

A firefighter in full gear, including a helmet and oxygen tank, is climbing a tall aluminum ladder against a concrete wall. The ladder is positioned vertically, and the firefighter is seen from behind, ascending. The wall has several windows with red metal grates. The scene is set against a clear blue sky.

Southern Marin Fire Protection District

Sausalito, California

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2023



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Annual Comprehensive Financial Report

Year Ended June 30, 2023

Our Mission

The Mission of the Southern Marin Fire District is to contribute to Greater Southern Marin Community's reputation as a safe, friendly, economically thriving community in which to live, work, learn, play and visit.

We achieve our mission by providing the highest quality local and regional community risk reduction, suppression, emergency medical services, rescue, marine response, disaster preparedness and community education services possible within the resources provided to us.

We are professional, proud, compassionate, highly-trained, and committed to utilizing state of the art technology to provide services that meet or exceed the expectations of our community.

Issued by

Alyssa Schiffmann, Finance Manager

Southern Marin Fire Protection District

28 Liberty Ship Way, Suite 2800

Sausalito, CA 94965

www.southernmarinfire.org



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June 30, 2024

Citizens and Board of Directors
Southern Marin Fire Protection District
28 Liberty Ship Way, Suite 2800
Sausalito, CA 94965

Citizens and Members of the Board:

We are pleased to present the Southern Marin Fire Protection District Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This is the third ACFR produced by the Southern Marin Fire Protection District – another significant milestone for our Agency.

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 Southern Marin 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 Southern Marin Fire Protection District. To provide a reasonable basis for making these representations, management of the Southern Marin Fire Protection District has established a comprehensive internal control framework that is designed both to protect the Southern Marin Fire Protection District’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Southern Marin Fire Protection District’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Southern Marin Fire Protection 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 Southern Marin Fire Protection District has established financial policies that provide a basis for sound financial planning, aid budgetary decision-making and serve as an overall framework to guide financial management and operations of the Southern Marin Fire Protection District. The Southern Marin Fire Protection District's preparation of financial policies promotes public confidence and provides the resources to respond to potential financial emergencies in a prudent manner.

The Southern Marin Fire Protection District's financial statements have been audited by Badawi & Associates, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Southern Marin Fire Protection District for the fiscal year ended June 30, 2023, 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 Southern Marin Fire Protection District's financial statements for the fiscal year ended June 30, 2023, 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 Southern Marin Fire Protection District's MD&A can be found immediately following the report of the independent auditors.

Budgeting Process and Internal Controls

Internal accounting controls are designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the accuracy and completeness of accounting data, and the adherence to prescribed managerial policy. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived, and the cost-benefit analysis requires estimates and judgments by management.

Every year in February the Finance Manager and Chiefs meet to begin the budgeting process for the upcoming fiscal year. The plans for capital outlay and staffing models are discussed, along with any new initiatives brought forward by the Board or staff members. In March, staff submit their budget proposals for their respective budget lines. The preliminary budget draft is brought to the Finance Committee in April. A second draft is presented in May, incorporating further revisions from staff and the Finance Committee. In June the Finance Committee reviews the budget draft for the third time and recommends that the Board approves it at the meeting the

following week, for adoption by July1. A final budget is approved by the Board of Directors in September, after any final revenue projections are received from the County of Marin.

As part of the annual budget process, the Board will review potential options to bring the budget back into balance should a structural imbalance be forecast (recurring expenditures exceeding recurring revenues).

Every month the Finance Division produces reports on revenue and expense activity to assist budget managers in monitoring their activities and programs. These reports are also reviewed by the Deputy Fire Chief and the Board of Directors to ensure budgetary compliance. Any expenditure must already be accounted for in the budget; however, the Fire Chief has the discretion to approve an expenditure up to \$45,000 from the Contingency budget line without Board approval. Budget appropriations are adopted at the object classification level.

THE REPORTING ENTITY – PAST AND PRESENT

HISTORY AND FORMATION OF THE SOUTHERN MARIN FIRE SOUTHERN MARIN FIRE PROTECTION DISTRICT



Southern Marin, date unknown

1999

The Southern Marin Fire Protection Southern Marin Fire Protection District was officially established by the Marin County Board of Supervisors in July of 1999. The Southern Marin Fire Protection District was formed by the merger of the Alto-Richardson Fire Protection Southern Marin Fire Protection District and the Tamalpais Fire Protection Southern Marin Fire Protection District and serves the communities of Tamalpais Valley, Almonte, Homestead Valley, Alto, Strawberry the City of Sausalito, approximately 1/4 of the town of Tiburon, Fort Baker and the Marin Headlands (GGNRA). The Southern Marin Fire Protection District serves 20.5 square miles, a population of approximately 26,175 and over 14,100 homes and commercial properties. The Southern Marin Fire Protection

District is also contracted by the United States Department of the Interior to provide Fire, EMS & Rescue Services to the Golden Gate National Recreational Area (GGNRA), one of our Nation's National Parks and the most visited park in the National System with visitors exceeding twelve million annually.

2004

In 2004, the Southern Marin Fire Protection District began sharing personnel through a Joint Powers Agreement (JPA) with the City of Sausalito and on June 24, 2012, the City of Sausalito Fire Department was annexed into the Fire Southern Marin Fire Protection District. This annexation brought an additional 15 safety personnel (3 Captains, 6 Paramedic/Firefighters, and 6 Firefighter/Engineers) to the Southern Marin Fire Protection District, and an initial revenue transfer of \$2.9 million. This annexation added the City of Sausalito's population of 7,000 residents to the Southern Marin Fire Protection District's constituency and 1.9 square miles to the Southern Marin Fire Protection District's service area.

2010

In October of 2010 the Southern Marin Fire Protection District signed a Cooperative Agreement with the National Park Service (NPS) to provide emergency services to the Marin



Water rescue drill at the GGNRA

Headlands and

Fort Baker areas of the Golden Gate National Recreation Area (GGNRA). Under this Cooperative Agreement, the Southern Marin Fire Protection District responds to an average of 140 emergency incidents annually. These responses include assisting the public with the preservation of life and safety, search and rescue operations (that include surf and cliff rescues), emergency medical services, hazardous materials responses, bridge rescues off the Golden Gate Bridge, shore recoveries off the shore of GGNRA, car fires, Golden Gate Bridge South bound traffic

accidents, drownings at Rodeo and Muir Beaches, Search and Rescue incidents at Muir Woods, and structural and wildland fire response throughout the park. Over twelve million people visit the Park annually.

2017

In September 2017 the Southern Marin Fire Protection District was awarded a \$734,522 grant from the Federal Emergency Management Agency's (FEMA) Port Security Grant Program to fund 75% of the cost of replacing the 2004 fireboat acquired in the City of Sausalito annexation. Fireboat (FB) "Liberty" is a 40' vessel custom made by Metalcraft Marine and became operational on June 4, 2019. FB Liberty provides emergency response and protection to the annual tourist population visiting the Golden Gate Bridge, beaches in the GGNRA, and is listed in the Bay Area Maritime Security plan as a regional marine asset. FB Liberty is Chemical, Biological, Radiological, Nuclear and Explosives (CBRNE) capable.



Fireboat Liberty, acquired in 2019

2020

In January 2020 the Southern Marin Fire Protection District entered into a Shared Management and Command services agreement with the City of Mill Valley. The shared services agreement functionally combined the administrative, prevention, and mid-management elements of both organizations into a single management team. The Fire Chief of the Southern Marin Fire Protection Southern Marin Fire Protection District serves as the Fire Chief for both agencies, providing management and oversight to over 87 employees. The Southern Marin Fire Protection District and the City began analyzing the potential of the Southern Marin Fire Protection Southern Marin Fire Protection District annexing the City of Mill Valley for the provision of fire, prevention, EMS, and rescue services. This would result in a coverage area of 25.3 square miles and a population of 40,470.

Present

On July 1, 2023 the formal annexation by the District of the City of Mill Valley's Fire & EMS services commenced. This was the culmination of over nine years of work beginning with shared services, multiple analyses and public presentations. LAFCo requires that proposed consolidations provide a public comment and protest period. These are regulations governed by State law. In this consolidation, zero protests were filed and in fact, all public comments were in strong support of the consolidation. Marin LAFCo has referred to this annexation as a model for other agencies to follow due to its high success and the analytics and public input process. They have used it as a case study.

In January 2022, the Southern Marin Fire Protection District's Board of Directors adopted a Strategic Initiative to improve Diversity, Equity, and Inclusion within the Southern Marin Fire Protection District. This resulted in the creation of an internal Task Force and specific work plan to improve awareness and education within the current organization, to improve recruiting efforts in communities of diversity who are not currently represented in the organization, and to create a culture that is inclusive, diverse and treats all employees equally and fairly.

The Southern Marin Fire Protection District's evolution over the past 21 years is remarkable and its endeavors impressive considering its youth as an agency. The following is a summary of key milestones and accomplishments since its inception:

1. Annexation of the City of Sausalito's Fire Protection & EMS Services in 2012.
2. Completion of a Deployment Analysis in 2016, ensuring a responsible deployment model to meet the needs and services associated with the risks and hazards in the areas served by the Fire Southern Marin Fire Protection District.
3. Passage of a tax measure and expansion of fire prevention and wildfire risk reductions services based on community expectations.
4. Establishment of, and funding of, an Unallocated Reserve Fund for Financial Emergencies, setting a target of 40% of annual operating and equipment costs (equal to five months' costs) as the objective.
5. Implementation of a PARS Trust Account for Pension and OPEB Liability.
6. Achievement of Class 1 status by the Insurance Services Office (ISO)
7. Implementation of multiple technologies designed to increase efficiencies, improve services, and improve the customer experience.
8. Deployment of a Communications and Marketing Plan, hiring of a full time communications coordinator.
9. Deployment of an IT management plan, hiring of a full time Information Technology Coordinator.

10. Launch of a Diversity, Equity and Inclusion Plan and Task Force.
11. GFOA Award for first and second submissions of Annual Comprehensive Financial Reports (ACFR)
12. Successful Annexation of Mill Valley's Fire Protection & EMS Services.

NEW INITIATIVES FOR 2024/2025

The following Strategic Initiatives Continuations were adopted by the Board of Directors in their 2023/2024 Budget.

1. Consolidation

23/24 Initiative: Based on the outcome of the Annexation Analysis and Decisions by the Mill Valley City Council, and the Southern Marin Fire Protection Southern Marin Fire Protection District's staff will develop and deploy a plan that will successfully align with the collective decision by the Southern Marin Fire Protection Southern Marin Fire Protection District Board of Directors and the City of Mill Valley City Council regarding consolidation.

2. Culture - Diversity

23/24 Initiative - As part of developing a formal written DEI plan as directed by the Board of Directors, take specific steps identified in a three-tier process for implementing hiring and recruitment initiatives in response to specific hardships, difficulties, or restraints, discovered through research efforts of the taskforce members, within the fire service, focused on developing equitable opportunities and institutional change for inclusion.

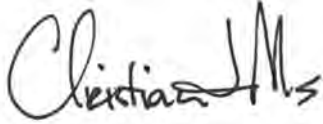
3. Master Plan

In 2023/2024 the Fire District will conduct a comprehensive Master Plan Analysis. This analysis will assess the current operational, administrative and prevention staffing, resourcing and deployment, service provisions, and current budget priorities, with the primary objective of identifying projected changes, current and future risks and threats. The findings and recommendations from this analysis will serve the Board in future planning and prioritization to ensure long term stability and resiliency, and the continuation of services expected by the community.

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 Southern Marin Fire Protection District.

Sincerely,



Christian Tubbs
Fire Chief



Alyssa Schiffmann
Finance Manager



Water rescue drill on the Alto Richardson Bay



SOUTHERN MARIN
FIRE PROTECTION DISTRICT

BOARD OF DIRECTORS BOARD OF DIRECTORS



Kurt Chun



Cathryn Hilliard



Tom Perazzo



Stephen Willis



Peter Fleming



Cristine Soto DeBerry



Ashley Raveche



SOUTHERN MARIN
FIRE PROTECTION DISTRICT

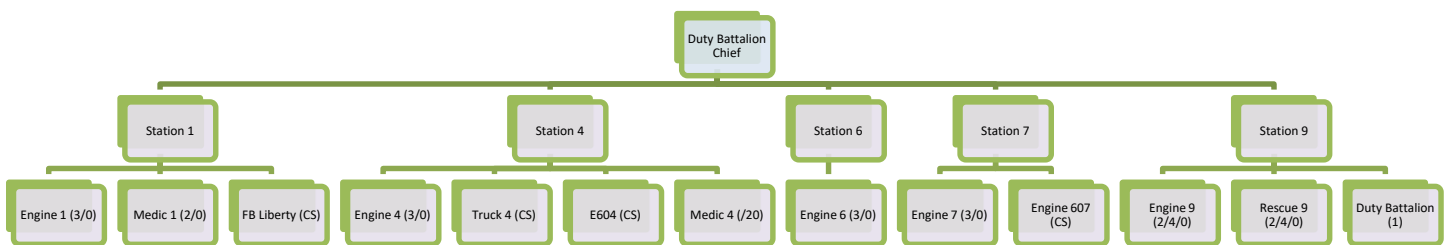
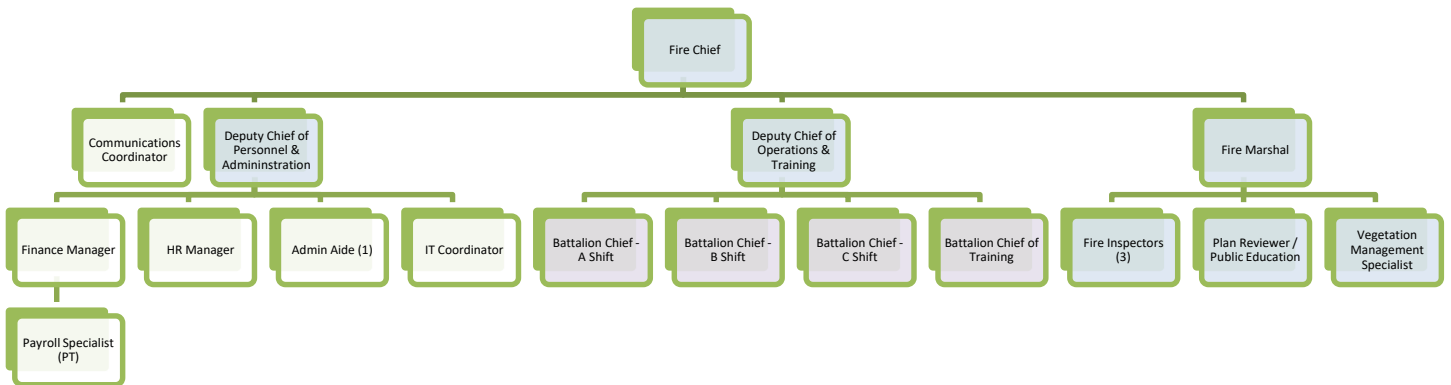
ADMINISTRATIVE STAFF

ADMINISTRATIVE STAFF

Fire Chief / District Manager	Chris Tubbs
Deputy Chief of Personnel & Administration	Ted Peterson
Mill Valley Deputy Chief of Operations & Training	Tom Welch
Division Chief / Fire Marshal	Fred Hilliard
Battalion Chief - B Shift	Matt Barnes
Mill Valley Contracted Battalion Chief - A Shift	Doug Paterson
Mill Valley Contracted Battalion Chief - C Shift	Jason Golden
Human Resources Manager	Susan Paterson
Finance Manager	Alyssa Schiffmann
Finance Assistant	Lauren Wolfe
Communications Coordinator	Elysha Costella
IT Coordinator	Russ Jaycox
Fire Prevention Specialist	McKenna Ramiro
Fire Inspector	Ryan Boykin
Prevention Inspector	Jesse Figoni
Prevention Inspector	Madison Mead
Prevention Inspector	Marshall Nau



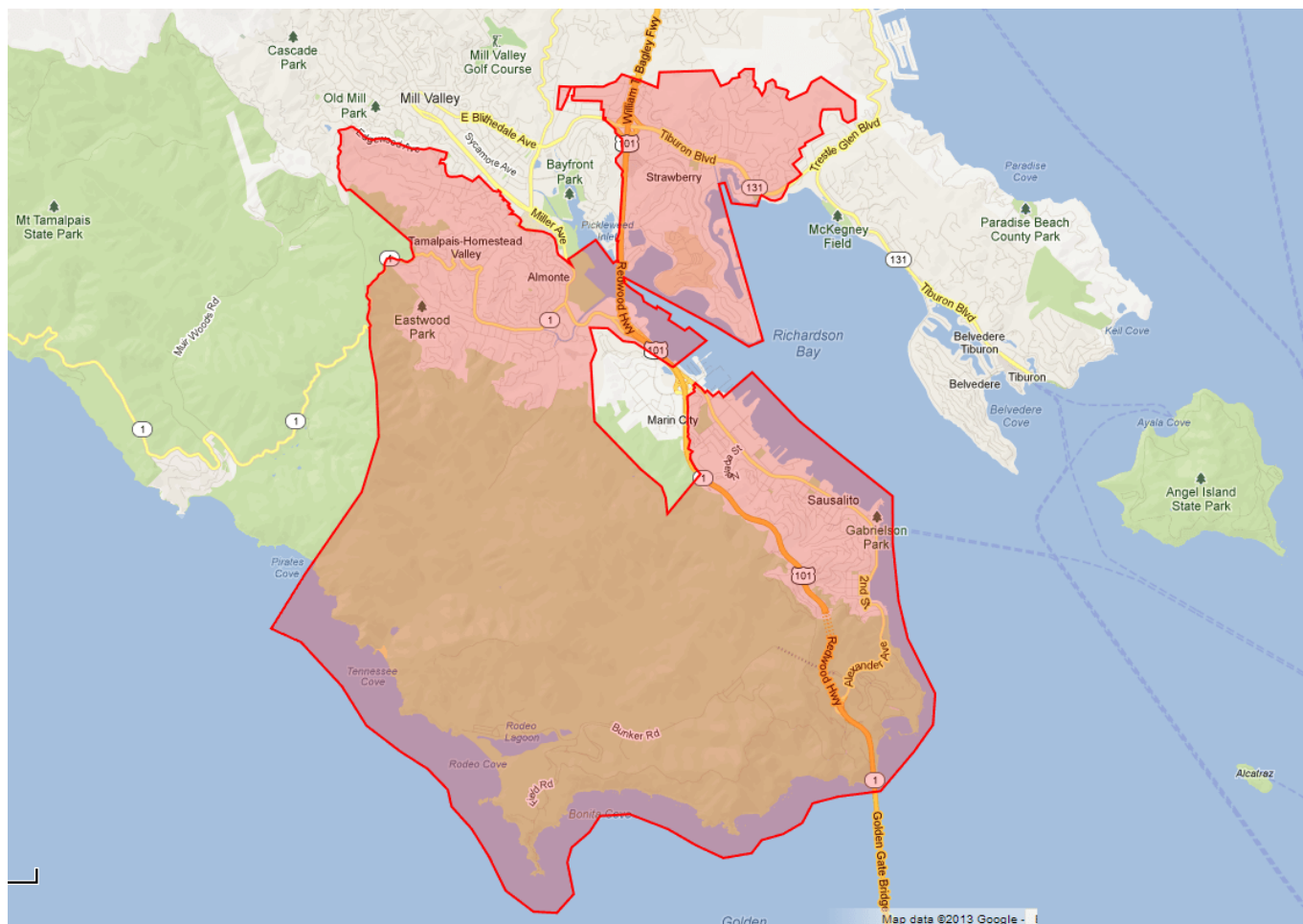
ORGANIZATIONAL CHART





SOUTHERN MARIN
FIRE PROTECTION DISTRICT

DISTRICT MAP





SOUTHERN MARIN
FIRE PROTECTION DISTRICT

FIRE STATIONS AND FACILITIES



Administration Building
28 Liberty Ship Way, Suite 2800, Sausalito



Station 1
333 Johnson Street, Sausalito



Station 4
309 Poplar Avenue, Mill Valley



Station 9
308 Reed Boulevard, Mill Valley



DISTRICT HISTORY

Southern Marin Fire Protection District is an independent special district established by the Marin County Board of Supervisors in July of 1999. The District was formed by the merger of the Alto-Richardson Fire Protection District and the Tamalpais Fire Protection District.

On June 24, 2012, the City of Sausalito Fire Department was annexed into the Fire District. In October of 2010, the District signed a contract with the National Park Service to provide services to the Marin Headlands and Fort Baker areas of the Golden Gate National Recreation Area.

The District has 66 full time employees including a Fire Chief, Deputy Fire Chief, 3 Battalion Chiefs, Fire Marshal, 1 Fire Investigator/Inspector, 3 Fire Inspectors, Fire Prevention Specialist, 6 Fire Captains, 18 Paramedic Engineers, 25 Firefighters, 6 administrative staff, and 2 part-time employees. In the spring of 2015, through an operational cost sharing agreement we began integrating administrative responsibilities with the City of Mill Valley Fire Department. This allows us to reduce administrative duplicity and create a single shared Training Division.

