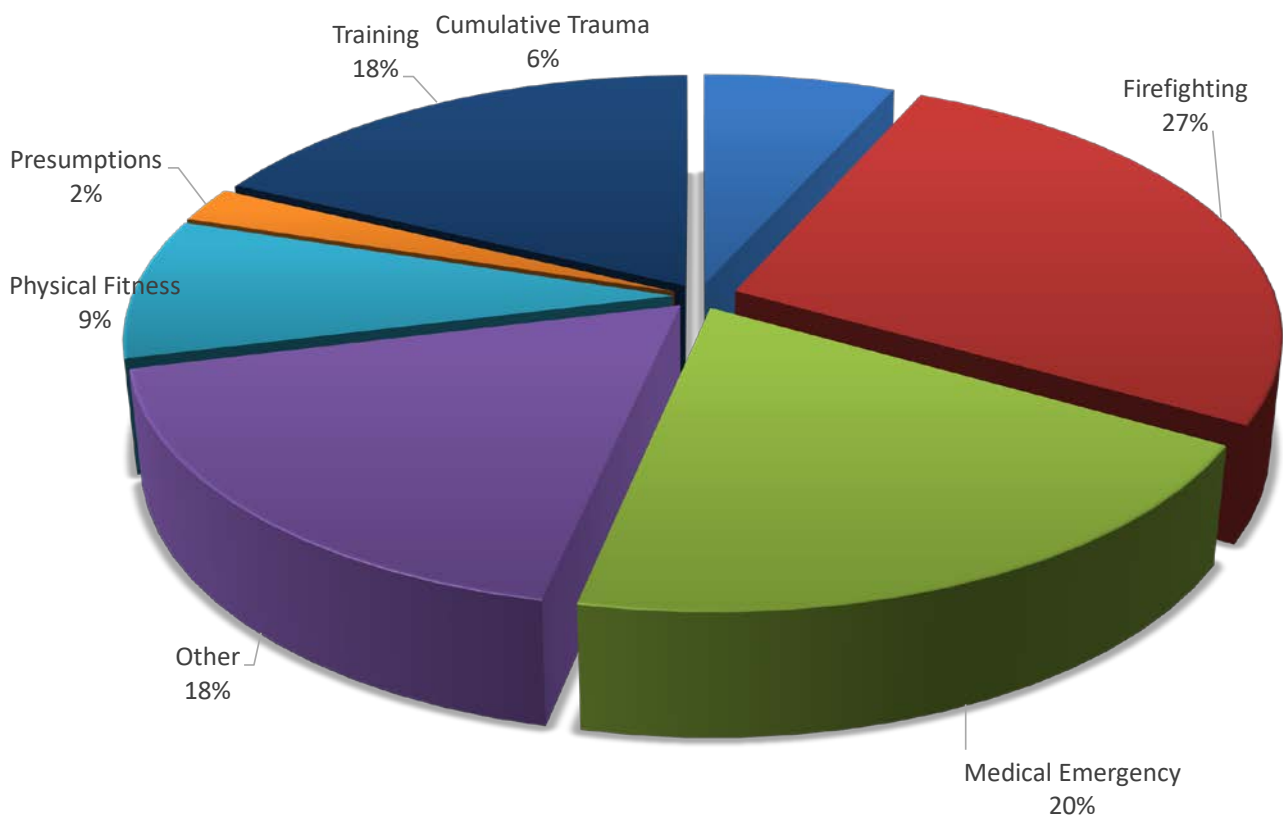
Training Hours for Suppression Personnel

| TYPE OF TRAINING | HOURS |
|-----------------------------|---------------|
| Company | 20,334 |
| Academy | 7,472 |
| Driver | 2,436 |
| Emergency Medical | 1,218 |
| Hazardous Materials | 1,889 |
| Officer | 771 |
| TOTAL TRAINING HOURS | 34,120 |



Service Connected Illness/Injury Report

| INCIDENT ACTIVITY | NUMBER | % |
|---|-------------|----------------|
| Cumulative Trauma | 3.0 | 6.67% |
| Firefighting | 12.0 | 26.67% |
| Medical Emergency | 9.0 | 20.00% |
| Other | 8.0 | 17.78% |
| Physical Fitness | 4.0 | 8.89% |
| Presumptions | 1.0 | 2.22% |
| Training | 8.0 | 17.78% |
| TOTAL NUMBER OF MEDICAL INJURIES | 45.0 | 100.00% |