Our operational service area is divided into three zones. Zone 1 – City of Sausalito, G.G.N.R.A. Headlands, Zone 4 – Tamalpais Valley and Homestead Valley and Zone 9 – Alto / Strawberry Area. Each of these zones are protected by one type I engine with each of the zones cross-staffing at least one specialty piece of equipment such as a Rescue, Fire Boat and Ladder Truck.

Zone 1 is a small coastal town with most of the residential structures built on the hillsides from just above sea level to the top of Wolfback Ridge which reaches up to about 1,120 feet. The wildland urban interface lays approximately within the 450 foot to 1,120-foot elevation line. It consists of close-proximity housing with irrigated landscaping punctuated by groves of Eucalyptus stands with deep duff layers, Oak Woodlands with some Sudden Oak Death fuel loading, deep undeveloped canyon areas filled with Bay trees and then large patches of coastal chaparrals in the higher elevations mostly extending from the 750 foot elevation line to the ridgetop at 1,120 feet. The City of Sausalito is bisected by the U.S. 101 Freeway that runs adjacent to the City of Sausalito boundary. The Wolfback Ridge Homeowners development is on the west side of the freeway and is unincorporated. The remainder of Zone 1 lies in the Golden Gate National Recreation Area and is structurally protected by contract by our Fire District.





SOUTHERN MARIN
FIRE PROTECTION DISTRICT

DISTRICT HISTORY - CONTINUED

DISTRICT HISTORY - CONTINUED

Zone 4 is a rural type of suburb consisting of mostly single-family dwellings built in and upon the coastal mountain range. There are a few small portions, about 5%, that reside on the valley floor. It has a very small commercial area on the valley floor in Tamalpais Valley. Zone 4 is essentially split into two parts: Tamalpais Valley and Homestead Valley. The division between the two valleys is the sharp mountain range running from west to east that divides these two communities although the area is still built out with very large single-family dwellings and a few schools. The fuels in these areas are mostly Oak woodland, Bay stands in the deep canyons, Eucalyptus stands with heavy downed material, and between most of the home parcels are sporadically planted or volunteer pine trees with thick beds of needle cast some of which is overgrown with black berry patches and annual grasses. On the perimeter of most of Zone 4 lay portions of untreated Golden Gate National Recreation Area (GGNRA) consisting of coastal chaparrals and numerous stands of eucalyptus that have not been maintained.

Zone 9 is a residential community consisting of the Strawberry Area, the Alto Bowl and the newer part of the zone that we call the Black Field area. There is a very large commercial area in Zone 9 that also runs parallel to US Highway 101. The commercial area has a variety of businesses such as Safeway Food Store, Porsche of Marin, Chevron and it also is the home of the Golden Gate Baptist Seminary which is 148 acres. This large chunk of land has many residential and commercial buildings that are separated by large expanses of open grass lands dotted with large Pine trees, many of which are maintained. The other part of Zone 9 touches the Ring Mountain Open Space area which is predominantly ungrazed grass lands in close proximity to the residential areas. The homes in this area are mostly Mediterranean style with stucco siding and tile roofs. A large portion of this area is built on the hillsides as well, but the streets are much wider and newer.





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Southern Marin Fire Protection District
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO



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Introductory Section





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Financial Section





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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of Southern Marin Fire Protection District
Sausalito, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund information of Southern Marin Fire Protection District (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Southern Marin Fire Protection District, as of June 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility fo the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

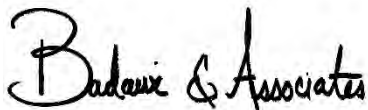
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary information, defined benefit pension plan information, and OPEB plan information on pages 5-14 and pages 59-63 to 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

Management is responsible for the other information in the Annual Comprehensive Financial Report. The other information comprises the introductory section and the statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

A handwritten signature in black ink that reads "Badawi & Associates". The signature is written in a cursive, flowing style.

Badawi & Associates, CPAs
Berkeley, California
June 30, 2024



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Southern Marin Fire Protection District
Management's Discussion and Analysis
June 30, 2023

INTRODUCTION

The Management's Discussion and Analysis (MD&A) provides an overview of the financial activities of the District for the fiscal year ended June 30, 2023. The MD&A outlines financial highlights and discusses other financial initiatives during the year.

USNG THIS ANNUAL REPORT

This annual report consists of financial statements for the District as a whole, with more detailed information about the District's general fund. The statement of net position and the statement of activities provide information about the activities of the District as a whole and present a long-term view of the District's finances (they include capital assets and long-term liabilities). The fund financial statements present a short-term view of the District's activities, only including current assets and liabilities. The reader is encouraged to consider the information presented here in conjunction with the additional information in the District's financial statements.

FINANCIAL HIGHLIGHTS

- The District ended its fiscal year with a net position of \$18.9 million: an increase of \$3.9 million over the prior year.
- Total revenues decreased by \$189K over last fiscal year (FY22). This decrease was primarily due \$1.2 million less in reimbursable mutual aid overtime costs, due to a less active fire season this fiscal year. Property tax revenue increased 7% (\$1.04 million).
- The General Fund revenues exceeded expenditures by \$2.8 million.
- The District paid \$750,729 toward its Other Post-Employment Benefits (OPEB) liability (including a \$252K payment to the Trust), \$291K more than the actuarially determined contribution per the *OPEB Expense* table in the District's 6/30/2023 GASB 75 Supplemental Schedules.
- In addition to the OPEB Trust established by the District in 2011, the District also established a pension side of the trust in 2019 and contributed \$500K in December 2021; the pension trust has a balance of \$1,152,461 as of 6/30/2023.
- The District set aside \$1.8 million for future capital replacement and facilities' costs, and deposited \$2 million into its reserve fund, thereby exceeding the Board's goal (by \$2.9 million) of having five months of expenditures in reserves.

Southern Marin Fire Protection District
Management’s Discussion and Analysis
June 30, 2023

Governmental Net Position – Table 1:

The change in net position (the difference between total assets and total liabilities) over time is an important indicator of whether the District’s financial health is improving or deteriorating. The District’s total assets and deferred outflows exceeded its total liabilities and deferred inflows by \$18,898,400 (*total net position*) as of June 30, 2023.

	Table 1		
	Governmental Net Position		
	Governmental Activities		
	2023	2022	\$ Change
Current assets	\$ 25,566,872	\$ 20,865,384	\$ 4,701,488
Intergovernmental receivables	1,102,000	1,160,000	(58,000)
Net pension asset	-	5,715,385	(5,715,385)
Capital assets, net of accumulated depreciation	9,843,036	9,064,053	778,984
Total Assets	36,511,908	36,804,822	(292,914)
Deferred outflows of resources	8,089,623	8,248,042	(158,419)
Current liabilities	3,421,786	1,798,945	1,622,841
Non-current liabilities	19,708,042	10,966,088	8,741,954
Total Liabilities	23,129,828	12,765,033	10,364,795
Deferred inflows of resources	2,573,302	17,268,896	(14,695,594)
Net position:			
Net investment in capital assets	4,691,717	4,305,001	386,716
Restricted for pension	1,152,461	1,086,869	65,592
Restricted for MWPA program	1,278,351	847,047	431,304
Unrestricted	11,775,871	8,780,018	2,995,853
Total Net Position	\$ 18,898,400	\$ 15,018,935	\$ 3,879,465
Net Position as % of Total:			
Net Investment in Capital Assets	24.8%	28.7%	
Restricted	12.9%	12.9%	
Unrestricted	62.3%	58.5%	
Total net position	100%	100%	

- The District’s net position increased \$3,879,465 or 26%, over the prior year. This \$3.9 million increase is largely attributable net revenues over expenditures, which includes \$431K in unspent MWPA monies restricted for future Marin Wildfire Prevention Authority (MWPA) projects, and proceeds from issuance of debt of \$793K.
- Current assets increased by \$4.7 million, or 23%, primarily due to the increase in cash and cash equivalents resulting from revenues exceeding expenditures, and \$793K in prepaid expenses for an engine not yet received.

Southern Marin Fire Protection District
Management’s Discussion and Analysis
June 30, 2023

- Current liabilities increased by \$1.6 million or 90%, primarily due to unavailable revenue from a \$1 million State allocation for vegetation management projects to take place next fiscal year (FY), in addition to \$708K due to the City of Mill Valley for shared services.
- Non-current liabilities increased by \$8,741,954 or 80%, primarily due to an increase in the Net Pension Liability (a \$7.9 million increase as a result of -8.6% returns on plan assets in the Marin County Employees’ Retirement Association’s [MCERA’s] 6/30/22 Valuation) and increases to compensated absences of \$381K.
- Net investment in capital assets increased by \$386K or 9%, largely due to construction work in progress at Station 4, netted-off by current year depreciation/amortization expense.

Table 2 Changes in Governmental Net Position			
	Governmental Activities		
	2023	2022	\$ Change
<u>Revenues</u>			
Program revenues:			
Capital grants and contributions	\$ 123,347	\$ 368,675	\$ (245,328)
Charges for service	3,202,227	4,142,304	(940,077)
General revenues:			
Taxes and assessments	21,898,284	21,022,462	875,822
MWPA Program (Measure C)	696,830	899,191	(202,361)
Other revenue	295,617	404,230	(108,612)
Investment Earnings	65,592	(154,908)	220,500
Interest income	220,109	9,350	210,759
Gain on sale of assets	-	2,000	(2,000)
Total revenues	<u>26,502,006</u>	<u>26,693,304</u>	<u>(189,298)</u>
<u>Program Expenses</u>			
Public safety - fire protection	<u>22,622,541</u>	<u>20,528,401</u>	<u>2,094,140</u>
Total expenses	<u>22,622,541</u>	<u>20,528,401</u>	<u>2,094,140</u>
Change in Net Position	3,879,465	6,164,903	(2,285,438)
Net Position - beginning of year	<u>15,018,935</u>	<u>8,854,031</u>	<u>6,164,903</u>
Net Position - end of year	\$ 18,898,400	\$ 15,018,935	\$ 3,879,465

Southern Marin Fire Protection District
Management's Discussion and Analysis
June 30, 2023

General Fund

The fund financial statements provide a short-term view of the District's finances, providing more detailed information on the District's current revenues, expenditures, and fund balance, and excluding capital assets and long-term obligations.

Table 3			
<u>Statement of Revenues, Expenditures and Changes in Fund Balance</u>			
General Fund			
	2023	2022	\$ Change
<u>Revenues</u>			
Grants and contributions	\$ 123,347	\$ 368,675	\$ (245,328)
Taxes and assessments	21,898,284	21,022,462	875,822
Charges for Services	3,202,227	4,142,304	(940,077)
MWPA Program	696,830	899,191	(202,361)
Other revenue	353,617	462,230	(108,612)
Investment earnings	65,592	(154,908)	220,500
Interest income	220,109	9,350	210,759
Total revenues	26,560,006	26,749,304	(189,298)
<u>Expenditures</u>			
Public safety - fire protection:			
Personnel	18,599,024	18,720,290	(121,266)
Operating Expenditures	3,458,183	3,426,924	31,259
Grant Expenditures	256,010	333,246	(77,236)
Debt Service	497,274	-	497,274
Capital Outlay	1,787,352	428,410	1,358,942
Total expenditures	24,597,843	22,908,870	1,688,972
Revenues over (under) expenditures	1,962,164	3,840,434	(1,878,271)
Proceeds from sale of capital assets	-	2,000	(2,000)
Proceeds from Issuance of Debt	793,137	-	793,137
Revenues over (under) expenditures	2,755,301	3,842,434	(1,087,133)
Fund Balance - beginning of year	19,396,383	15,553,949	3,842,434
Fund balance - end of year	22,151,684	19,396,383	2,755,301

- Revenues exceeded expenditures by \$2,755,301.
- General Fund expenditures were \$24,597,844, an increase of \$1,688,973 or 7%, over the prior fiscal year. Of this increase, \$1.6M was for Station 4 remodel work in progress, plus several Operating expenses varied from the PY (i.e. vehicle maintenance +\$162K over prior year [PY]).
- Personnel costs comprised 75% of the total budget and decreased by \$121K over the prior year. This decrease was due to several safety positions that were unfilled until March 2023.
- Increased interest rates resulted in interest revenue \$210K higher than the prior year (2,254%)
- Property tax revenues increased 7%, or \$1,041,510, over the prior fiscal year:

Southern Marin Fire Protection District
Management’s Discussion and Analysis
June 30, 2023

Table 4

	2023	2022	\$ Increase/ (Decrease)	% Change
Property Tax	16,586,423	15,544,913	1,041,510	7%
ERAF	1,284,668	1,452,528	(167,860)	-12%
Special Assessment Tam/Alto	909,273	909,278	(5)	0%
EMR & Fire Protection Tax (Measure U)	3,117,920	3,115,743	2,177	0%
	<u>21,898,284</u>	<u>21,022,462</u>	<u>875,822</u>	<u>4.2%</u>

Budget Variance Analysis

- The net change to the fund balance on the District’s final budget decreased by \$92,842 over the original budget: Revenues in the final budget were greater than the original budget by \$265,419, mainly due to increasing projections for Fire Prevention (Plan) Fees and Workers’ Comp reimbursements. Expenditures in the final budget increased by \$358,261 over the original budget, consisting of \$74K in Salaries & Benefits, \$153K in Operating Expenditures (mainly vegetation management [\$79K] and software subscriptions [\$15K]), and the budget for the Tam Valley Fuel Break Grant was increased by \$102K (this was for the remainder of the three-year grant yet to be spent).
- Total revenues were \$1.06 million more than budgeted, primarily due to property tax revenues (\$677K higher than budgeted, including \$327K in supplemental assessments), the Southern Marin Emergency Medical Paramedic Service (SMEMPS) and excess Educational Revenue Augmentation Fund (ERAF) revenues greater than estimated (\$290,554 and \$384,668 greater than budgeted, respectively).
- Expenditures were \$454,618 less than budgeted: Salaries & Benefits were underbudget \$217K, largely due to understaffed safety positions that were filled late in the year (March 2023) during the academy.

Table 5

Expenditures	Actual	Budgeted	Variance
Salaries & Benefits	18,599,024	18,815,600	216,576
Operating Expenditures	3,458,183	4,647,754	1,189,571
Grant Expenditures	256,010	199,640	(56,370)
Debt Service	497,274	169,218	(328,056)
Capital Outlay	1,787,352	1,220,250	(567,102)
total	<u>24,597,843</u>	<u>25,052,462</u>	<u>454,618</u>

- Overtime expenditures were \$995K greater than budgeted, largely due to the temporary understaffing of several safety positions throughout most of the year.
- Capital Outlay was \$567K over budget, due to the Station 4 remodel project

Southern Marin Fire Protection District
Management's Discussion and Analysis
June 30, 2023

Table 6

Budget vs. Actual

	Actual	Budget	Over (Under) Budget	Reason for variance
REVENUES:				
Property taxes	20,613,616	19,930,000	683,616	Current Secured \$211K, Unitary \$93K, Supplemental assessment \$327K more than budget
ERAF	1,284,668	900,000	384,668	Budgeted conservatively due to unpredictability of revenue
Grant funds	123,347	113,347	10,000	Received \$10K unbudgeted Emergency Preparedness grant
Measure C JPA	696,830	927,112	(230,282)	Moved \$230K Local MWPA monies to fund MWPA Marin City Fuel Reduction Core project
Fees for service	3,202,227	3,193,750	8,477	
Workers' comp reimbD	153,456	150,000	3,456	
Investment Earning	65,590	0	65,590	
Other revenues	200,161	212,200	(12,039)	
Interest	220,109	5,000	215,109	Interest rates increased
TOTAL REVENUES	26,560,006	25,431,409	1,063,005	
EXPENDITURES:				
Salaries and benefits:				
Salaries	8,358,289	8,840,000	(481,711)	Temporarily understaffed
Overtime	2,800,715	1,865,000	935,715	Temporary understaffing caused OT
Benefits	7,440,021	8,110,600	(670,579)	Temporarily understaffed
Total salaries and benefits	18,599,025	18,815,600	(216,575)	

Southern Marin Fire Protection District
Management's Discussion and Analysis
June 30, 2023

Table 6, continued

Budget vs. Actual				
			Over (Under)	
	Actual	Budget	Budget	
			Reason for variance	
Operating:				
Supplies	450,571	548,000	(97,429)	Uniform supplies \$32K; computer supplies/software subscriptions \$38K; maps & run books \$24K underbudget
Communications	456,296	484,177	(27,881)	Phone replacements, internet underbudget
Utilities	125,895	119,500	6,395	Station 9 solar needs upgrade to accommodate new AC
Maintenance and repairs	167,629	198,150	(30,521)	Dive team, gym equipment underbudget
Fleet maintenance and fuel	444,562	285,445	159,117	High engine repair costs
Specialized services	1,321,394	2,080,126	(758,732)	Underspent (\$505K) on veg mgmt projects (\$409K in Measure C projects); Legal Fees (\$109K), Election Costs (\$62K) underbudget
Insurance	100,999	101,000	(1)	
Training, travel, memberships	208,359	227,250	(18,891)	Strike team expenses (\$11K) underbudget due to slower fire season; bridge tolls (\$3K), Conferences (\$4K) under
Facilities rent/lease	100,000	428,056	328,056	LSW lease payment was budgeted in rent expected but moved to debt service per GASB 87 implementation
Small equipment	82,478	126,050	(43,572)	
Contingencies	0	50,000	(82,728)	
Total Operating	3,458,183	4,647,754	(165,256)	
Grant-funded expenditures	256,010	199,640	(43,630)	
Debt Service	497,274	169,218	(328,056)	LSW lease payment was budgeted in rent expected but moved to debt service per GASB 87 implementation
Capital outlay	1,787,352	1,220,250	567,102	Sta 4 remodel \$593K underbudget: started in FY23
Total expenditures	24,597,844	25,052,462	(454,618)	
REVENUES OVER (UNDER)				
EXPENDITURES	1,896,571	378,947	1,517,624	
OTHER REVENUES				
Unrealized investment gain/ (loss)	65,592	0	65,592	
Proceeds from Issuance of Debt	793,137	0	793,137	
Net change to fund balance	2,755,300	378,947	3,214,419	
Beginning of year	19,396,383			
End of year	22,151,683			

Southern Marin Fire Protection District
Management’s Discussion and Analysis
June 30, 2023

Capital Assets and Debt Administration

The District maintains a long-range Capital Improvement Plan (CIP), and per District policy funds the plan every year based on the estimated replacement cost of major assets, plus any funds needed for projected facilities’ improvements. Funding for the CIP is provided by an annual transfer from the General Fund; for this fiscal year, \$1,797,800 of the District’s net revenue was transferred to the CIP fund. This contribution is \$470K higher than last FY, due to needed facilities repairs and decreasing the useful life of engines from 15 to 10 (with five years as a reserve engine).

This fiscal year, two new vehicles were acquired by the District: a Ford Escape was added to the fleet for use by administrative employees at Liberty Ship Way. In addition, a Chevrolet Colorado was also added to the fleet (funded by the MWPA) for a new inspector. The District’s net position invested in equipment and facilities as of June 30, 2023, is \$3.7 million. All capital assets are valued at historical cost, and those with a value of \$10,000 or more are recorded as capital assets, and depreciated over estimated useful lives, using the straight-line method. See *Note 3* of the *Notes to Basic Financial Statements* for more details on capital asset activity.

The District’s long-term debt consists of a lease payable due to the implementation of GASB 87. Below are the changes in long-term obligations:

Table 7

	Balance at June 30, 2022	Additions	Retirements	Balance at June 30, 2023	Current Portion	Non-current Portion
Lease liability	\$ 4,759,052	\$ -	\$ (239,994)	\$ 4,519,058	\$ 260,435	\$ 4,258,623
Equipment finance purchase	-	793,137	(160,876)	632,261	151,615	480,646
Total	\$ 4,759,052	\$ 793,137	\$ (400,870)	\$ 5,151,319	\$ 412,050	\$ 4,739,269

See Note 12 in the Notes to Basic financial Statements for more details on long-term debt.

Southern Marin Fire Protection District
Management's Discussion and Analysis
June 30, 2023

Economic Outlook

The primary economic drivers of the District's finances are property tax revenue and personnel costs. The District's Board of Directors is committed to long-term financial resiliency, and a thorough understanding of these primary drivers is required in order to achieve and maintain long-term fiscal resiliency. The recent passage of Measure U was a major accomplishment towards increasing the District's revenues and thereby maintaining an organization with long-term financial resiliency. The District utilizes long-range financial planning tools to measure the District's financial health, identify potential fiscal challenges and guide current decision making, and keep the District on a fiscally sustainable path going forward. Two of the tools the District uses are a ten-year general operating cash flow model, and a twelve-year Capital Improvement Plan (CIP).

In addition to the adoption of Measure U, the District has implemented several other cost-saving measures to ensure the long-term resiliency of the organization, such as:

- To address the OPEB liability, the District eliminated OPEB for employees hired after 1/1/2014, instead offering retiree health savings (RHS) accounts.
- Prior to PEPRA, the District's safety members were the first in the County to modify retirement benefits from 3%@50 to 3%@55.
- Submitted winning grants of more than \$2.3 million.
- The District started making contributions to a trust for OPEB liabilities in 2011, and in 2019 made its first pension contribution. The combined balance of this trust as of June 30, 2023, was \$6.78 million.
- Implemented employee cost-sharing of medical premium costs.
- The Board of Directors formally adopted a Reserve Policy to ensure the District has adequate working capital to cover operational costs and mitigate potential adverse impacts stemming from an economic downturn. This policy calls for a minimum of 40% (five months) of the current year's operating and equipment expenditures to be in a separate cash fund. After the FY23 contribution to the reserve account, this cash fund balance was \$11.8 million – 133% of the District's goal.

As of July 1, 2023, the annexation of the City of Mill Valley's Fire Department is in effect, resulting in a 40% increase in the District's budget. The District will transition from participating in the Sheriff Office's dispatch center to a new dispatch system dedicated exclusively to regional fire services. This change is expected to improve dispatch services but will also increase costs. For the next three fiscal years, the District anticipates needing to use reserves to fund operating expenses. Despite this, due to previous cost-saving and revenue-enhancing measures, the District is financially well-positioned to maintain high service levels, provide fair and reasonable employee compensation,

Southern Marin Fire Protection District
Management's Discussion and Analysis
June 30, 2023

and adequately fund equipment and facility maintenance. The District regularly analyzes the financial market and the impacts to the agency; and makes subsequent fiscal adjustments reflective of market conditions and service and operational needs.

Contacting the District's Financial Management

This financial report is intended to provide our citizens, taxpayers, and creditors with a general overview of the District's finances. Questions about this report should be directed to 28 Liberty Ship Way, Suite 2800, Sausalito, CA 94965, or finance@smfd.org.

**BASIC
FINANCIAL STATEMENTS**



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GOVERNMENT-WIDE FINANCIAL STATEMENTS



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SOUTHERN MARIN FIRE PROTECTION DISTRICT

Statement of Net Position

June 30, 2023

ASSETS	Governmental Activities
Current assets:	
Cash and investments	\$ 22,278,873
Restricted cash and investments	1,152,461
Accounts receivable	800,995
Prepaid items	1,334,543
Total current assets	25,566,872
Noncurrent assets:	
Intergovernmental receivable	1,102,000
Capital assets:	
Non-depreciable	1,864,392
Depreciable, net of accumulated depreciation	7,978,644
Total capital assets	9,843,036
Total noncurrent assets	10,945,036
Total assets	36,511,908
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources - Pension	7,684,798
Deferred outflows of resources - OPEB	404,825
Total deferred outflows of resources	8,089,623
LIABILITIES	
Current liabilities:	
Accounts payable	1,473,680
Unearned revenue	1,108,194
Deposits payable	10,000
Accrued expenses	829,913
Compensated absences - due in one year	22,858
Long-term debt - due in one year	412,050
Total current liabilities	3,856,695
Noncurrent liabilities:	
Compensated absences - due in more than one year	1,597,358
Long-term debt - due in more than one year	4,739,269
Net OPEB liability	5,039,563
Net pension liability	7,896,944
Total noncurrent liabilities	19,273,134
Total liabilities	23,129,829
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources - Pension	2,318,176
Deferred inflows of resources - OPEB	255,126
Total deferred inflows of resources	2,573,302
NET POSITION	
Net investment in capital assets	4,691,717
Restricted for:	
Pension contribution	1,152,461
MWPA program	1,278,351
Unrestricted	11,775,871
Total net position	\$ 18,898,400

See accompanying Notes to Basic Financial Statements.

SOUTHERN MARIN FIRE PROTECTION DISTRICT

Statement of Activities

For the year ended June 30, 2023

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental activities:				
Public safety - fire prevention and protection	\$ 22,526,487	\$ 3,202,227	\$ 123,347	\$ (19,200,913)
Interest and fiscal charges	96,054	-	-	(96,054)
Total governmental activities	<u>\$ 22,622,541</u>	<u>\$ 3,202,227</u>	<u>\$ 123,347</u>	<u>\$ (19,296,967)</u>
General revenues:				
Property taxes				17,871,091
Special assessment:				
Tam/ Alto				909,273
EMR and fire protection taxes				3,117,920
MWPA revenue				696,830
Other revenue				295,617
Investment earnings				65,592
Interest income				220,109
Total general revenues				<u>23,176,432</u>
Change in net position				<u>3,879,465</u>
Net position, beginning of year				<u>15,018,935</u>
Net position, end of year				<u>\$ 18,898,400</u>

FUND
FINANCIAL STATEMENTS



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SOUTHERN MARIN FIRE PROTECTION DISTRICT

Balance Sheet

Governmental Fund

June 30, 2023

ASSETS	
Cash and investments	\$ 22,278,873
Restricted cash and investments	1,152,461
Accounts receivable	800,995
Intergovernmental receivables	1,102,000
Prepaid items	1,334,543
Total assets	\$ 26,668,872

LIABILITIES	
Accounts payable	1,473,680
Unearned revenue	1,108,194
Deposits payable	10,000
Accrued expenditures	823,315
Total liabilities	3,415,189

DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues - intergovernmental receivables	1,102,000
Total deferred inflows of resources	1,102,000

FUND BALANCES	
Nonspendable	1,334,543
Restricted for:	
Pension contribution	1,152,461
MWPA program	1,278,351
Assigned for:	
Capital replacement and facilities	2,887,880
Dry period reserve	4,500,000
General reserve	10,998,448
Total fund balances	22,151,683
Total liabilities, deferred inflows of resources and fund balances	\$ 26,668,872

SOUTHERN MARIN FIRE PROTECTION DISTRICT
Reconciliation of the Governmental Fund Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2023

TOTAL FUND BALANCES - GOVERNMENTAL FUND \$ 22,151,683

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Fund above because of the following:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as capital assets. 9,843,036

Deferred outflows of resources related to pensions and OPEB used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred outflows of resources.

Deferred outflows of resources - Pension 7,684,798
 Deferred outflows of resources - OPEB 404,825

Unavailable revenue recorded in the Fund Financial resulting from activities in which revenues were earned but funds were not available are reported as revenues in the Statement of Activities. 1,102,000

Deferred inflows of resources related to pensions and OPEB used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred inflows of resources.

Deferred inflows of resources - Pension (2,318,176)
 Deferred inflows of resources - OPEB (255,126)

Interest payable on long-term debt did not require current financial resources. Therefore, interest payable was not reported as a liability in Governmental Funds Balance Sheet. (6,598)

LONG-TERM LIABILITIES

The liabilities below are not due and payable in the current period and therefore are not reported in the Governmental Fund:

Long-term debt - due in one year (412,050)
 Long-term debt - due in more than one year (4,739,269)
 Net OPEB liability (5,039,563)
 Compensated absences - due in one year (22,858)
 Compensated absences - due in more than one year (1,597,358)
 Net pension liability (7,896,944)

NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 18,898,400**

SOUTHERN MARIN FIRE PROTECTION DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Fund
For the year ended June 30, 2023

REVENUES:

Property taxes	\$ 17,871,091
Special assessment:	
Tam/ Alto	909,273
EMR and fire protection taxes	3,117,920
MWPA revenue	696,830
Grants	123,347
Charges for services	3,202,227
Other revenue	353,617
Investment earnings	65,592
Interest income	220,109
	<hr/>
Total revenues	26,560,006
	<hr/>

EXPENDITURES:

Current:	
Salaries and benefits	18,599,024
Operating expenditures	3,458,183
Grant related expenditures	256,010
Capital outlay	1,787,352
Debt Service:	
Principal	400,870
Interest	96,404
	<hr/>
Total expenditures	24,597,843
	<hr/>

REVENUES OVER (UNDER) EXPENDITURES	1,962,163
	<hr/>

OTHER FINANCING SOURCES (USES)

Issuance of debt	793,137
	<hr/>
Total other financing sources	793,137
	<hr/>
Net change in fund balance	2,755,300
	<hr/>

FUND BALANCES:

Beginning of year	19,396,383
	<hr/>
End of year	\$ 22,151,683
	<hr/> <hr/>

SOUTHERN MARIN FIRE PROTECTION DISTRICT
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures, and
Changes in Fund Balances to the Government-Wide Statement of Activities
For the year ended June 30, 2023

NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUND **\$ 2,755,300**

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.

Capital outlay	1,709,072
Depreciation and amortization expense	(930,089)

Current year employer pension contributions are recorded as expenditures in the governmental funds, however these amounts are reported as a deferred outflow of resources on the Government-Wide Statement of Net Position.	2,726,587
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Pension expense is recorded as incurred in the Government-Wide Statement of Activities, however pension expense is not recognized in the governmental funds.	(2,031,771)
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Debt proceeds provide current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position.	(793,137)
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Repayment of debt was an expenditure in the Governmental Funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position	400,870
--	---------

OPEB (expense)/income is recorded as incurred in the Government-Wide Statement of Activities, however OPEB expense/(income) is not recognized in the governmental funds.	481,415
--	---------

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

Change in unavailable revenues - intergovernmental receivable	(58,000)
Change in compensated absences	(381,132)
Change in accrued interest payable	350

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 3,879,465**

NOTES TO BASIC FINANCIAL STATEMENTS



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Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. *Organization and Description*

The Southern Marin Fire Protection District (the District) was organized on July 1, 1999 as a result of a merger between the Alto-Richardson Bay Fire Protection District and the Tamalpais Fire Protection District under the California Health and Safety Code.

The District furnishes fire protection, rescue services and other emergency services to the City of Sausalito and the unincorporated areas of Tiburon, Belvedere, and Mill Valley pursuant to joint powers agreements with those cities.

The District is governed by an elected Board of Fire Commissioners consisting of seven 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. Effective June 24, 2012, the District annexed the City of Sausalito's Fire Department and acquired 14 new employees. With the new hires, the District now employs a full-time staff of 1 Fire Chief, 1 Deputy Fire Chief, 1 Fire Marshal, 2 Battalion Chiefs, 9 Captains, 36 firefighters/paramedics, 6 Fire Inspectors, and 6 administrative support staff, for a total of 62.

The District maintains its headquarters at 28 Liberty Ship Way, Suite 2800 Sausalito, California 94965.

B. *Reporting Entity*

The District does not exercise oversight responsibility over any other governmental unit, thus its financial statements do not include any financial activity of any other agency. It is not a component unit of any other reporting entity.

C. *Basis of Presentation*

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

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

Government-wide Statements - The statement of net position and the statement of activities display information about the primary government (the District). 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.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

C. *Basis of Presentation, Continued*

The statement of activities presents a comparison between direct expenses and program revenues of 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. 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 its only fund as a major governmental fund 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.

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.

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 90 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of governmental long-term debt and acquisitions under leases are reported as other financing sources.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

E. *Basis of Accounting, Continued*

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 by the September board meeting. 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 Manager monitors appropriations on a Division basis and conveys this information to the Fire Chief/District Board. This approach allows the Fire Chief to hold 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 U.S. 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.

G. *Property Taxes*

Revenue is recognized in the fiscal year for which the tax and assessment is levied. The County of Marin (the County) 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.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

G. Property Taxes, Continued

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. Accumulated Compensated Absences

Compensated absences comprise unpaid vacation leave and sick leave. The District's liability for compensated absences is recorded in the General Fund. The liability for compensated absences is determined annually.

I. Capital Assets and Depreciation

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. 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.

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	50 years
Equipment & Vehicles	5-50 years

J. Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Assets, and GASB Statement No. 65, Items Previously Reported as Assets and Liabilities, the District recognizes deferred outflows and inflows of resources.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

J. *Deferred Outflows and Inflows of Resources, Continued*

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net assets by the government that is applicable to a future reporting period. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net assets by the District that is applicable to a future reporting period.

K. *Pensions*

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's Marin County Employees' Retirement Association (MCERA) plan (Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by MCERA. 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. The following timeframes are used for pension reporting:

Valuation Date	June 30, Note
Measurement Date	June 30, 2022
Measurement Period	June 30, 2021 to June 30, 2022

L. *Other Postemployment Benefits (OPEB)*

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension 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. For this purpose, benefit payments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	June 30, 2022 to June 30, 2023

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

2. CASH AND INVESTMENTS

At June 30, 2023, the District’s cash and investments consisted of the following:

Description	Amount
Cash and Investments:	
Cash in hand and undeposited checks	\$ 18,597
Deposits held with Main County Treasury	20,566,736
Cash Deposits with Wells Fargo - Payroll	<u>1,693,540</u>
Sub-total	<u>22,278,873</u>
Restricted cash and investments:	
Restricted cash and investment with PARS	<u>1,152,461</u>
Total cash and investments	<u>\$ 23,431,334</u>

A. Deposits

The District has authorized staff to deposit cash with the Marin County Treasurer in a series of pooled accounts with cash from various other governmental entities within the County, for investment purposes. The pooled cash is invested principally in bankers’ acceptances, negotiable certificates of deposit and various U.S. Government Agency and commercial notes. Interest is earned on the daily earnings of the fund prorated to the District based on the ratio of the District’s pooled investment fund.

California Law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the District’s cash on deposit or first trust deed mortgage notes with a value of 150% of the District’s cash on deposit as collateral for these deposits. The District has waived collateral requirements for the portion of deposits covered by federal depository insurance.

B. Investments

Investments as of June 30, 2023 consisted of the following:

Investments	Credit Rating	Fair Value	Maturity 12 Months or Less
Deposits held with Main County Treasury	Not Rated	<u>\$ 20,566,736</u>	<u>\$ 20,566,736</u>
Total cash and investments		<u>\$ 20,566,736</u>	<u>\$ 20,566,736</u>

The District adopted GASB Statement No. 31, which requires that the District’s investments be carried at fair value instead of cost. Under GASB No. 31, the District adjusts the carrying value of its investments to reflect their fair value monthly, and it includes the effects of these adjustments in income for that fiscal year. At June 30, 2023, the District investments are carried at fair value.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

2. CASH AND INVESTMENTS, Continued

B. Investments, Continued

The County of Marin's investment policies are governed by State statutes. In addition, the County of Marin has an investment committee, which prescribes written investment policies regarding the types of investments that may be made. The policies limit amounts that may be invested in any one financial institution or amounts that may be invested in long-term instruments.

During the year ended June 30, 2023, the investment committee's permissible investments included obligations of the U.S. Government Agencies bills, notes or bonds and certain time deposits, certificates of deposit, bankers' acceptances, commercial paper, repurchase and reverse repurchase agreements, money market funds, medium term corporate notes or deposit notes, shares of beneficial interest issued by diversified management companies, LAIF, and financial institution investment accounts.

C. Risk Disclosures

County Pool: Interest Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the County's Investment Policy, the County manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to 1.5 years or less. At June 30, 2023, the County Investment Pool had a weighted average maturity of 0.54 years, or approximately 196 days.

County Pool: Credit Risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law and the County's Investment Policy limit the County's investments in commercial paper, corporate bonds, and medium-term notes to the rating of 'A' or higher as provided by Moody's Investors Service or Standard & Poor's Corporation. The County's Investment Policy limits investments purchased by Financial Institution Investment Accounts, a type of mutual fund, to United States Treasury and Agency obligations with credit quality rating of 'AAA'. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

County Pool: Concentration of Credit Risk – Concentration of credit risk is the risk of loss attributable to the magnitude of the County Pool's investment in a single issuer of securities. At June 30, 2023, the County had the following investments in any one issuer that represent 5% or more of the total investments: \$1,223.1 million in Federal Home Loan Discount and \$412.02 million in Federal Home Loan Bank.

Custodial Credit Risk – The custodial credit risk is the risk that in the event of the failure of a counter party, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of June 30, 2023 none of the District's deposits or investments were exposed to disclosable custodial credit risk.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

3. CAPITAL ASSETS

Capital assets activity comprised the following:

	Balance at 6/30/2022	Additions	Deletions	Transfer	Balance at 6/30/2023
Non-depreciable capital assets:					
Land	\$ 214,807	\$ -	\$ -	\$ -	\$ 214,807
Construction in progress	33,109	1,649,585	-	(33,109)	1,649,585
Total non-depreciable capital assets	<u>247,916</u>	<u>1,649,585</u>	<u>-</u>	<u>(33,109)</u>	<u>1,864,392</u>
Depreciable capital assets:					
Buildings and improvements	3,566,726	-	-	-	3,566,726
Equipment	7,766,080	59,487	-	33,109	7,858,676
Total depreciable capital assets	<u>11,332,806</u>	<u>59,487</u>	<u>-</u>	<u>33,109</u>	<u>11,425,402</u>
Less: accumulated depreciation					
Buildings and improvements	(3,138,278)	(88,418)	-	-	(3,226,696)
Equipment	(4,022,524)	(467,647)	-	-	(4,490,171)
Total accumulated depreciation	<u>(7,160,802)</u>	<u>(556,065)</u>	<u>-</u>	<u>-</u>	<u>(7,716,867)</u>
Net capital assets being depreciated	<u>4,172,004</u>	<u>(496,578)</u>	<u>-</u>	<u>-</u>	<u>3,708,535</u>
Capital assets, being amortized					
Lease assets	4,986,988	-	-	-	4,986,988
Less: accumulated amortization	(342,855)	(374,024)	-	-	(716,879)
Total capital assets being amortized, net	<u>4,644,133</u>	<u>(374,024)</u>	<u>-</u>	<u>-</u>	<u>4,270,109</u>
Total capital assets, net	<u>\$ 9,064,053</u>	<u>\$ 778,983</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,843,036</u>

Intangible Right-to-Use-Assets:

In Fiscal year 2022, the District implemented the guidance in GASB No. 87, leases and recognized the value of lease assets under long-term contracts. The lease intangible right-to-use assets and its related amortization have been reported on the capital assets schedule.

As of June 30, 2023, the District had lease property located at 28 Liberty Ship Way, Suite 2800, Sausalito, California from Harrison Holding, LLC for a term of 15 years. Terms of the lease are described in note 12A.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

4. NET POSITION AND FUND BALANCE

Net Position is on the full accrual basis while Fund Balance is measured on the modified accrual basis.

A. *Net Position*

Net Position is the excess of all the District's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described in the following page:

Net investment in Capital Assets describes the portion of Net Position represented by the current net book value of the District's capital assets, less the outstanding balance of any debt issued to finance these assets.

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

Unrestricted describes the portion of Net Position that is not restricted as to use.

B. *Fund Balance*

The accompanying financial statements reflect certain changes that have been made with respect to the reporting of the components of fund balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

Restricted fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

Committed fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Board of Directors serves as the District's highest level of decision-making authority and has the authority to establish, modify or rescind a fund balance commitment via minute's action.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

4. NET POSITION AND FUND BALANCE, Continued

B. Fund Balance, Continued

Assigned fund balance includes amounts intended to be used by the District for specific purposes, subject to change, as established either directly by the Board of Directors or by management officials to whom assignment authority has been delegated by the Board of Directors.

Unassigned fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, the District's policy specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the District's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

5. MEASURE U SPECIAL TAX

On August 22, 2018, the Board of Directors approved Ordinance No. 2018/2019-01, to enact a special tax to fund fire protection and emergency services, which was approved by 75% of the voters in November 2018. The *Measure U, Local Emergency Medical Response Measure* went into effect July 2019, and its purpose is to ensure that the community continues to receive a high level of fire protection and emergency medical response services outlined as follows:

- Emergency medical calls
- Structure, wildland, and vehicle fires
- Traffic collisions, entrapments, and rescues
- Industrial accidents and hazardous materials incidents
- Fire prevention services
- Evacuation planning and disaster preparedness
- Community education including school life safety programs
- Urban-wildland interface monitoring

As these services encompass the entirety of the District's mission, the tax was passed as a general measure and the Board of Directors have not restricted its funds to any type of expenditure. The tax requires the establishment of an oversight committee to review receipt and expenditure of funds, and will continue to be collected for as long as the Board of Directors deem it necessary or unless the voters of the District repeal it.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

5. MEASURE U SPECIAL TAX, Continued

The special tax will be levied each year on each taxable parcel of land within the boundaries of the District at the annual rates listed below:

Parcel Type	Rate	Unit
Residential Use Parcel	\$200.00	per unit
Business Use Parcel	\$ 0.18	per improved square foot
Undeveloped Parcel	\$150.00	per parcel

The passage of Measure U authorized the automatic adjustment to the tax rates listed above by five percent (5%) per year. Thereafter the then-current tax rates shall be automatically adjusted annually by five percent (5%). In lieu of the automatic adjustment of the tax rates, the Board of Directors may in any year, by resolution, adjust the then-current rates by an amount less than five percent (5%). Below is a table showing the yearly rate changes for the District's Measure U:

Fiscal Year	Maximum Increase Available	Increase Used for Southern Marin Fire District	Cumulative Uncaptured Increase	Historic Assessment	
				Per Parcel	Per Sq Ft
2019-20	1st Year	-	-	\$ 200.00	\$ 0.1800
2020-21	5.00%	0.00%	5.00%	\$ 200.00	\$ 0.1800
2021-22	5.00%	0.00%	10.00%	\$ 200.00	\$ 0.1800
2022-23	5.00%	0.00%	15.00%	\$ 200.00	\$ 0.1800

The table below shows activities of the Measure U during FY2022-2023:

	<u>Measure U</u>
FY 2022/23 Special Assessment Revenues	\$ 3,117,920
	<u>3,117,920</u>
Wildlife Mitigation	973,083
General Public Safety	<u>2,144,837</u>
	3,117,920
Balance as of June 30, 2023	<u><u>\$ -</u></u>

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

6. PENSION PLAN

A. Plan Description

The District's retirement plan is administered by the Marin County Employees' Retirement Association (MCERA), a retirement system established in July 1950 and governed by the California Constitution; the County Employees Retirement Law of 1937 (CERL or 1937 Act, California Government Code Section 31450 et seq.); the Public Employees' Pension Reform Act of 2013 (PEPRA, Government Code Section 7522); the provisions of California Government Code Section 7500 et seq; and the bylaws, procedures, and policies adopted by MCERA's Board of Retirement. The Marin County Board of Supervisors may also adopt resolutions, as permitted by the CERL and PEPRA, which may affect the benefits of MCERA members.