San Ramon Valley Fire Protection District

Statistical Section

June 30, 2020

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Operating Indicators By Function
Last Ten Fiscal Years**

| Function | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Operations | | | | | | | | | | |
| Fire & Explosion | 199 | 239 | 276 | 239 | 213 | 264 | 180 | 244 | 216 | 205 |
| Overpressure Rupture & Explosior | 17 | 11 | 10 | 6 | 13 | 28 | 33 | 15 | 3 | 9 |
| Rescue & Emergency Medical Call | 4,981 | 5,228 | 5,365 | 5,615 | 5,798 | 6,025 | 6,273 | 6,477 | 6,619 | 6,308 |
| Hazardous Condition | 154 | 164 | 201 | 169 | 189 | 227 | 224 | 229 | 231 | 286 |
| Service Call | 628 | 738 | 738 | 695 | 716 | 946 | 962 | 908 | 883 | 948 |
| Good Intent Call | 935 | 950 | 913 | 1,076 | 1,106 | 1,093 | 1,228 | 1,267 | 1,193 | 1,265 |
| False Call | 627 | 586 | 604 | 621 | 619 | 604 | 646 | 622 | 683 | 707 |
| Natural Disaster | 2 | 10 | 10 | - | - | - | - | - | 6 | - |
| Severe Weather | - | - | - | - | 4 | 2 | 8 | - | - | 2 |
| Other Types of Situation Found | 21 | 23 | 26 | 17 | 13 | 28 | 35 | 26 | 30 | 63 |
| Suppression | 7,564 | 7,949 | 8,143 | 8,438 | 8,671 | 9,217 | 9,589 | 9,788 | 9,864 | 9,793 |
| Training | 68,180 | 80,985 | 70,403 | 20,774 | 19,779 | 16,502 | 28,120 | 39,898 | 40,771 | 34,120 |

Capital Asset Statistics

| | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Capital Asset | | | | | | | | | | |
| Fire Stations | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 | 10 |
| Fire Engines | 11 | 11 | 11 | 11 | 11 | 11 | 10 | 10 | 10 | 10 |
| Fire Ladder Trucks | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Fire Wildland Engines | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 | 12 |
| Fire Water Tenders | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Ambulances | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 | 5 |
| Communications Support Unit | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Breathing Support Unit | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| HazMat Unit | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Urban Search and Rescue Unit | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| | | | | | | | | | | |
| Reserve Fire Engines | 5 | 5 | 5 | 5 | 5 | 7 | 8 | 8 | 8 | 8 |
| Reserve Fire Ladder Trucks | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Reserve Fire Wildland Engines | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Reserve Ambulances | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 | 4 |

San Ramon Valley Fire Protection District

Statistical Section

June 30, 2020

**SAN RAMON VALLEY FIRE PROTECTION DISTRICT
Staffing Summary
Last Ten Fiscal Years**

| DIVISION | | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---------------------------|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Board of Directors | | | | | | | | | | | |
| | Directors | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| | Total | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| Fire Chief | | | | | | | | | | | |
| | Fire Chief | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| | Executive Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 0.5 | 0.5 | 0.5 | 0.5 |
| | Total | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.5 | 1.5 | 1.5 | 1.5 |
| Human Resources | | | | | | | | | | | |
| | Director | 1.0 | 1.0 | 1.0 | - | - | - | 1.0 | 1.0 | 1.0 | 1.0 |
| | Manager | - | - | - | - | 1.0 | 1.0 | - | - | - | - |
| | Generalist | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 1.0 | 1.5 |
| | Office Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - | - | - | - |
| | Total | 3.0 | 3.0 | 3.0 | 2.0 | 3.0 | 3.0 | 3.0 | 3.0 | 2.0 | 2.5 |
| Finance | | | | | | | | | | | |
| | Chief Financial Officer | - | - | - | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - |
| | Controller | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| | Finance Assistant | - | - | - | - | - | - | - | - | - | - |
| | Senior Accounting Technician | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| | Total | 3.0 | 3.0 | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 3.0 |
| Training | | | | | | | | | | | |
| | Division Chief | 1.0 | 1.0 | 1.0 | 1.0 | - | - | - | - | - | - |
| | Battalion Chief | - | - | - | - | - | - | - | - | 1.0 | 1.0 |
| | Training Captain | 2.0 | 2.0 | 2.0 | 2.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| | Senior Office Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| | Total | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 5.0 | 5.0 |
| Technology | | | | | | | | | | | |
| | GIS Analyst | 1.0 | 1.0 | 1.0 | 1.0 | 0.5 | 0.5 | 0.5 | 0.5 | - | - |
| | Technology Systems Manager | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| | Information Systems Technician | 2.0 | 2.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| | Radio/Elec Technician | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | - | - |
| | Total | 4.5 | 4.5 | 3.5 | 3.5 | 3.0 | 3.0 | 3.0 | 3.0 | 2.0 | 2.0 |