MCERA operates as a cost-sharing multiple employer defined benefit plan for the County and eight other participating employers: City of San Rafael, Local Agency Formation Commission (LAFCO), Marin City Community Services District, Marin County Superior Court, Marin/Sonoma Mosquito and Vector Control District, Novato Fire Protection District, Southern Marin Fire Protection District, and Tamalpais Community Services District. Separate actuarial valuations are performed for these other agencies and districts, and the responsibility for funding their plans rest with those entities. Post-retirement benefits are administered by MCERA to qualified retirees.

Copies of MCERA's annual financial reports, which include required supplementary information (RSI) for the Plan may be obtained from their office at One McInnis Parkway, Suite 100, San Rafael, CA 94903 or online at www.mcera.org.

Administration

Retirement system administration is managed by the Retirement Board. All Retirement Board members, except the County Director of Finance, serve for a term of three years. By statute, retirement Board members include the following:

- The Director of Finance of the County (ex-officio).
- Four members who are qualified electors of the County and not connected with County government in any capacity, except one may be a County Supervisor. The Board of Supervisor appoints these members.
- Two General members of MCERA elected by the General membership.
- One Safety member and one Safety member alternate elected by the Safety membership.
- One retired member and one retired member alternate elected by the retired membership.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

6. PENSION PLAN, Continued

A. Plan Description, Continued

Membership

MCERA provides service retirement, disability, and death and survivor benefits to its general and safety members. Safety membership primarily includes law enforcement and firefighters of MCERA, as well as other classifications as allowed under the CERL and adopted by the employer. General membership is applicable to all other occupational classifications. The retirement benefits within the plan are tiered based on the participating employer and the date of the member's entry into MCERA membership.

Vesting

Members become vested in retirement benefits upon completion of five years of credited service.

B. Benefit Provisions

Service Retirement

MCERA's service retirement benefits are based on the years of credited service, final average compensation, and age at retirement, according to the applicable statutory formula. Members who qualify for service retirement are entitled to receive monthly retirement benefits for life.

General members hired prior to January 1, 2013 are eligible to retire once they attain the age of 50 (except tiers 3a and 4, whereby the minimum age is 55) 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. A member who is age 70 or older is eligible to retire regardless of service credit. General members who are first hired on or after January 1, 2013 are eligible to retire once they have attained the age of 52, and have acquired 5 years of retirement service credit, or age 70, regardless of service.

Disability Retirement

A member with five years of service, regardless of age, who becomes permanently incapacitated for the performance of duty is eligible to apply for a non-service connected disability retirement. Any member who becomes permanently incapacitated for the performance of duty as a result of injury or disease arising out of and in the course of employment is eligible to apply for a service-connected disability retirement, regardless of service length or age.

Death Benefits

MCERA provides specified death benefits to beneficiaries and members' survivors. The death benefits provided depend on whether the member is active or retired.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

6. PENSION PLAN, Continued

B. Benefit Provisions, Continued

The basic active member death benefit consists of a members' retirement contributions plus interest plus one month's pay for each full year of service (up to a maximum of six month's pay). Retiring members may choose from five retirement benefit payment options. Most retirees elect to receive the unmodified allowance which provides the maximum benefit to the retiree and continuance of 60% of the retiree's allowance to the surviving spouse or registered domestic partner after the retiree's death. Other death benefits may be available based on the years of service, marital status, and whether the member has minor children.

Cost of Living Adjustment

Retirement allowances are indexed for inflation. Most retirees receive automatic basic cost of living adjustments (COLA's) based upon the Urban Consumer Price Index (UCPI) for the San Francisco Bay Area. These adjustments go into effect on April 1 of each year. Annual COLA increases are statutorily capped at 2%, 3%, or 4% depending upon the member's retirement tier. When the UCPI exceeds the maximum statutory COLA for the member's tier, the difference is accumulated for use in future years when the UCPI is less than the maximum statutory COLA. The accumulated percentage carryover is known as the COLA Bank.

The District's contribution to the Plan for the measurement period ended June 30, 2022 was as follows:

Employer Contributions:	\$ 3,042,063
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C. District Proportionate Share of the Net Pension Liability/(Asset)

As of June 30, 2023, the District reported net pension liability/(asset) for its proportionate share of the net pension liability of the District's Plan as follows:

Balance as of measurement date June 30, 2022	Plan's Net Pension Liability/(Asset)	Proportionate Share of Net Pension Liability/(Asset) 2.5255%
Total Pension Liability	\$ 3,322,567,490	\$ 83,911,442
Fiduciary net position	3,009,879,148	76,014,498
Net Pension liability/(asset)	\$ 312,688,342	\$ 7,896,944

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

6. PENSION PLAN, Continued

C. District Proportionate Share of the Net Pension Liability/(Asset), Continued

The District's net pension liability/(asset) for the Plan is measured as the proportionate share of the net pension liability/(asset). The net pension liability/(asset) of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The District's proportion of the net pension liability/(asset) was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

The District's proportionate share of the net pension liability/(asset) for the Plan as of measurement dates June 30, 2021 and 2022 were as follows:

Calculation Dates	District Percentage
Proportion - June 30, 2021	3.5193%
Proportion - June 30, 2022	2.5255%
Change - Increase (Decrease)	-0.9938%

D. Actuarial Methods and Assumptions Used to Determine Total Pension Liability

Actuarial Assumptions - The total pension liabilities in the June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date:	June 30, 2021
Measurement Date:	June 30, 2022
Actuarial Assumptions:	
Discount Rate	6.75% per year
Salary Increases	3.00% per year plus merit component based on employee classification and years of service
Expected Rate of Return	6.75% per year, net of investment expenses
Price Inflation:	2.50%
Salary Increases:	3.00% plus merit component based on employee classification and years of service.
Postretirement COLA	2.50% for members with a 4.00% COLA cap, 2.40% for members with a 3% COLA cap, and 1.90% for members with a 2% COLA cap.
Mortality Rates	Rates of mortality for active Members are specified by CalPERS 2017 Pre-Retirement Non-Industrial Death rates (plus Duty-Related death rates for Safety members) with the 20-year static projection used by CalPERS replaced by generational improvements from a base year of 2010 using Scale MP-2020.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

6. PENSION PLAN, Continued

E. Pension Expense

For the measurement period ended June 30, 2022, the District recognized pension expense of \$2,031,771 as follows:

	Plan's Pension Expense	District's Pension Expense (2.5255%)
Pension expense:		
Service Cost	\$ 69,061,416	\$ 1,744,146
Interest on the total pension liability	214,652,039	5,421,037
Administrative expenses and other non-investment expenses	4,960,544	125,279
Member contributions	(33,878,121)	(855,592)
Expected investment return net of expenses	(227,108,787)	(5,735,632)
Recognition of Deferred Outflows/Inflows:		
Recognition of liability gains(losses)	5,912,392	149,317
Recognition of assumptions changes	8,418,626	212,612
Recognition of net investment gains(losses)	(7,698,044)	(194,414)
Recognition of employer specific Deferred Outflows/Inflows:		
Recognition of change in proportion	-	743,731
Recognition of contribution difference	-	421,287
	<u>\$ 34,320,065</u>	<u>\$ 2,031,771</u>

F. Deferred outflows and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,726,587	\$ -
Differences between actual and expected experience	206,849	(326,990)
Changes in assumptions	425,225	-
Contribution difference	716,725	(46,758)
Change in proportion	1,321,839	(1,944,428)
Net differences between projected and actual earnings on plan investments	2,287,573	-
Total	<u>\$ 7,684,798</u>	<u>\$ (2,318,176)</u>

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

6. PENSION PLAN, Continued

F. Deferred outflows and Deferred Inflows of Resources Related to Pensions, Continued

\$2,726,587 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Amortization Period Fiscal Year Ended June 30,	Deferred outflows (Inflows) of Resources
2024	\$ 746,148
2025	198,170
2026	(1,081,480)
2027	2,777,197
Total	<u>\$ 2,640,035</u>

G. Discount Rate

The discount rate used to measure the total pension liability as of June 30, 2022 was 6.75%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included.

Projected employer contributions that are intended to fund the service costs of future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current plan members. 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.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

6. *PENSION PLAN, Continued*

H. *Discount Rate, Continued*

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic Equity	32.00%	4.60%
Fixed Income	23.00%	1.40%
International Equity	22.00%	4.85%
Public Real Assets	7.00%	3.20%
Private Equity	8.00%	6.00%
Real Estate	8.00%	3.65%
Total	100.00%	

I. *Sensitivity 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:

Description	Plan's Net Pension Liability/(asset)		
	Discount Rate - 1 % 5.75%	Current Discount Rate 6.75%	Discount Rate + 1 % 7.75%
Total pension liability	\$ 3,752,440,833	\$ 3,322,567,490	\$ 2,968,573,633
Fiduciary net position	(3,009,879,148)	(3,009,879,148)	(3,009,879,148)
Net pension liability	742,561,685	312,688,342	(41,305,515)
Net pension liability - District share 2.5255%	\$ 18,753,395	\$ 7,896,944	\$ (1,043,171)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued MCERA financial reports.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

7. DEFERRED COMPENSATION PLAN

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

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

During the year 2021, The District had evaluated the requirements of GASB Statement No. 84, Fiduciary Activities and GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans and determined that the plan didn’t meet the criteria to be reported as a fiduciary activity. Moreover, the plan is classified as other employee benefit for financial reporting purposes.

8. RISK MANAGEMENT

The District is self-insured through the Volunteers Firemen’s Insurance Services, Inc. The following types of loss risks are covered by the policy above:

Type	Coverage Limit	Deductible
General Liability	\$1,000,000 per occurrence \$3,000,000 aggregate	No deductible
Property	Guaranteed Replacement Cost	\$500 per occurrence
Portable Equipment	Guaranteed Replacement Cost	\$250 per claim
Workers’ Compensation	\$300,000,000 per occurrence	No deductible
Auto	\$1,000,000 Combined Single Limit	\$250 Comp/\$500 Collision
Management Liability	\$1,000,000 per occurrence and \$3,000,000 aggregate	No deductible
Umbrella/Excess Liability	\$10,000,000 per occurrence and \$20,000,000 aggregate	No deductible

Any liability the District may have for uninsured claims is limited to general liability claims. However, the District has experienced no losses from such claims during the preceding three years and it therefore believes there is no liability for claims incurred but not reported.

9. CONTINGENT LIABILITIES AND COMMITMENTS

The District is involved in various claims and litigation arising in the ordinary course of business. District management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of such matters will not have a materially adverse effect on the District’s financial position or results of operations.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

10. JOINT GOVERNED ORGANIZATIONS

The District participates in the joint ventures discussed below through formally organized and separate entities established under the Joint Exercise of Powers Act of the State of California. As separate legal entities, these entities exercise full powers and authorities within the scope of the related Joint Powers Agreements including the preparation of annual budgets, accountability for all funds, the power to make and execute contracts and the right to sue and be sued. Each joint venture is governed by a board consisting of representatives from member municipalities. Each board controls the operations of the respective joint venture, including selection of management and approval of operating budgets, independent of any influence by member municipalities beyond their representation on that board.

Obligations and liabilities of these joint ventures are not the District's responsibility and the District does not have an equity interest in the assets of each joint venture except upon dissolution of the joint venture.

Southern Marin Emergency Medical Paramedic System

The Southern Marin Emergency Medical Paramedic System operates and maintains an emergency medical care-paramedic system. Financial statements may be obtained by mailing a request to Southern Marin Emergency Medical Paramedic System, 26 Corte Madera Ave., Mill Valley, CA 94941.

Hazardous Materials Response Unit

The Hazardous Materials Response Unit is responsible for managing hazardous material spills, establishing a formula for management of financing joint expenses and defining signatory agency responsibilities. Financial statements may be obtained by mailing a request to Marin County Administrator's Office, 3501 Civic Center Drive, Room 325, San Rafael, CA 94903.

Fire Association Self Insurance System (FDAC-FASIS)

The Fire Association Self Insurance System has a self-insurance pooling program to purchase excess insurance. Financial Statements may be obtained by mailing a request to Fire Association Self Insurance System (FDAC-FASIS) 154 Sunnyside Drive, San Leandro, CA 94577.

Marin Emergency Radio Authority

The District has financial interest and responsibility, along with 23 other Districts, in the Marin Emergency Radio Authority pursuant to the joint powers agreement in order to issue bonds to be used to finance acquisition, construction, and improvement of certain public capital improvements.

In order to construct the emergency communications facility, Marin Emergency Radio Authority issued Revenue Bonds in the amount of \$26,940,000. Pursuant to the joint powers agreement, the District is obligated for 1.657% of this amount.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

11. OTHER POST EMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The District's postemployment benefit plan is a single-employer plan. The District provides health care for employees and dependents (and also for retirees and their dependents) through the Marin County Employees' Retirement Association (MCERA). Employees may choose one of two medical options: Kaiser HMO High Option and Blue Cross Prudent Buyer Classic. The District also offers dental and vision insurance through FDAC.

Upon retirement with 20 or more years of service, at least 10 of which must be with the District, retirees are eligible to receive the following employer-paid health benefits for life, depending on job classification and tier:

Members hired after January 1, 2014 receive a Retiree Health Savings account and therefore are not eligible to join the plan.

Firefighters with a minimum 10 years' of service credit

Hired prior to 7/1/10: The District shall provide 5% of the cost of the lowest cost "employee-only" Kaiser premium, as provided by MCERA, for every year served, up to a total of 100% after 20 years served. If the retiree elects spousal coverage, it must be self-paid unless the retiree has at least 30 years of service.

Hired 7/1/10 and after: The District shall provide 5% of the cost of the lowest cost "employee-only" Kaiser premium, as provided by MCERA, for every year served, up to a total of 100% after 20 years served. Any spousal coverage must be self-paid.

Administrative Employees with a minimum 10 years' service credit

The District shall provide 5% of the cost of the lowest cost "employee-only" Kaiser premium, as provided by MCERA, for every year served, up to a total of 100% after 20 years served. Any spousal coverage must be self-paid.

Fire Chief Officers' Association (SMFCOA)

Hired before 7/1/2001: For retired Deputy Chief and Battalion Chiefs covered by IAFF Local 1775, the District will provide 100% of the Kaiser premium for retirees with a minimum 5 years' service credit. Retirees with a minimum 15 years' service credit are also eligible for spousal medical coverage.

Hired between 7/1/01 - 6/30/10: For retirees with a minimum 10 years' service credit, the District shall provide 5% of the cost of Kaiser "employee-only" premium for every year served, up to a total of 100% after 20 years served. Retirees with 30 years' service credit are eligible for spousal Kaiser Coverage.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

11. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

A. Plan Description, Continued

Hired on or after 7/1/10: For retirees with a minimum 10 years' service credit, the District shall provide 5% of the cost of Kaiser "employee-only" premium for every year served, up to a total of 100% after 20 years served.

All Chiefs who were employed or promoted on or before July 1, 2001 and have a minimum 15 years' service credit are eligible for dental coverage for themselves and their spouse.

The Fire Chief receives the same benefits as the Chiefs in IAFF Local 1775.

B. Funding Policy and Employees Covered

The District's Board of Directors review the funding requirements and policy annually.

As of June 30, 2023, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Active plan members	27
Inactive employees or beneficiaries currently receiving benefit payments	<u>38</u>
Total	<u><u>65</u></u>

C. Contributions

The annual contribution is based on projected pay-as-you-go financing requirements. The District has established the PARS Post-Employment Benefit Trust. The Board reviews the funding requirements and policy annually. For the fiscal year ended June 30, 2023, the District's total contributions were \$750,729 which includes \$381,262 of pay-as-you-go, \$252,000 contributions made from sources outside of trust and an implicit subsidy amounts of \$117,467.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

11. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

D. Net OPEB Liability

The District’s Net OPEB Liability was measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022.

Actuarial Assumptions - The total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date:	June 30, 2022
Measurement Date:	June 30, 2023
Actuarial Assumptions:	
Discount rates	6.00%
Inflation rate	3.00%
Salary increase	3.00%
Investment rate of return	6.00%, net of OPEB plan investment expense
Healthcare trend rate	7.00% for 2023, 5.20% for 2024-2069, and 4.50% for 2070 and later years; Medicare ages: 4.50% for all years.
Preretirement Mortality	Preretirement Mortality Rates for Public Agency Miscellaneous from CalPERS Experience Study (2000-2019).
Postretirement Mortality	Postretirement Mortality Rates for Public Agency Police and Fire from CalPERS Experience Study (2000-2019).

E. Discount Rate

When the financing of OPEB liabilities is on a pay-as-you-go basis, GASB Statement No. 75 requires that the discount rate used for valuing liabilities be based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). When a plan sponsor makes regular, sufficient contributions to a trust in order to prefund the OPEB liabilities, GASB Statement No. 75 allows use of a rate up to the expected rate of return of the trust. Therefore, prefunding has an advantage of potentially being able to report overall lower liabilities due to future expected benefits being discounted at a higher rate. The discount rate as of measurement date June 30, 2023 was 6.00%.

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

11. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

F. Change in the Net OPEB Liability

The Changes in the Net OPEB Liability follows:

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2022 (Measurement date 6/30/2022)	\$ 10,364,381	\$ 5,073,433	\$ 5,290,948
Change during the year:			
Service cost	187,439	-	187,439
Interest	618,365	-	618,365
Contributions	-	750,729	(750,729)
Net investment income	-	335,572	(335,572)
Benefit payments, including refunds of employee contributions	(498,729)	(498,729)	-
Administrative expenses	-	(29,112)	29,112
Net change in total OPEB liability	307,075	558,460	(251,385)
Balance at June 30, 2023 (Measurement date 6/30/2023)	\$ 10,671,456	\$ 5,631,893	\$ 5,039,563

G. Sensitivity of Liabilities to Changes in the Discount Rate and Medical Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB 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 discount rate:

Sensitivity of the Net OPEB Liability to changes in the Discount Rate:

Net OPEB Liability		
Discount Rate - 1% (5.00%)	Current Discount Rate (6.00%)	Discount Rate + 1% (7.00%)
\$ 6,362,544	\$ 5,039,563	\$ 3,943,944

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

11. OTHER POST EMPLOYMENT BENEFITS (OPEB), Continued

G. Sensitivity of Liabilities to Changes in the Discount Rate and Medical Cost Trend Rates

The following presents the Net OPEB Liability of the District, as well as what the District Net OPEB 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 medical cost trend rates:

Sensitivity of the Net OPEB Liability to changes in the Medical Cost Trend Rates:

Net OPEB Liability		
1% Decrease	Current Medical Trend	1% Increase
\$ 3,807,464	\$ 5,039,563	\$ 6,531,917

H. OPEB Expenses and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2023, the District recognized OPEB expense/(income) of (\$481,415). At June 30, 2023, the District reported deferred resources related to OPEB from the following:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 255,126
Changes of assumptions	87,381	-
Net difference between projected and actual earnings on investment	317,444	-
Total	\$ 404,825	\$ 255,126

The reported Deferred Outflows/ (Inflows) of Resources related to OPEB will be recognized as expense as follows:

Fiscal Year Ending June 30,	Deferred Outflows/Inflows of Resources
2024	\$ (91,527)
2025	63,555
2026	183,979
2027	(6,308)
Total	\$ 149,699

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

12. LONG-TERM OBLIGATIONS

Changes in long-term obligations for the fiscal year ended June 30, 2023 are as follows:

	Balance at 6/30/2022	Additions	Deletions	Balance at 6/30/2023	Due within One year	Due in More Than One Year
Lease Liability	\$ 4,759,052	\$ -	\$ (239,994)	\$ 4,519,058	\$ 260,435	\$ 4,258,623
Equipment Finance Purchase	-	793,137	(160,876)	632,261	151,615	480,646
Compensated Absences	1,239,084	518,398	(137,266)	1,620,216	22,858	1,597,358
	<u>\$ 5,998,136</u>	<u>\$ 1,311,535</u>	<u>\$ (538,136)</u>	<u>\$ 6,771,535</u>	<u>\$ 434,908</u>	<u>\$ 6,336,627</u>

A. Lease Liability

On August 29, 2019, the District entered into a lease agreement with Harrison Holdings, LLC to acquire the right to use property located at 28 Liberty Ship Was, Suite 2800 Sausalito, California. Under the lease, the District agreed to pay monthly rental fee of \$25,512 (with a 5% increase every year) for a period of 15 years. For the purpose of discounting future payments on the lease the District used an interest rate of 1.752%.

B. Equipment Finance Purchase

On March 1, 2022, the District entered into a finance purchase agreement in the amount of \$793,137 for the purchase of fire engines. Ownership of the equipment passes to the District at the end of the lease term. Principal and interest are payable annually on July 15 commencing on July 15, 2022 through 2026.

C. Debt Service Requirements

The District's debt service requirements are presented below:

Year Ended June 30,	Principal	Interest	Total
2024	\$ 412,050	\$ 94,691	\$ 506,741
2025	437,883	85,734	523,617
2026	465,066	76,271	541,337
2027	493,667	66,277	559,944
2028	354,537	55,725	410,262
2029 - 2033	2,208,182	172,124	2,380,306
2034 - 2035	779,935	10,388	790,323
Total	<u>\$ 5,151,319</u>	<u>\$ 561,211</u>	<u>\$ 5,712,530</u>

Southern Marin Fire Protection District
Notes to the Basic Financial Statements
For the year ended June 30, 2023

13. CITY OF SAUSALITO ANNEXATION AGREEMENT

In June 2012, the District entered into annexation agreement with the City of Sausalito (the City). The City agreed to pay the District \$58,000 annually for 30 years, a total of \$1,740,000; representing the retiree medical costs of nine firefighters who worked for City. The City made the first payment during fiscal year 2013. The last payment is due in fiscal year 2042. The outstanding balance at June 30, 2023 was \$1,102,000.



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REQUIRED SUPPLEMENTARY INFORMATION



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Southern Marin Fire Protection District
Required Supplementary Information
For the year ended June 30, 2023

1. BUDGETS AND BUDGETARY ACCOUNTING

A. Budgetary Comparison Schedules – General Fund

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES:				
Property taxes	\$ 16,809,000	\$ 16,809,000	\$ 17,871,091	\$ 1,062,091
Special assessment	4,021,000	4,021,000	4,027,193	6,193
MWPA revenue	927,112	927,112	696,830	(230,282)
Grants	-	113,347	123,347	10,000
Charges for services	3,033,331	3,193,750	3,202,227	8,477
Other revenue	370,547	362,200	353,617	(8,583)
Investment earning	-	-	65,592	65,592
Interest income	5,000	5,000	220,109	215,109
Total revenues	25,165,990	25,431,409	26,560,006	1,128,597
EXPENDITURES:				
Current:				
Salaries and benefits	18,741,600	18,815,600	18,599,024	216,576
Operating expenses	4,494,786	4,647,754	3,458,183	1,189,571
Grant related expenditures	98,347	199,640	256,010	(56,370)
Capital Outlay	1,190,250	1,220,250	1,787,352	(567,102)
Debt Service:				
Principal	160,876	160,876	400,870	(239,994)
Interest and fiscal charges	8,342	8,342	96,404	(88,062)
Total expenditures	24,694,201	25,052,462	24,597,843	454,619
REVENUES OVER (UNDER) EXPENDITURES	471,789	378,947	1,962,163	1,583,216
OTHER FINANCING SOURCES (USES)				
Proceeds from issuance of debt	-	-	793,137	793,137
Total other financing sources	-	-	793,137	793,137
Net Change in fund balance	\$ 471,789	\$ 378,947	2,755,300	\$ 2,376,353
FUND BALANCES:				
Beginning of year			19,396,383	
End of year			<u>\$ 22,151,683</u>	

Southern Marin Fire Protection District
Required Supplementary Information
For the year ended June 30, 2023

2. DEFINED BENEFIT PENSION PLAN

A. Schedule of the District's Proportionate Share of the Net Pension Liability – Last 10 Years*

Fiscal Year	2023	2022	2021	2020
Measurement Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Proportion of the net pension liability	2.5255%	3.5193%	2.9047%	2.7254%
Proportion share of the net pension liability/(asset)	\$ 7,896,944	\$ (5,715,385)	\$ 13,296,989	\$ 9,966,915
Covered payroll	\$ 8,014,150	\$ 7,445,658	\$ 6,959,065	\$ 6,239,136
Proportionate Share of the net pension liability as percentage of covered payroll	98.54%	-76.76%	191.07%	159.75%
Plan fiduciary net position as a percentage of the total pension liability	90.59%	105.02%	85.15%	87.34%

Fiscal Year	2019	2018	2017	2016	2015
Measurement Date	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Proportion of the net pension liability	1.9969%	1.7167%	1.4658%	1.5574%	1.5559%
Proportion share of the net pension liability/(asset)	\$ 6,595,717	\$ 6,330,439	\$ 7,005,504	\$ 6,033,143	\$ 3,845,243
Covered payroll	\$ 6,009,660	\$ 5,680,977	\$ 5,290,483	\$ 5,007,820	\$ 4,640,149
Proportionate Share of the net pension liability as percentage of covered payroll	109.75%	111.43%	132.42%	120.47%	82.87%
Plan fiduciary net position as a percentage of the total pension liability	88.34%	86.27%	81.45%	84.31%	89.04%

Note to Schedule:

Change in Assumptions:

Triennially, MCERA requests that the actuary perform an analysis of all economic and non-economic assumptions in the form of an Experience Study. The most recent triennial Experience Study was for the period July 1, 2014 through June 30, 2017. Based on the results of this study, the Board of Retirement lowered the assumed rate of investment return from 7.25% to 7.00% effective

*-Fiscal year 2015 was the 1st year of implementation

Southern Marin Fire Protection District
Required Supplementary Information
For the year ended June 30, 2023

2. DEFINED BENEFIT PENSION PLAN, Continued

B. Schedule of Contributions - Last 10 Years*

Fiscal Year	2023	2022	2021	2020
Contractually required contribution (actuarially determined)	\$ 2,726,587	\$ 3,042,063	\$ 2,734,389	\$ 2,602,129
Contribution in relation to the actuarially determined contributions	(2,726,587)	(3,042,063)	(2,734,389)	(2,602,129)
contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 7,746,938	\$ 8,014,150	\$ 7,445,658	\$ 6,959,065
Contributions as a percentage of covered payroll	35.20%	37.96%	36.72%	37.39%

Fiscal Year	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	\$ 2,416,820	\$ 2,217,637	\$ 2,132,367	\$ 2,151,878	\$ 1,902,520
Contribution in relation to the actuarially determined contributions	(2,416,820)	(2,217,637)	(2,132,367)	(2,151,878)	(1,902,520)
contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 6,239,136	\$ 6,009,660	\$ 5,680,977	\$ 5,290,483	\$ 5,007,820
Contributions as a percentage of covered payroll	38.74%	36.90%	37.54%	40.67%	37.99%

* - Fiscal year 2015 was the 1st year of implementation

Note to Schedule:

Key Methods and Assumptions Used to Determine Contribution Rates:

Valuation date	June 30, 2020
Actuarial cost method	Entry age
Asset valuation method	Market value
Amortization method	Level percentage of payroll with separate periods for extraordinary Actuarial Gains or Losses
Discount rate	6.75%
Amortization growth rate	2.75%
Price inflation	2.50%
Salary increases	3% plus merit component based on employee classification and years of service
Base Mortality	Sex distinct Public General 2010 Employee, Healthy Retiree, Disabled Retiree, and Contingent Survivor Mortality Tables, for Miscellaneous actives, healthy retirees (and their beneficiaries prior to the death of the member), disabled retirees, and all beneficiaries in pay status respectively, with female beneficiaries in pay status adjusted by 105%.
Mortality improvement	All base tables are projected with generational mortality improvements from a base year of 2010 using Projection Scale MP-2020

Southern Marin Fire Protection District
Required Supplementary Information
For the year ended June 30, 2023

3. OTHER POSTEMPLOYMENT BENEFIT PLAN

A. Schedule of Changes in the Net OPEB Liability and Related Ratios - Last 10 Years*

<i>Measurement Period</i>	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 187,439	\$ 166,165	\$ 210,208	\$ 203,958	\$ 234,212	\$ 227,390
Interest on the total OPEB liability	618,365	648,829	630,361	635,234	599,878	576,249
Differences between expected and actual experience	-	(1,275,632)	-	(391,781)	-	-
Changes of assumptions	-	436,903	-	(48,228)	-	-
Benefit payments, including refunds of employee contributions	(498,729)	(511,632)	(473,257)	(500,056)	(391,773)	(427,356)
Net change in total OPEB liability	307,075	(535,367)	367,312	(100,873)	442,317	376,283
Total OPEB liability - beginning	10,364,381	10,899,748	10,532,436	10,633,309	10,190,992	9,814,709
Total OPEB liability - ending (a)	\$ 10,671,456	\$ 10,364,381	\$ 10,899,748	\$ 10,532,436	\$ 10,633,309	\$ 10,190,992
Plan Fiduciary Net Position						
Contributions - employer	\$ 750,729	\$ 761,632	\$ 723,257	\$ 753,950	\$ 721,773	\$ 782,356
Net investment income	335,572	(618,121)	269,405	181,558	234,362	156,463
Benefit payments, including refunds of employee contributions	(498,729)	(511,632)	(473,257)	(500,056)	(391,773)	(427,356)
Difference between expected and actual investment income	-	-	602,119	-	-	-
Administrative expense	(29,112)	(31,081)	(27,939)	(21,516)	(8,618)	(1,267)
Net change in plan fiduciary net position	558,460	(399,202)	1,093,585	413,936	555,744	510,196
Plan fiduciary net position - beginning	5,073,433	5,472,635	4,379,050	3,965,114	3,409,370	2,899,174
Plan fiduciary net position - ending (b)	\$ 5,631,893	\$ 5,073,433	\$ 5,472,635	\$ 4,379,050	\$ 3,965,114	\$ 3,409,370
Net OPEB liability - ending (a) - (b)	\$ 5,039,563	\$ 5,290,948	\$ 5,427,113	\$ 6,153,386	\$ 6,668,195	\$ 6,781,622
Plan fiduciary net position as a percentage of the total OPEB liability	52.78%	48.95%	50.21%	41.58%	37.29%	33.45%
Covered-employee payroll	\$ 4,951,959	\$ 5,519,185	\$ 5,379,317	\$ 6,736,715	\$ 6,619,228	\$ 5,680,997
Net OPEB liability as a percentage of covered-employee payroll	101.77%	95.86%	100.89%	91.34%	100.74%	119.37%

Notes to Schedule:

Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

Assumption change : During measurement period 2020, projected mortality rate was changed. In addition healthcare trend rates has changed from 5% for all years to an initial increase of 6% decreasing to 4.5% over a period of three years.

Benefit changes : There was no benefit changes

Southern Marin Fire Protection District
Required Supplementary Information
For the year ended June 30, 2023

3. OTHER POSTEMPLOYMENT BENEFIT PLAN, Continued

B. Schedule of Contributions - Last 10 Years*

Fiscal Year Ended June 30	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution (ADC)	\$ 459,994	\$ 459,994	\$ 459,994	\$ 604,169	\$ 586,572	\$ 586,708
Contributions in relation to the ADC	(750,729)	(761,632)	(723,257)	(753,950)	(721,773)	(782,356)
Contribution deficiency (excess)	<u>\$ (290,735)</u>	<u>\$ (301,638)</u>	<u>\$ (263,263)</u>	<u>\$ (149,781)</u>	<u>\$ (135,201)</u>	<u>\$ (195,648)</u>
Covered-employee payroll	\$ 4,951,959	\$ 5,519,185	\$ 5,379,317	\$ 6,736,715	\$ 6,619,228	\$ 5,680,997
Contributions as a percentage of covered-employee payroll	15.16%	13.80%	13.45%	11.19%	10.90%	13.77%

Notes to Schedule:

Historical information is required only for measurement periods for which GASB 75 is applicable. Future years' information will be displayed up to 10 years as information becomes available.

Actuarial assumption:

Valuation date	June 30, 2022
Actuarial cost method	Entry age, Level Percent of Pay
Discount rate	6.00%, net of investment expense
Salary increase	3.00%
Inflation	3.00%
Mortality rates	Based on RP-2014 employee and healthy annuitant mortality tables



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Statistical Section





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Statistical Section Information

This part of the Southern Marin Fire District Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the Southern Marin Fire District's overall financial health. The detailed schedules presented in the Statistical Section are grouped into five sections pertaining to financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information. 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. Expenditures by Function

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

1. General Revenues by Source
2. Assessed Value of Taxable Property
3. Secured Assessed Valuation
4. Assessed and Estimated Actual Value of Taxable Property
5. Property Tax Levies and Collections
6. Property Tax Rates, All Overlapping Governments
7. 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:

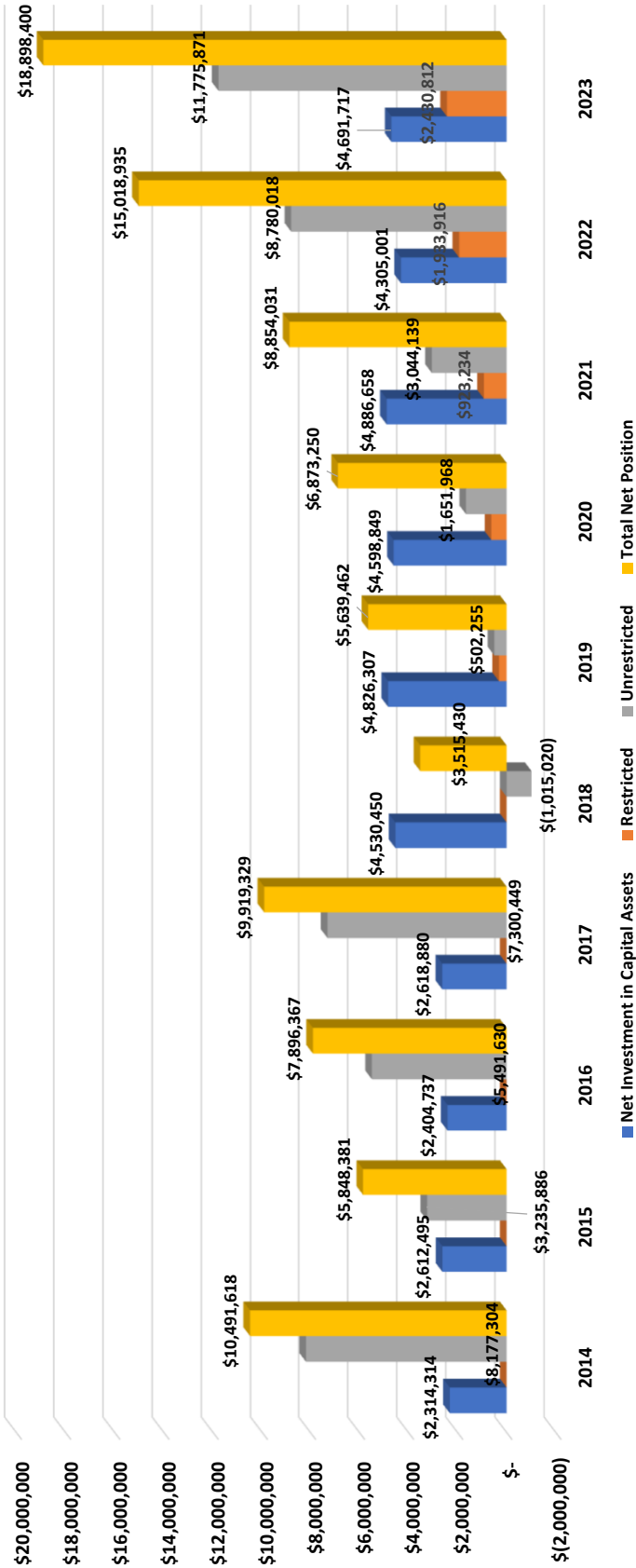
1. Demographic Statistics
2. Economic Statistics

Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the District’s financial reports relate to the services the District provides and the activities it performs:

1. Summary of District Activities
2. Apparatus Inventory
3. Full and Part-time Employees by Function
4. Comparative Annual Graph, Total Responses
5. Emergency Response Category Definitions
6. Emergency Responses by Incident Type
7. Emergency Response Detail Analysis
8. Average Incident Response Time – In District Only
9. Average Incident Response Time - Including Mutual Aid
10. District Response Times
11. Call Frequency Analysis by Station
12. Call Frequency Analysis by Hour
13. Call Frequency Analysis by Month
14. Call Frequency Analysis by Type

Southern Marin Fire Protection District
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Net Position by Component



Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net investment in capital assets	\$ 2,314,314	\$ 2,612,495	\$ 2,404,737	\$ 2,618,880	\$ 4,530,450	\$ 4,826,307	\$ 4,598,849	\$ 4,886,658	\$ 4,305,001	\$ 4,691,717
Restricted	-	-	-	-	-	310,900	622,433	923,234	1,933,916	2,430,812
Unrestricted	8,177,304	3,235,886	5,491,630	7,300,449	(1,015,020)	502,255	1,651,968	3,044,139	8,780,018	11,775,871
Total governmental activities net position	\$ 10,491,618	\$ 5,848,381	\$ 7,896,367	\$ 9,919,329	\$ 3,515,430	\$ 5,639,462	\$ 6,873,250	\$ 8,854,031	\$ 15,018,935	\$ 18,898,400

Note: Due to the implementation of GASB Statement 75 during the fiscal year ended June 30, 2018 and GASB Statements 68 and 71 during the fiscal year ended June 30, 2015, financial data shown for previous years have not been restated and may not be comparable.

Source: Southern Marin Fire Protection District audited financial statements as restated, if applicable

Southern Marin Fire Protection District
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	<u>Fiscal Year Ended June 30</u>				
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses					
Governmental Activities					
Public Safety					
Fire Protection and Prevention	\$ 12,739,358	\$ 14,067,722	\$ 12,863,646	\$ 14,101,236	\$ 16,902,542
Interest and fiscal charges	-	-	-	-	-
Total Governmental Activities Expenses	<u>12,739,358</u>	<u>14,067,722</u>	<u>12,863,646</u>	<u>14,101,236</u>	<u>16,902,542</u>
Program Revenues					
Governmental Activities					
Charges for services	1,083,591	1,230,989	1,429,221	1,667,609	1,949,357
Capital grants and contributions	-	-	-	58,259	215,121
Total Governmental Activities Program Revenues	<u>1,083,591</u>	<u>1,230,989</u>	<u>1,429,221</u>	<u>1,725,868</u>	<u>2,164,478</u>
Net (Expense) / Revenue					
Governmental Activities Net (Expense) / Revenue	<u>(11,655,767)</u>	<u>(12,836,733)</u>	<u>(11,434,425)</u>	<u>(12,375,368)</u>	<u>(14,738,064)</u>
General Revenues					
Governmental Activities					
Property taxes	10,758,550	11,500,351	12,287,700	13,198,865	13,873,494
Special assessment	854,382	855,434	869,415	868,380	868,037
MWPA Funding					
Other revenue	469,103	439,337	309,457	295,726	436,840
Gain on sales of assets	-	-	-	-	-
Investment earnings	-	-	-	-	-
Interest income	11,441	12,086	15,839	35,359	71,329
Total Governmental Activities General Revenues	<u>12,093,476</u>	<u>12,807,208</u>	<u>13,482,411</u>	<u>14,398,330</u>	<u>15,249,700</u>
Changes in Net Position					
Governmental Activities Changes in Net Position	<u>437,709</u>	<u>(29,525)</u>	<u>2,047,986</u>	<u>2,022,962</u>	<u>511,636</u>
Net Position, Beginning of year	10,053,909	10,491,618	5,848,381	7,896,367	9,919,329
Prior period adjustment	-	(4,613,712)	-	-	(6,915,535)
Net Position, Beginning of year, as restated	<u>10,053,909</u>	<u>5,877,906</u>	<u>5,848,381</u>	<u>7,896,367</u>	<u>3,003,794</u>
Net Position, End of year	<u>\$ 10,491,618</u>	<u>\$ 5,848,381</u>	<u>\$ 7,896,367</u>	<u>\$ 9,919,329</u>	<u>\$ 3,515,430</u>

Note: Due to the implementation of GASB Statement 75 during the fiscal year ended June 30, 2018 and GASB Statements 68 and 71 during the fiscal year ended June 30, 2015, financial data shown for previous years have not been restated and may not be comparable.