San Ramon Valley Fire Protection District

Statistical Section

June 30, 2020

SAN RAMON VALLEY FIRE PROTECTION DISTRICT Staffing Summary Last Ten Fiscal Years

| DIVISION | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|-----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Communications Center | | | | | | | | | | |
| Director | - | - | - | - | - | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Communications Center Manager | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - | - | - | - | - |
| Dispatcher Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Dispatchers | 8.0 | 8.0 | 8.0 | 8.0 | 8.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 |
| GIS Analyst | - | - | - | - | - | - | - | - | 1.0 | 1.0 |
| Media Communications/Public Ed | - | - | - | - | - | - | - | - | 1.0 | 1.0 |
| Project Assistant | - | - | - | - | - | - | - | - | 1.0 | 1.0 |
| Total | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 13.0 | 13.0 | 13.0 | 16.0 | 16.0 |
| Facilities | | | | | | | | | | |
| Assistant Chief | 1.0 | 1.0 | 1.0 | - | - | - | - | - | - | - |
| District Aides - Part-time (2) | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.5 |
| Senior Office Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - | - |
| Total | 3.0 | 3.0 | 3.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 | 1.5 |
| Fire & Life Safety | | | | | | | | | | |
| Division Chief/Fire Marshal | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - | - | - |
| Deputy Fire Marshal | 2.0 | 2.0 | 2.0 | 1.0 | 1.0 | 1.0 | - | - | 0.5 | 0.5 |
| Fire & Life Safety Manager | - | - | - | - | - | - | 2.0 | 1.0 | - | - |
| Disaster Preparedness Coordinator | - | - | - | - | - | - | - | - | - | 1.0 |
| Inspector/Investigator | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 4.0 | 5.0 | 6.0 | 4.0 |
| Code Compliance Officer | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 2.0 | - | - | - |
| Prevention Specialist | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 | - | - | - |
| Office Assistant | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 | - | - | - |
| Plans Examiner | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 2.0 | 2.0 | 2.0 |
| Permit Tech | - | - | - | - | - | - | 1.0 | 2.0 | 2.0 | 2.0 |
| CERT Program Coordinator | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Total | 13.5 | 13.5 | 13.5 | 12.5 | 12.5 | 12.5 | 13.5 | 10.5 | 11.0 | 10.0 |
| Emergency Operations | | | | | | | | | | |
| Assistant Chief | 1.0 | 1.0 | 1.0 | 1.0 | - | - | - | - | - | - |
| Deputy Chief | - | - | - | - | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 |
| Battalion Chief | 4.0 | 4.0 | 4.0 | 4.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| Captain | 39.0 | 39.0 | 39.0 | 39.0 | 39.0 | 39.0 | 39.0 | 36.0 | 33.0 | 33.0 |
| Engineer | 39.0 | 39.0 | 39.0 | 39.0 | 39.0 | 39.0 | 36.0 | 36.0 | 33.0 | 33.0 |
| Firefighter/Paramedics | 53.0 | 54.0 | 54.0 | 47.0 | 40.0 | 46.0 | 48.0 | 48.0 | 57.0 | 57.0 |
| Administrative Assistant | - | - | - | - | - | - | - | - | - | 1.0 |
| Senior Office Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - | - |
| Station 37 Coordinator | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Total | 137.5 | 138.5 | 138.5 | 131.5 | 124.5 | 130.5 | 129.5 | 126.5 | 128.5 | 128.5 |
| Fleet | | | | | | | | | | |
| Mechanic | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 | 1.0 |
| Total | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 1.0 | 1.0 |
| Emergency Medical | | | | | | | | | | |
| EMS Battalion Chief | - | - | - | - | - | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| EMS Captain | - | - | - | - | 1.0 | 1.0 | 2.0 | 2.0 | 2.0 | - |
| EMS Coordinator/RN | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | - | - | - | 1.0 |
| EMS Specialist | 1.0 | 1.0 | 1.0 | 1.0 | - | - | - | - | - | - |
| Senior Office Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Total | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 3.0 |
| GRAND TOTAL | 190.5 | 191.5 | 190.5 | 181.5 | 175.0 | 185.0 | 184.5 | 178.5 | 181.0 | 179.0 |