(Continued)

Source: Southern Marin Fire Protection District audited financial statements as restated, if applicable

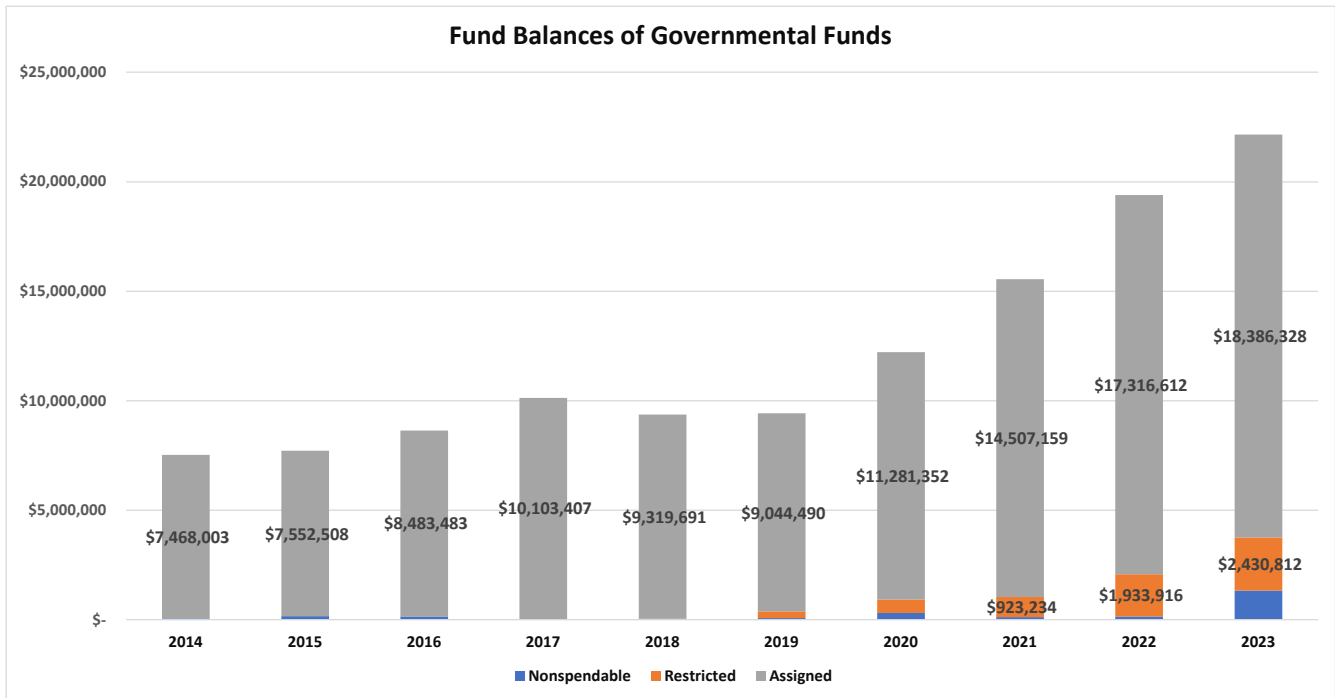
Southern Marin Fire Protection District
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

(Continued)	<u>Fiscal Year Ended June 30</u>				
	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Expenses					
Governmental Activities					
Public Safety					
Fire Protection and Prevention	\$ 15,889,263	\$ 20,422,036	\$ 23,160,399	\$ 20,443,244	\$ 22,526,487
Interest and fiscal charges	-	-	-	85,156	96,054
Total Governmental Activities Expenses	<u>15,889,263</u>	<u>20,422,036</u>	<u>23,160,399</u>	<u>20,528,400</u>	<u>22,622,541</u>
Program Revenues					
Governmental Activities					
Charges for services	1,444,189	1,811,200	3,409,893	4,142,304	3,202,227
Capital grants and contributions	523,790	57,680	243,356	368,675	123,347
Total Governmental Activities Program Revenues	<u>1,967,979</u>	<u>1,868,880</u>	<u>3,653,249</u>	<u>4,510,979</u>	<u>3,325,574</u>
Net (Expense) / Revenue					
Governmental Activities Net (Expense) / Revenue	<u>(13,921,284)</u>	<u>(18,553,156)</u>	<u>(19,507,150)</u>	<u>(16,017,421)</u>	<u>(19,296,967)</u>
General Revenues					
Governmental Activities					
Property taxes	14,688,440	15,236,048	15,961,951	16,997,441	17,871,091
Special assessment	908,658	4,060,061	4,041,799	4,025,021	4,027,193
MWPA Funding	-	-	897,287	899,191	696,830
Other revenue	310,659	159,145	340,277	404,230	295,617
Gain on sales of assets	-	147,310	68,000	2,000	-
Investment earnings	10,900	11,533	119,344	(154,908)	65,592
Interest income	126,659	172,846	59,274	9,350	220,109
Total Governmental Activities General Revenues	<u>16,045,316</u>	<u>19,786,943</u>	<u>21,487,932</u>	<u>22,182,325</u>	<u>23,176,432</u>
Changes in Net Position					
Governmental Activities Changes in Net Position	<u>2,124,032</u>	<u>1,233,787</u>	<u>1,980,782</u>	<u>6,164,904</u>	<u>3,879,465</u>
Net Position, Beginning of year	3,515,430	5,639,462	6,873,249	8,854,031	15,018,935
Prior period adjustment	-	-	-	-	-
Net Position, Beginning of year, as restated	<u>3,515,430</u>	<u>5,639,462</u>	<u>6,873,249</u>	<u>8,854,031</u>	<u>15,018,935</u>
Net Position, End of year	<u>\$ 5,639,462</u>	<u>\$ 6,873,249</u>	<u>\$ 8,854,031</u>	<u>\$ 15,018,935</u>	<u>\$ 18,898,400</u>

Note: Due to the implementation of GASB Statement 75 during the fiscal year ended June 30, 2018 and GASB Statements 68 and 71 during the fiscal year ended June 30, 2015, financial data shown for previous years have not been restated and may not be comparable.

Source: Southern Marin Fire Protection District audited financial statements as restated, if applicable

**Southern Marin Fire Protection District
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**



	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
General Fund										
Nonspendable	\$ 62,979	\$ 166,710	\$ 156,789	\$ 32,728	\$ 50,100	\$ 75,192	\$ 311,359	\$ 123,556	\$ 145,855	\$ 1,334,543
Restricted	-	-	-	-	-	310,900	622,433	923,234	1,933,916	2,430,812
Assigned	<u>7,468,003</u>	<u>7,552,508</u>	<u>8,483,483</u>	<u>10,103,407</u>	<u>9,319,691</u>	<u>9,044,490</u>	<u>11,281,352</u>	<u>14,507,159</u>	<u>17,316,612</u>	<u>18,386,328</u>
Total General Fund	<u>\$ 7,530,982</u>	<u>\$ 7,719,218</u>	<u>\$ 8,640,272</u>	<u>\$ 10,136,135</u>	<u>\$ 9,369,791</u>	<u>\$ 9,430,582</u>	<u>\$ 12,215,144</u>	<u>\$ 15,553,949</u>	<u>\$ 19,396,383</u>	<u>\$ 22,151,683</u>

Source: Southern Marin Fire Protection District audited financial statements as restated, if applicable

Southern Marin Fire Protection District
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues					
Property taxes	\$ 10,758,552	\$ 11,500,352	\$ 12,287,700	\$ 13,198,865	\$ 13,873,494
Special assessment	854,382	855,434	869,415	868,380	868,037
MWPA Funds	-	-	-	-	-
Grants	44,001	25,000	-	58,259	215,121
Charges for services	1,083,590	1,230,988	1,429,220	1,667,609	1,949,357
Other revenue	425,101	414,337	309,458	295,726	436,840
Investment earnings	-	-	-	-	-
Interest income	11,441	12,086	15,839	35,359	71,329
Total Revenues	<u>13,177,067</u>	<u>14,038,197</u>	<u>14,911,632</u>	<u>16,124,198</u>	<u>17,414,178</u>
Expenditures					
Current - Public Safety:					
Personnel	10,629,493	11,561,254	12,129,721	12,071,415	13,528,420
Materials and services	1,523,663	1,536,343	1,733,086	1,718,721	2,425,487
Equipment	87,058	55,081	68,902	138,119	81,349
Capital outlay	49,366	613,414	-	582,341	2,145,266
Grant expenditures	44,066	25,000	-	58,870	-
Debt service:					
Principal	51,301	53,096	54,955	56,878	-
Interest	7,568	5,773	3,914	1,991	-
Total Expenditures	<u>12,392,515</u>	<u>13,849,961</u>	<u>13,990,578</u>	<u>14,628,335</u>	<u>18,180,522</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>784,552</u>	<u>188,236</u>	<u>921,054</u>	<u>1,495,863</u>	<u>(766,344)</u>
Other Financing Sources (Uses)					
Issuance of debt	-	-	-	-	-
Sales of assets	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 784,552</u>	<u>\$ 188,236</u>	<u>\$ 921,054</u>	<u>\$ 1,495,863</u>	<u>\$ (766,344)</u>
Debt Service as a Percentage of Noncapital Expenditures	0.5%	0.4%	0.4%	0.4%	0.0%

(Continued)

Source: Southern Marin Fire Protection District audited financial statements

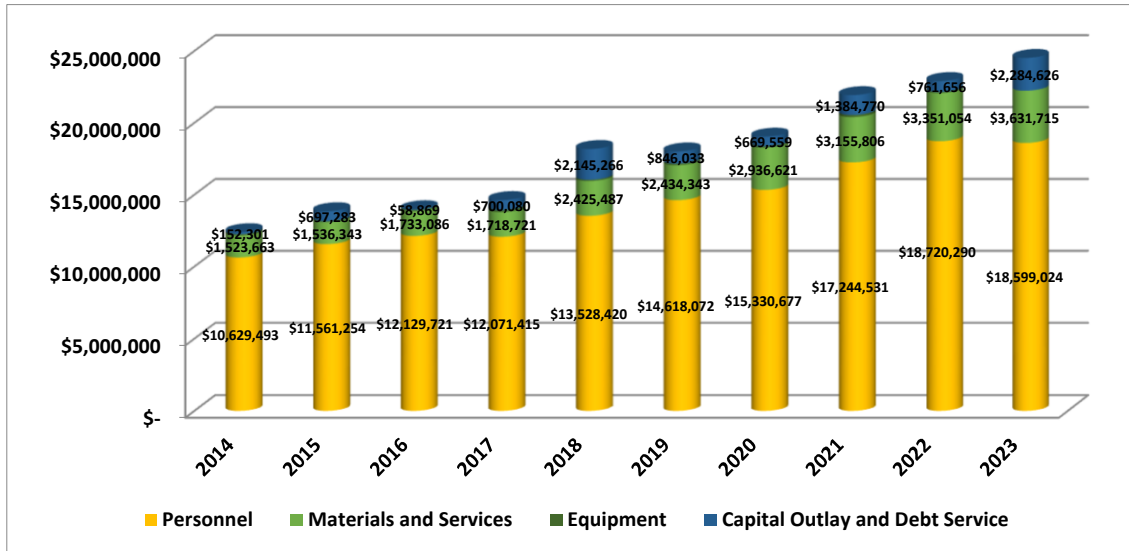
Southern Marin Fire Protection District
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

(Continued)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Revenues					
Property taxes	\$ 14,688,440	\$ 15,236,047	\$ 15,961,951	\$ 16,997,441	\$ 17,871,091
Special assessment	908,658	4,060,061	4,041,799	4,025,021	4,027,193
MWPA Funds	-	-	897,287	899,191	696,830
Grants	523,790	57,680	243,356	368,675	123,347
Charges for services	1,444,189	1,811,200	3,409,893	4,142,304	3,202,227
Other revenue	368,659	327,617	466,277	462,230	353,617
Investment earnings	10,900	11,533	119,344	(154,908)	65,592
Interest income	126,659	172,846	59,274	9,350	220,109
Total Revenues	<u>18,071,295</u>	<u>21,676,984</u>	<u>25,199,181</u>	<u>26,749,304</u>	<u>26,560,006</u>
Expenditures					
Current - Public Safety:					
Personnel	14,618,072	15,330,677	17,244,531	18,720,290	18,599,024
Materials and services	2,434,343	2,936,621	3,155,806	3,044,910	3,458,183
Equipment	112,056	102,875	143,269	75,870	-
Capital outlay	846,033	618,190	1,165,846	428,410	1,787,352
Grant expenditures	-	51,369	218,924	333,246	256,010
Debt service:					
Principal	-	-	-	227,936	400,870
Interest	-	-	-	78,208	96,404
Total Expenditures	<u>18,010,504</u>	<u>19,039,732</u>	<u>21,928,376</u>	<u>22,908,870</u>	<u>24,597,843</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>60,791</u>	<u>2,637,252</u>	<u>3,270,805</u>	<u>3,840,434</u>	<u>1,962,163</u>
Other Financing Sources (Uses)					
Issuance of debt	-	-	-	-	793,137
Sales of assets	-	147,310	68,000	2,000	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>147,310</u>	<u>68,000</u>	<u>2,000</u>	<u>793,137</u>
Net Change in Fund Balances	<u>\$ 60,791</u>	<u>\$ 2,784,562</u>	<u>\$ 3,338,805</u>	<u>\$ 3,842,434</u>	<u>\$ 2,755,300</u>
Debt Service as a Percentage of Noncapital Expenditures	0.0%	0.0%	0.0%	1.3%	2.2%

Source: Southern Marin Fire Protection District audited financial statements

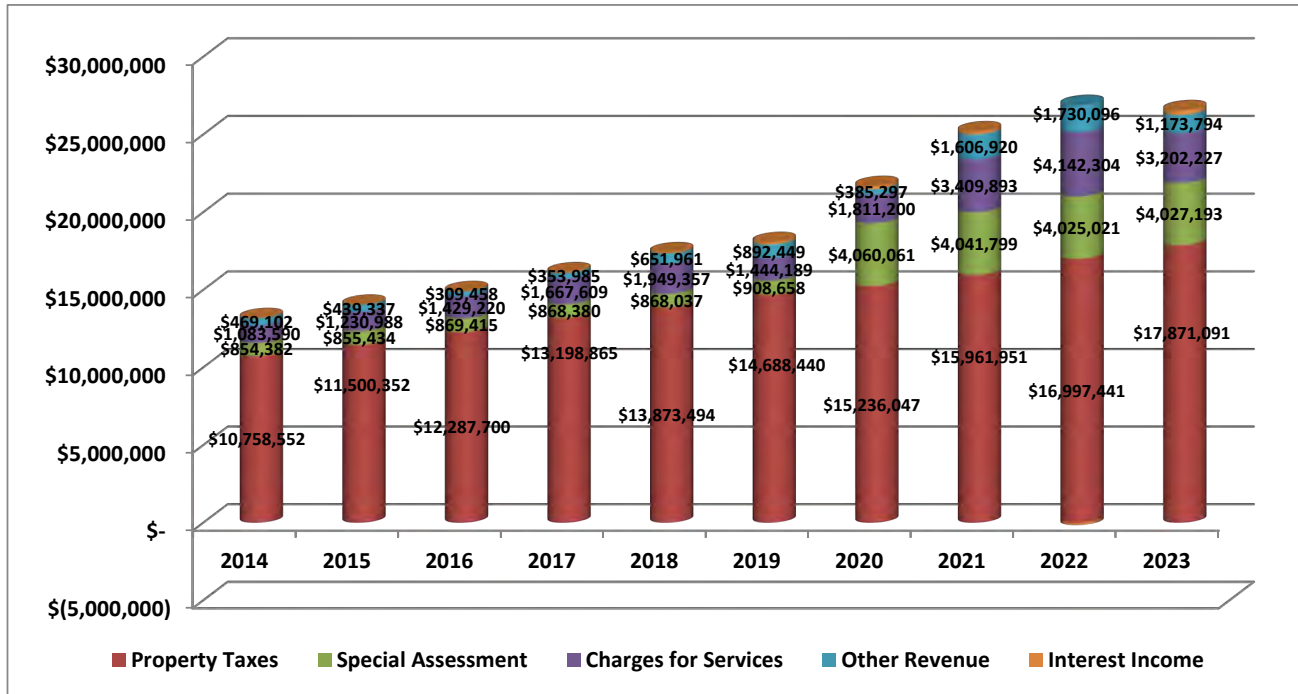
**Southern Marin Fire Protection District
Expenditures By Function
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**



Fiscal Year Ended June 30	Capital Outlay and Debt				Total
	Personnel	Materials and Services	Equipment	Service	
2014	10,629,493	1,523,663	87,058	152,301	12,392,515
2015	11,561,254	1,536,343	55,081	697,283	13,849,961
2016	12,129,721	1,733,086	68,902	58,869	13,990,578
2017	12,071,415	1,718,721	138,119	700,080	14,628,335
2018	13,528,420	2,425,487	81,349	2,145,266	18,180,522
2019	14,618,072	2,434,343	112,056	846,033	18,010,504
2020	15,330,677	2,936,621	102,875	669,559	19,039,732
2021	17,244,531	3,155,806	143,269	1,384,770	21,928,376
2022	18,720,290	3,351,054	75,870	761,656	22,908,870
2023	18,599,024	3,631,715	82,478	2,284,626	24,597,843

Source: Southern Marin Fire Protection District audited financial statements

**Southern Marin Fire Protection District
General Revenues By Source
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)**

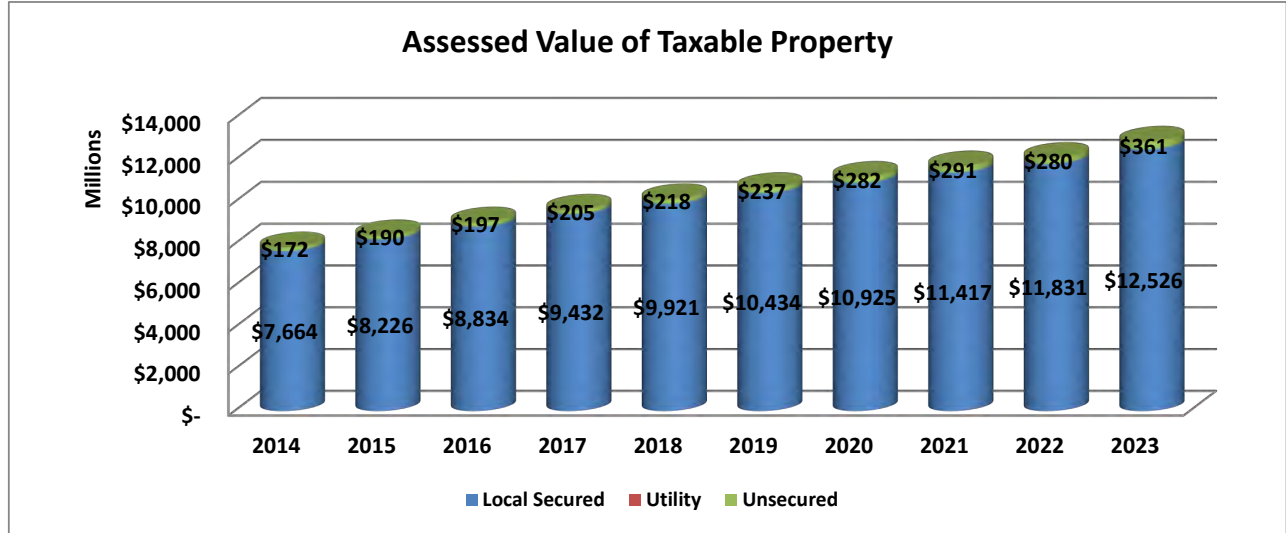


Fiscal Year Ended June 30	Property Taxes	Special Assessment	Charges for Services	Other Revenue	Interest Income	Total
2014	10,758,552	854,382	1,083,590	469,102	11,441	13,177,067
2015	11,500,352	855,434	1,230,988	439,337	12,086	14,038,197
2016	12,287,700	869,415	1,429,220	309,458	15,839	14,911,632
2017	13,198,865	868,380	1,667,609	353,985	35,359	16,124,198
2018	13,873,494	868,037	1,949,357	651,961	71,329	17,414,178
2019	14,688,440	908,658	1,444,189	892,449	137,559	18,071,295
2020	15,236,047	4,060,061	1,811,200	385,297	184,379	21,676,984
2021	15,961,951	4,041,799	3,409,893	1,606,920	178,618	25,199,181
2022	16,997,441	4,025,021	4,142,304	1,730,096	(145,558)	26,749,304
2023	17,871,091	4,027,193	3,202,227	1,173,794	285,701	26,560,006

Other Revenue decreased in 2023 due to a reduced fire season

Source: Southern Marin Fire Protection District audited financial statements as restated, if applicable

**Southern Marin Fire Protection District
Assessed Value of Taxable Property
Last Ten Fiscal Years**

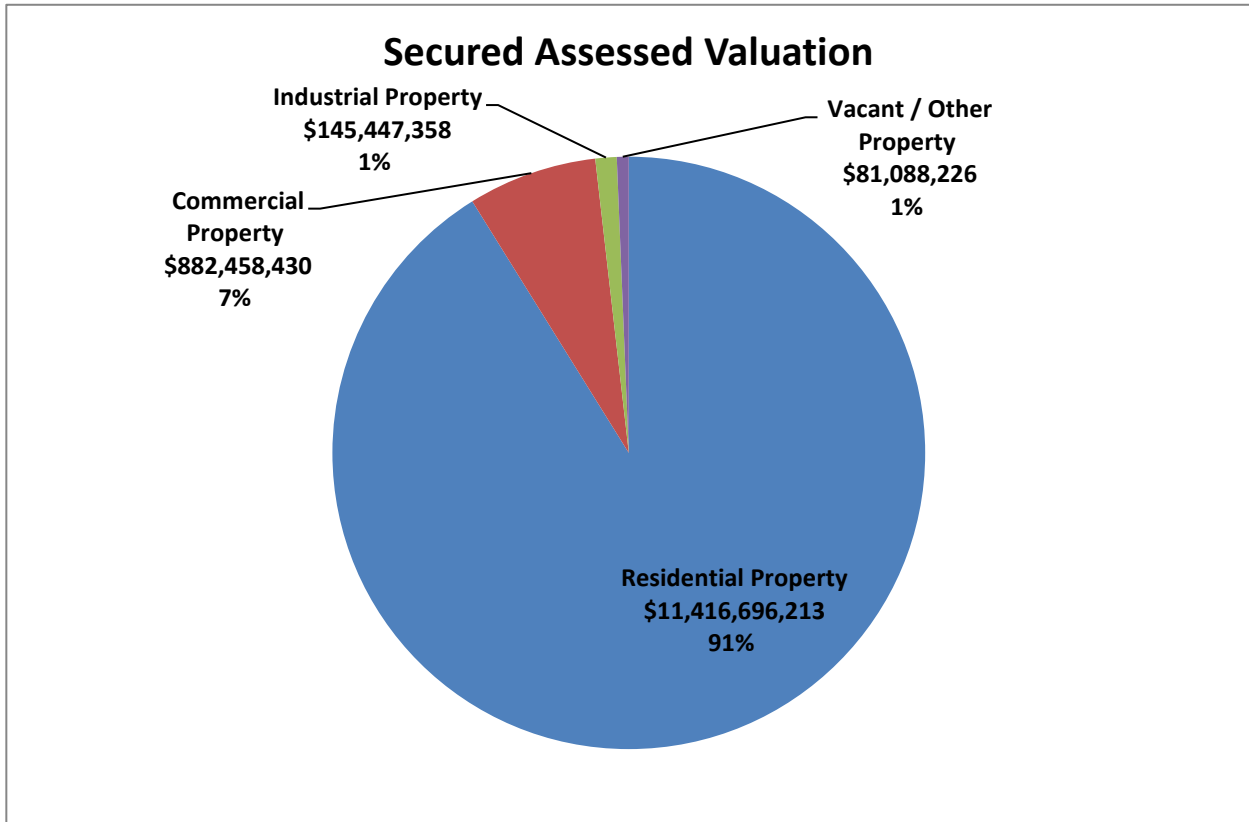


Fiscal Year	Local Secured	Utility	Unsecured	Total Assessed Value (2)	Total Direct Tax Rate (1)
2014	\$ 7,663,965,941	\$ -	\$ 172,299,271	\$ 7,836,265,212	1.00%
2015	8,225,877,140	-	189,597,716	8,415,474,856	1.00%
2016	8,833,628,940	-	196,795,656	9,030,424,596	1.00%
2017	9,432,024,256	-	204,627,962	9,636,652,218	1.00%
2018	9,921,118,243	-	218,368,646	10,139,486,889	1.00%
2019	10,433,569,671	-	237,380,425	10,670,950,096	1.00%
2020	10,924,785,057	-	282,330,778	11,207,115,835	1.00%
2021	11,416,761,145	-	290,609,405	11,707,370,550	1.00%
2022	11,830,670,575	-	280,303,250	12,110,973,825	1.00%
2023	12,525,690,227	-	360,824,506	12,886,514,733	1.00%

(1) California cities do not set their own direct tax rate. The state constitution establishes the tax rate at 1.00% and allocates a portion of that amount by an annual calculation, to all taxing entities within a tax rate area.

Source: California Municipal Statistics, Inc

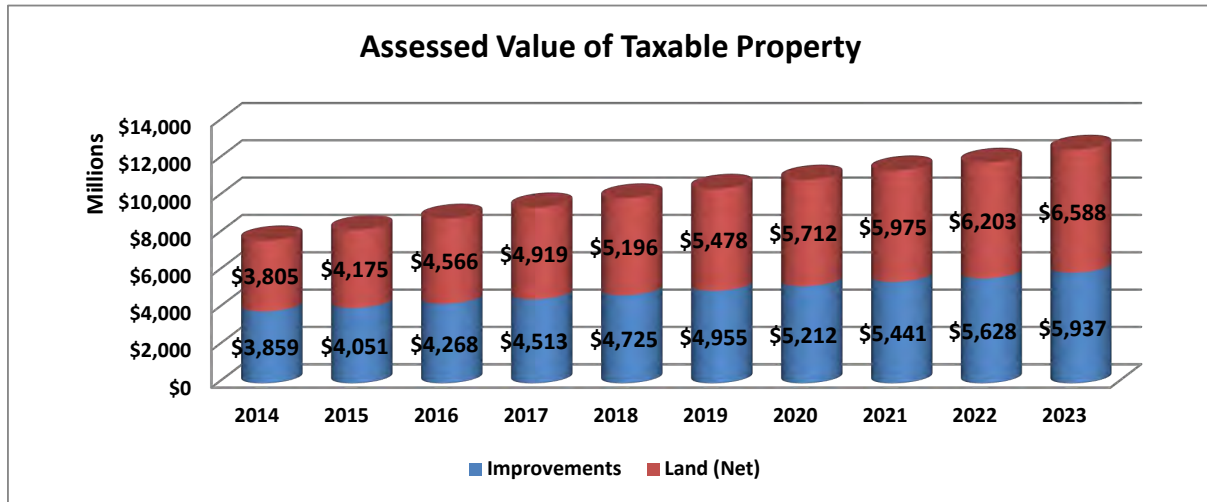
**Southern Marin Fire Protection District
Secured Assessed Valuation
Fiscal Year 2021 - 2022**



Residential Property	Commercial Property	Industrial Property	Vacant / Other Property	Total Secured Property
\$ 11,416,696,213	\$ 882,458,430	\$ 145,447,358	\$ 81,088,226	\$ 12,525,690,227

Source: California Municipal Statistics, Inc

**Southern Marin Fire Protection District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years**



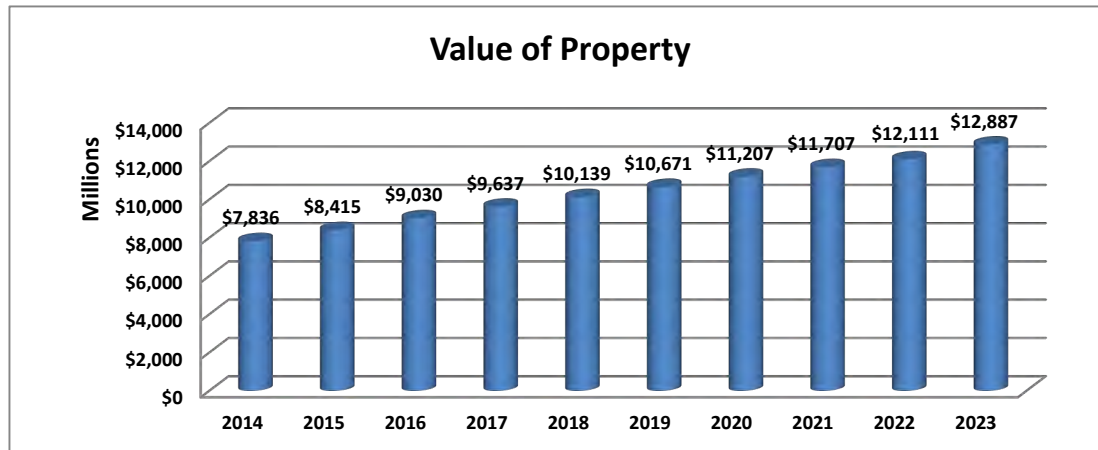
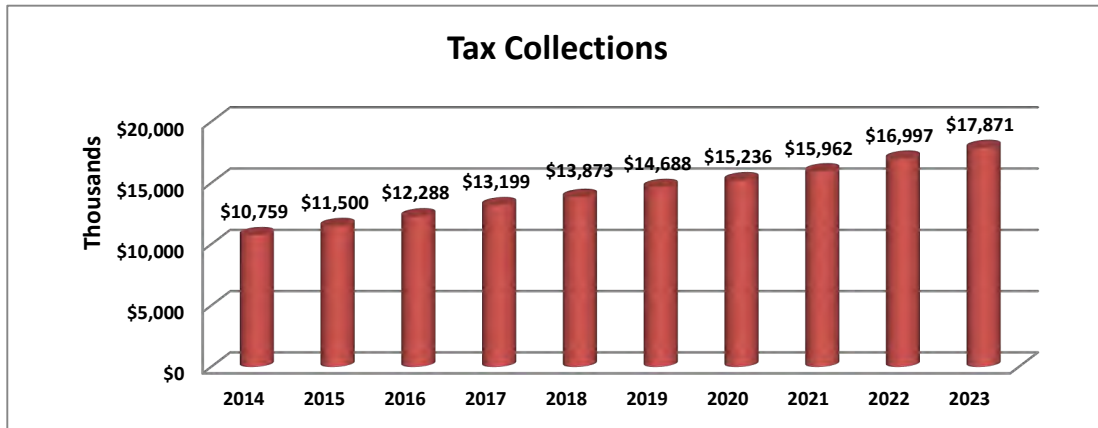
Fiscal Year	Land	Improvements	Other	Exemptions	Total Secured Assessed Value
2014	\$ 3,910,403,899	\$ 3,849,404,157	\$ 9,852,972	\$ (105,695,087)	\$ 7,663,965,941
2015	4,263,288,383	4,040,249,423	10,834,196	(88,494,862)	8,225,877,140
2016	4,652,462,129	4,257,923,835	9,692,602	(86,449,626)	8,833,628,940
2017	5,006,866,310	4,503,670,324	9,642,937	(88,155,315)	9,432,024,256
2018	5,286,598,087	4,716,862,863	8,484,633	(90,827,340)	9,921,118,243
2019	5,570,985,980	4,944,220,575	11,038,643	(92,675,527)	10,433,569,671
2020	5,838,442,089	5,204,505,429	7,828,415	(125,990,876)	10,924,785,057
2021	6,102,777,981	5,432,479,840	8,928,123	(127,424,799)	11,416,761,145
2022	6,335,935,037	5,619,400,977	8,568,508	(133,233,947)	11,830,670,575
2023	6,723,822,537	5,927,313,743	9,912,734	(135,358,787)	12,525,690,227

Fiscal Year	Total Secured Assessed Value	Utility	Unsecured Property	Total Assessed Value (2)	Estimated Market Value (1)
2014	7,663,965,941	-	172,299,271	7,836,265,212	7,836,265,212
2015	8,225,877,140	-	189,597,716	8,415,474,856	8,415,474,856
2016	8,833,628,940	-	196,795,656	9,030,424,596	9,030,424,596
2017	9,432,024,256	-	204,627,962	9,636,652,218	9,636,652,218
2018	9,921,118,243	-	218,368,646	10,139,486,889	10,139,486,889
2019	10,433,569,671	-	237,380,425	10,670,950,096	10,670,950,096
2020	10,924,785,057	-	282,330,778	11,207,115,835	11,207,115,835
2021	11,416,761,145	-	290,609,405	11,707,370,550	11,707,370,550
2022	11,830,670,575	-	280,303,250	12,110,973,825	12,110,973,825
2023	12,525,690,227	-	360,824,506	12,886,514,733	12,886,514,733

Sources: County of Marin Department of Finance and California Municipal Statistics, Inc

(1) 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 market values.

**Southern Marin Fire Protection District
Property Tax Levies and Collections
Last Ten Fiscal Years**

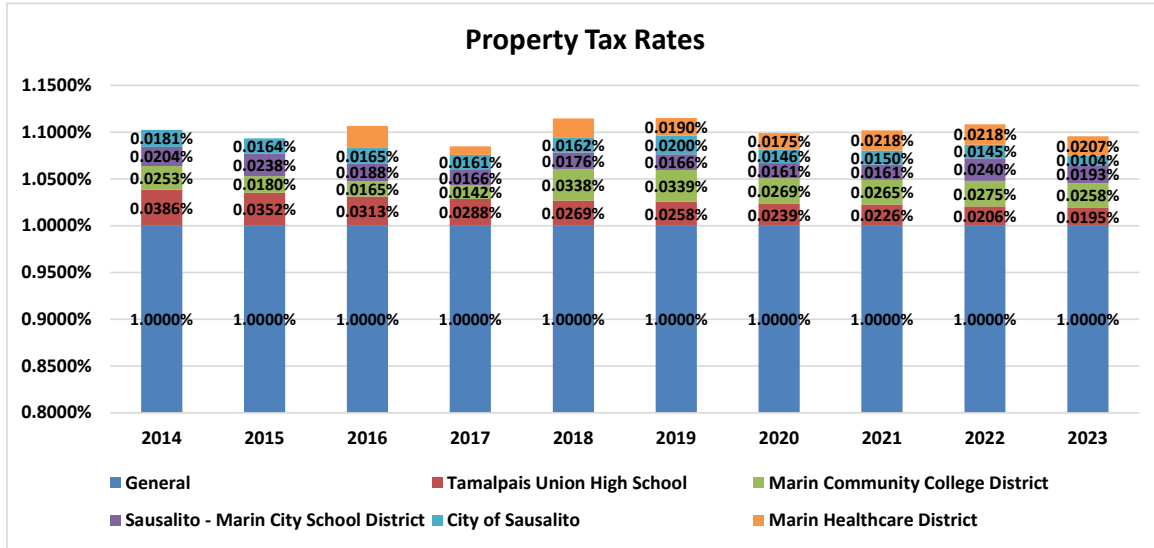


Fiscal Year Ended	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Value of Property Subject to Local Tax Rate
2014	10,758,552	10,758,552	100.0%	7,836,265,212
2015	11,500,352	11,500,352	100.0%	8,415,474,856
2016	12,287,700	12,287,700	100.0%	9,030,424,596
2017	13,198,865	13,198,865	100.0%	9,636,652,218
2018	13,873,494	13,873,494	100.0%	10,139,486,889
2019	14,688,440	14,688,440	100.0%	10,670,950,096
2020	15,236,047	15,236,047	100.0%	11,207,115,835
2021	15,961,951	15,961,951	100.0%	11,707,370,550
2022	16,997,441	16,997,441	100.0%	12,110,973,825
2023	17,871,091	17,871,091	100.0%	12,886,514,733

Note: In 1993, the District entered into an agreement (commonly known as the Teeter Plan) with the County of Marin. Under the Teeter Plan, the District receives 100% of the secured property taxes billed each year without regard to delinquencies. In consideration, the District gives the County of Marin its rights to penalties and interest on delinquent property tax receivables and actual proceeds collected.

Sources: County of Marin Department of Finance and California Municipal Statistics, Inc

**Southern Marin Fire Protection District
Property Tax Rates
All Overlapping Governments
Last Ten Fiscal Years**



	General	Tamalpais Union High School	Marin Community College District	Sausalito - Marin City School District	City of Sausalito	Marin Healthcare District	Total
2014	1.0000%	0.0386%	0.0253%	0.0204%	0.0181%	0.0000%	1.1024%
2015	1.0000%	0.0352%	0.0180%	0.0238%	0.0164%	0.0000%	1.0934%
2016	1.0000%	0.0313%	0.0165%	0.0188%	0.0165%	0.0235%	1.1066%
2017	1.0000%	0.0288%	0.0142%	0.0166%	0.0161%	0.0093%	1.0850%
2018	1.0000%	0.0269%	0.0338%	0.0176%	0.0162%	0.0201%	1.1146%
2019	1.0000%	0.0258%	0.0339%	0.0166%	0.0200%	0.0190%	1.1153%
2020	1.0000%	0.0239%	0.0269%	0.0161%	0.0146%	0.0175%	1.0990%
2021	1.0000%	0.0226%	0.0265%	0.0161%	0.0150%	0.0218%	1.1020%
2022	1.0000%	0.0206%	0.0275%	0.0240%	0.0145%	0.0218%	1.1084%
2023	1.0000%	0.0195%	0.0258%	0.0193%	0.0104%	0.0207%	1.0957%

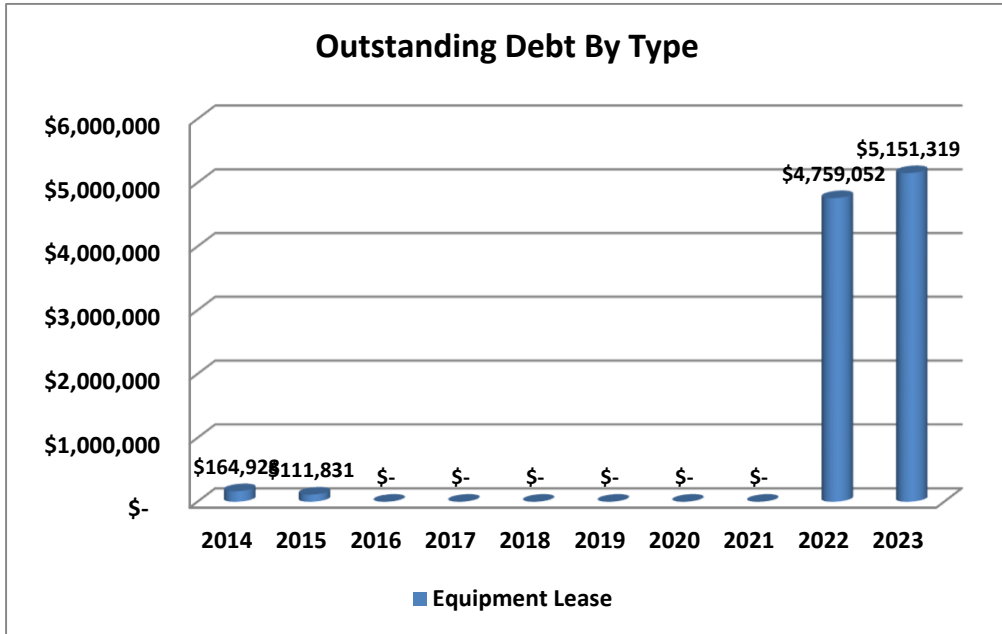
Source: California Municipal Statistics, Inc

**Southern Marin Fire Protection District
Principal Property Taxpayers
Current Year and Nine Years Ago**

Property Taxpayer	Fiscal Year 2022/2023			Fiscal Year 2013/2014		
	Assessed Valuation	Rank	Percent of Assessed Valuation	Assessed Valuation	Rank	Percent of Assessed Valuation
RP Maximus Cove Owner LLC	\$ 172,102,599	1	1.37%	-		0.00%
Strawberry Village Retail	84,306,069	2	0.67%	72,527,911	1	0.95%
Belvedere Place Property Owner	69,112,362	3	0.55%	-		0.00%
North Coast Land Holdings LLC	63,661,495	4	0.51%	-		0.00%
MNCVAD II-Seagate Harbors LLC	55,344,100	5	0.44%	-		0.00%
D. M. Jacobson & Sons Inc.	44,220,905	6	0.35%	21,784,741	8	0.28%
Shoreline Office Center LLC	31,045,016	7	0.25%	-		0.00%
Lotus Hotels -Mill Valley LLC	29,959,499	8	0.24%	-		0.00%
Rachelle Kaliski, Trust	29,544,663	9	0.24%	-		0.00%
Michael Waldman	24,500,000	10	0.20%	-		0.00%
Casa Madrona Hotel & Spa LLC	24,463,003	11	0.20%	12,753,209	15	0.17%
Alta Mira Estate LLC	24,263,244	12	0.19%	-		0.00%
MCSSM LLC	23,830,371	13	0.19%	17,897,646	9	0.23%
Craig and Gillian Dorsey	21,134,175	14	0.17%	-		0.00%
Tottenham Investments Inc.	18,563,417	15	0.15%	16,000,000	10	0.21%
Mariners Landing LLC	17,673,335	16	0.14%	-		0.00%
Pier at Sausalito LLC	16,628,438	17	0.13%	-		0.00%
Woodmont Capital-Casa Roja LP	15,860,306	18	0.13%	-		0.00%
Harrison Holdings LLC	15,725,438	19	0.13%	13,552,178	13	0.18%
Trailhead Apartments at Tam Junction	15,477,639	20	0.12%	-		0.00%
Tracey Cove LP	-		0.00%	65,016,882	2	0.85%
Bently Holdings Cal	-		0.00%	36,000,000	3	0.47%
CA-One & Three Harbor Drive Office	-		0.00%	30,350,000	4	0.40%
CA-Shoreline Office Center Office	-		0.00%	26,577,001	5	0.35%
Felipe R. Santiago, Trust	-		0.00%	25,456,607	6	0.33%
Westcore Marin LLC	-		0.00%	22,859,436	7	0.30%
Central Valley Homes Inc.	-		0.00%	15,834,906	11	0.21%
Walter G. Crump, IV	-		0.00%	15,699,730	12	0.20%
ARE WCP Mill Valley Hotel LLC	-		0.00%	12,956,723	14	0.17%
Marinland Development Co.	-		0.00%	11,506,070	16	0.15%
Lindskog Family Investments	-		0.00%	11,391,881	17	0.15%
Safeway Inc.	-		0.00%	9,301,896	18	0.12%
ICB Associates LLC	-		0.00%	8,911,349	19	0.12%
Anthony J. Marterie	-		0.00%	8,405,739	20	0.11%
Total	\$ 797,416,074		6.37%	\$ 454,783,905		5.95%
Local Secured Assessed Valuation	\$ 12,525,690,227			\$ 7,663,965,941		

Source: California Municipal Statistics, Inc

**Southern Marin Fire Protection District
Ratio of Outstanding Debt By Type
Last Ten Fiscal Years**



Fiscal Year	Equipment Lease	Total Primary		Total Population	Per Capita
		Government			
2014	164,928	164,928		26,104	6.32
2015	111,831	111,831		26,308	4.25
2016	-	-		26,291	-
2017	-	-		26,263	-
2018	-	-		26,175	-
2019	-	-		26,139	-
2020	-	-		26,023	-
2021	-	-		25,642	-
2022	4,759,052	4,759,052		25,138	189.32
2023	5,151,319	5,151,319		24,712	208.45

Sources: Southern Marin Fire Protection District audited financial statements and California Department of Finance

**Southern Marin Fire Protection District
Computation of Direct and Overlapping Debt
June 30, 2023**

2022 / 23 Assessed Valuation \$ 12,886,514,733

<u>OVERLAPPING TAX AND ASSESSMENT DEBT</u>	<u>Total Debt 6/30/2023</u>	<u>Percentage Applicable (1)</u>	<u>District's Share of Debt 6/30/2023</u>
Marin Community College District	\$ 569,640,000	13.502%	\$ 76,912,793
Tamalpais Union High School District	\$ 74,340,000	22.546%	16,760,696
Mill Valley School District	\$ 59,832,032	46.536%	27,843,434
Reed Union School District	\$ 14,995,000	13.418%	2,012,029
Sausalito Marin City School District	\$ 56,100,000	91.333%	51,237,813
City of Sausalito	\$ 9,443,894	100.000%	9,443,894
Marin Healthcare District	\$ 464,745,000	16.158%	75,093,497
Marin Emergency Radio Authority	\$ 26,295,000	11.270%	2,963,447
Belvedere-Tiburon Library District Community Facilities District No. 95-1	\$ 410,000	14.996%	61,484
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 262,329,087
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT</u>			
Marin County General Fund Obligations	\$ 73,930,000	13.483%	\$ 9,967,982
Marin County Pension Obligation Bonds	\$ 52,050,000	13.483%	7,017,902
Marin Community College District General Fund Obligations	\$ 11,268,897	13.502%	1,521,526
City of Sausalito General Fund Obligations	\$ 3,830,000	100.000%	3,830,000
Marin County Service Area No. 14 General Fund Obligations	\$ 1,291,465	97.704%	1,261,813
Richardson Bay Sanitary District Pension Obligation Bonds	\$ 2,124,000	70.608%	1,499,714
Southern Marin Fire Protection District General Fund Obligations	\$ -	100.000%	5,151,319
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 30,250,256
TOTAL DIRECT DEBT			\$ -
TOTAL OVERLAPPING DEBT			\$ 292,579,343
COMBINED TOTAL DEBT			\$ 292,579,343 (2)

(1) The percentage of overlapping debt applicable to the District is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping District's assessed value that is within the boundaries of Southern Marin Fire Protection District divided by the overlapping District's total taxable assessed value.

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

RATIOS TO 2022 / 23 ASSESSED VALUATION

Total Overlapping Tax and Assessment Debt	2.04%
Total Direct Debt (\$0)	0.00%
Combined Total Debt	2.27%

Source: California Municipal Statistics, Inc

**Southern Marin Fire Protection District
Computation of Legal Bonded Debt Margin
June 30, 2023**

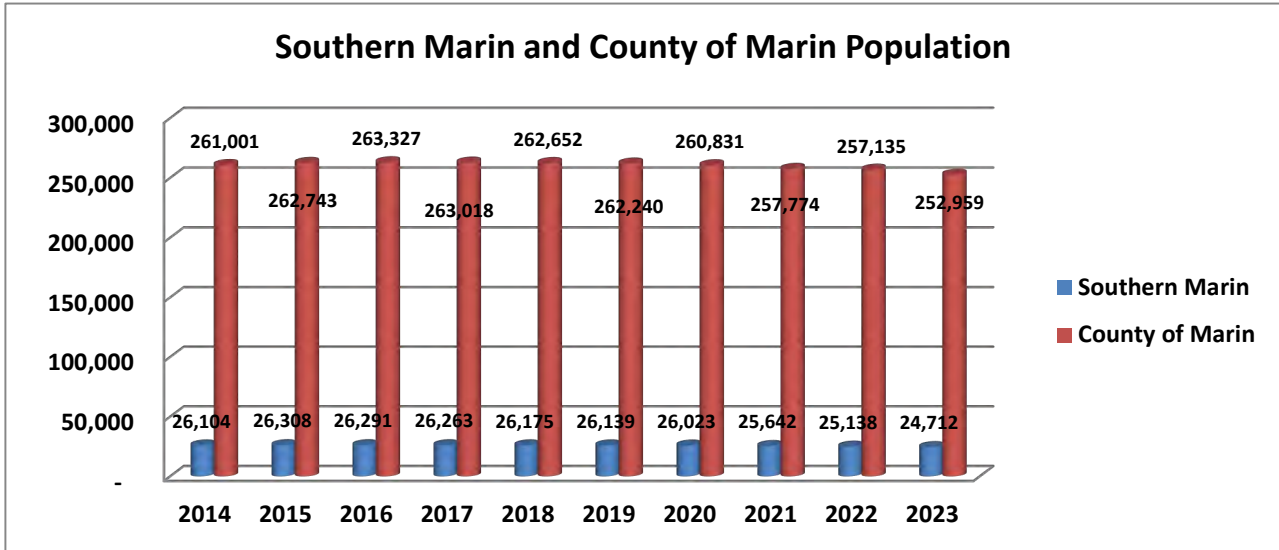
Gross Assessed Valuation	\$ 12,886,514,733
Debt Margin Ratio (1)	3.75%
Debt Margin	<u>\$ 483,244,302</u>
Less: Outstanding General Obligations	<u>-</u>
Legal Bonded Debt Margin	<u><u>\$ 483,244,302</u></u>

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt</u>		<u>Legal Debt Margin</u>	<u>Percentage of</u>
		<u>Applicable to Limit</u>	<u>Legal Debt Margin</u>	<u>Debt Limit</u>	<u>Total Net Debt</u>
					<u>Applicable to the</u>
					<u>Limit as</u>
					<u>Percentage of</u>
					<u>Debt Limit</u>
2014	\$ 293,859,945	\$ -	\$ 293,859,945	0.00%	
2015	315,580,307	-	315,580,307	0.00%	
2016	338,640,922	-	338,640,922	0.00%	
2017	361,374,458	-	361,374,458	0.00%	
2018	380,230,758	-	380,230,758	0.00%	
2019	400,160,629	-	400,160,629	0.00%	
2020	420,266,844	-	420,266,844	0.00%	
2021	439,026,396	-	439,026,396	0.00%	
2022	454,161,518	-	454,161,518	0.00%	
2023	483,244,302	-	483,244,302	0.00%	

(1) California Government Code, Section 43605 sets the debt limit at 15%. The Code section was enacted when assessed valuations were based on 25% of full market value. This has since changed to 100% of full market value. Thus, the limit shown is 3.75% (one-fourth the limit of 15%).

Source: California Municipal Statistics, Inc

**Southern Marin Fire Protection District
Demographic Statistics
Last Ten Fiscal Years**

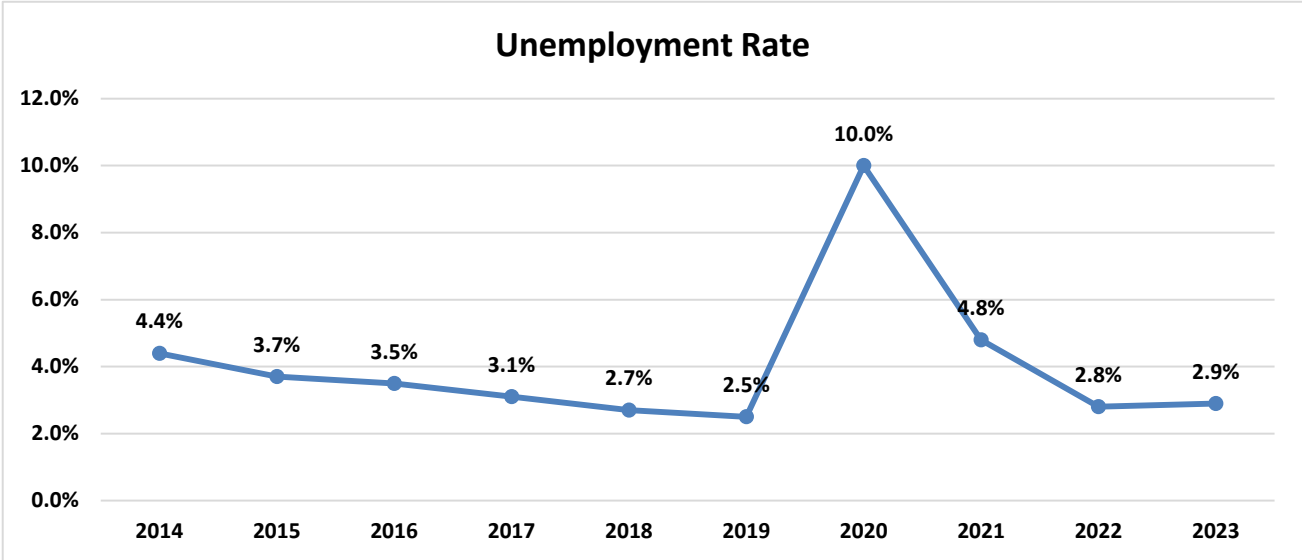


Fiscal Year	City of			% Change	County of Marin	% of County
	Sausalito Population	Unincorporated Population (1)	Total Population			
2014	7,286	18,818	26,104	#DIV/0!	261,001	10.0%
2015	7,368	18,940	26,308	0.8%	262,743	10.0%
2016	7,385	18,906	26,291	-0.1%	263,327	10.0%
2017	7,372	18,891	26,263	-0.1%	263,018	10.0%
2018	7,326	18,849	26,175	-0.3%	262,652	10.0%
2019	7,301	18,838	26,139	-0.1%	262,240	10.0%
2020	7,252	18,771	26,023	-0.4%	260,831	10.0%
2021	7,355	18,287	25,642	-1.5%	257,774	9.9%
2022	7,072	18,066	25,138	-2.0%	257,135	9.8%
2023	6,865	17,847	24,712	-1.7%	252,959	9.8%

(1) Estimated

Source: California Department of Finance

**Southern Marin Fire Protection District
Economic Statistics
Last Ten Fiscal Years**



<u>Fiscal Year</u>	<u>Unemployment Rate</u>
2014	4.4%
2015	3.7%
2016	3.5%
2017	3.1%
2018	2.7%
2019	2.5%
2020	10.0%
2021	4.8%
2022	2.8%
2023	2.9%

Source: California Employment Development Department - County of Marin

**Southern Marin Fire Protection District
Summary of District Activities
Fiscal Year 2022-2023**

Category / Description	2022-2023	2021-2022	Change	% Change
District Population	24,712	25,138	(426)	-1.7%
Total Number of Employees	67	59	8	13.6%
Total Incidents	4,685	4,611	74	1.6%
Fire / Explosion Incidents	67	76	(9)	-11.8%
Property Loss	\$ 245,000	\$ 100,000	\$ 145,000	145.0%
False Alarm Incidents	258	322	(64)	-19.9%
Rescue / Emergency Medical Incidents	3,386	3,216	170	5.3%
Ratio - Rescue / Emergency Medical Incidents to All Incidents	72%	70%	2.5%	3.6%
Average Response Time - Rescue / Emergency Medical Incidents	07:06	07:51	(00:45)	-9.5%
Hour of Day With Highest Call Frequency	2 - 3 P.M. 322	12-1 P.M. 309	13	4.2%
Hour of Day With Lowest Call Frequency	4 - 5 A.M. 73	4 - 5 A.M. 64	9	14.1%

Sources: California Department of Finance and Employment Development Department, District Emergency Response System database, Annual Budget

Southern Marin Fire Protection District
Apparatus Inventory
Fiscal Year 2022 / 2023

Southern Marin Fire Protection District operates a fleet of modern firefighting apparatus that support our highly trained personnel in their duties of fire suppression, rescue, and emergency medical services (EMS) delivery.

District Apparatus by Station:

Station 1

- Engine 1 - Pierce Type 1 Engine
- Medic 1* - ALS Ambulance
- IRB 1 - Inflatable Rescue Boat
- Dive Rescue 1 - Dive Team Tender
- Fire Boat Liberty - 40' Metalcraft Fire Boat
- RWC 1 - Yamaha Rescue Watercraft
- RWC 2 - Yamaha Rescue Watercraft

Station 4

- Engine 4 - Pierce Type 1 Engine
- Truck 4 - Pierce Tiller Aerial Ladder
- Engine 604 - Pierce Type 3 Wildland Engine
- Medic 4* - ALS Ambulance

Station 9

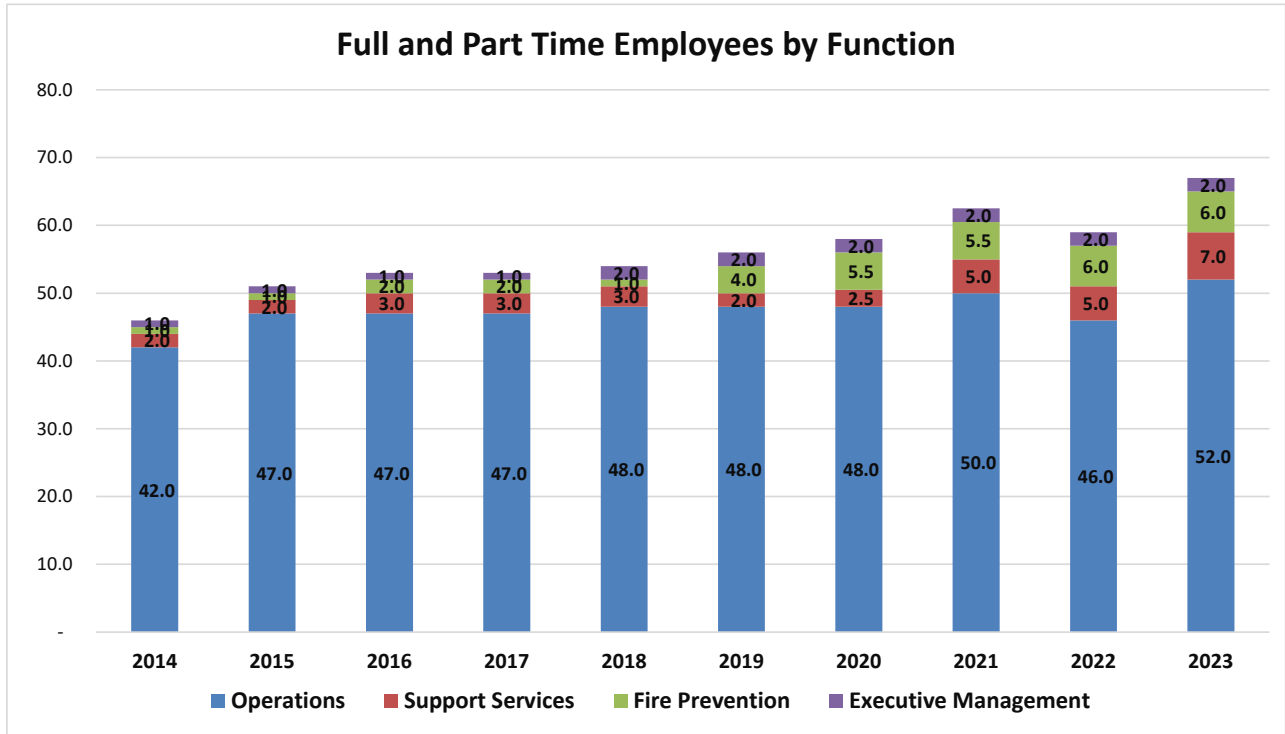
- Engine 9 - Pierce Type 1 Engine
- Rescue 9* - Pierce Medium Duty Rescue
- Battalion 1 or 2 - Command Unit
- Engine 2 - Pierce Type 1 Engine (Reserve)
- 15R8 and 15R9 - Marin County Fire Rescue Watercraft
- Southern Marin Fire Rescue Watercraft

**Owned by Southern Marin Emergency Paramedic Service (SMEMPS)*

Source: Southern Marin Fire Protection District Operations Division



**Southern Marin Fire Protection District
Full-time and Part-time Employees By Function
Last Ten Fiscal Years**

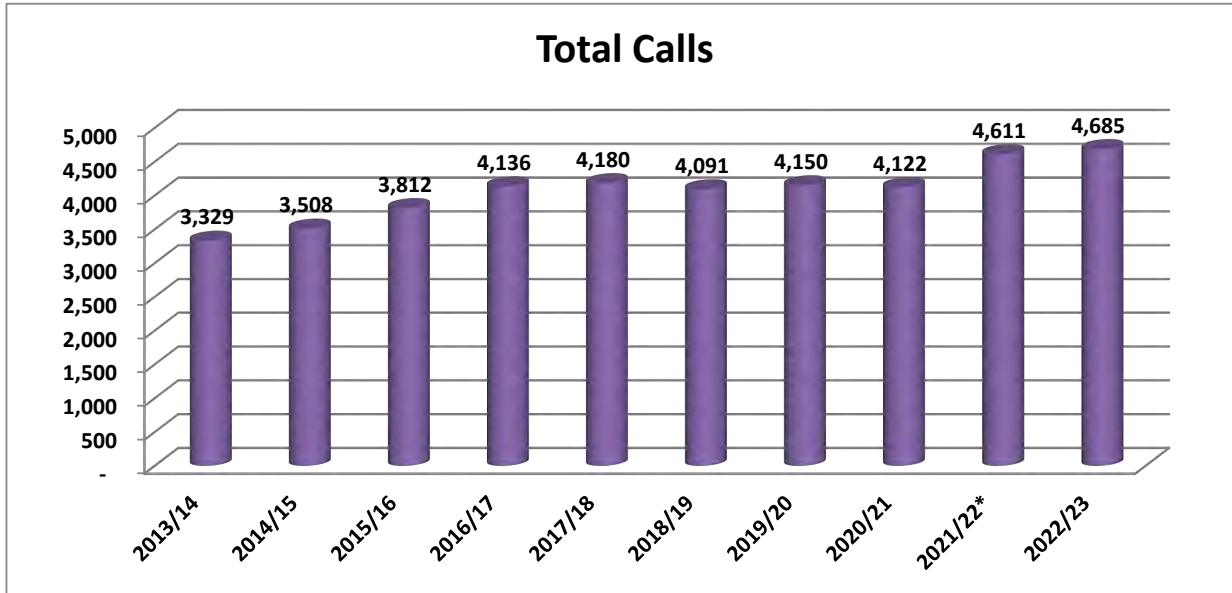


Fiscal Year Ended June 30

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Public Safety:										
Executive Management	1.0	1.0	1.0	1.0	2.0	2.0	2.0	2.0	2.0	2.0
Operations	42.0	47.0	47.0	47.0	48.0	48.0	48.0	50.0	46.0	52.0
Fire Prevention	1.0	1.0	2.0	2.0	1.0	4.0	5.5	5.5	6.0	7.0
Support Services	2.0	2.0	3.0	3.0	3.0	2.0	2.5	5.0	5.0	6.0
Total Public Safety	<u>46.0</u>	<u>51.0</u>	<u>53.0</u>	<u>53.0</u>	<u>54.0</u>	<u>56.0</u>	<u>58.0</u>	<u>62.5</u>	<u>59.0</u>	<u>67.0</u>

Source: Annual Budgets - funded positions

**Southern Marin Fire Protection District
Comparative Annual Graph - Total Responses
Last Ten Fiscal Years**



<u>Fiscal Year</u>	<u>Total Calls</u>
2013/14	3,329
2014/15	3,508
2015/16	3,812
2016/17	4,136
2017/18	4,180
2018/19	4,091
2019/20	4,150
2020/21	4,122
2021/22*	4,611
2022/23	4,685

**Calls increased due to responding to more calls in Mill Valley, Medic 6 taken out of service*

Source: Southern Marin Fire District database, Emergency Reporting Systems

Southern Marin Fire Protection District Emergency Response Category Definitions

Fire, Explosion: This category includes fire responses, even if the fire has been extinguished upon arrival. This category also includes combustion explosions with no resulting fire. Examples of this category include structure fires, rubbish fires, dumpster fires and vehicle fires.

Over-Pressure/Rupture: This category includes vessels or containers that suffer failure or near failure due to extreme pressure from either an outside source, such as direct heating, or internally due to a cooling system failure or over-filling, such as a propane tank. Examples of this category also include explosions from bombs, dynamite, or similar explosives.

Rescue/EMS Call: This category includes all medical aids, illnesses, and heart attacks, as well as traffic accidents and missing persons.

Hazardous Condition Standby: This category includes Hazardous Materials incidents; electrical wire arcing; suspected drug labs; or situations where there is a perceived problem that may prove to be a potential emergency.

Service Call: This category includes incidents for persons in distress, such as a lock-in or lock-out of a vehicle or dwelling creating an emergency situation or critical need, and smoke or odor problems. This category would also include moving units from one station to another to provide area coverage.

Good Intent Call: This category includes incidents that are cleared prior to arrival, such as a medical aid where the injured party has left the scene, or the initial information indicated that there were injuries and upon arrival no persons were injured. This category may also include calls where the informant has mistaken steam for smoke.

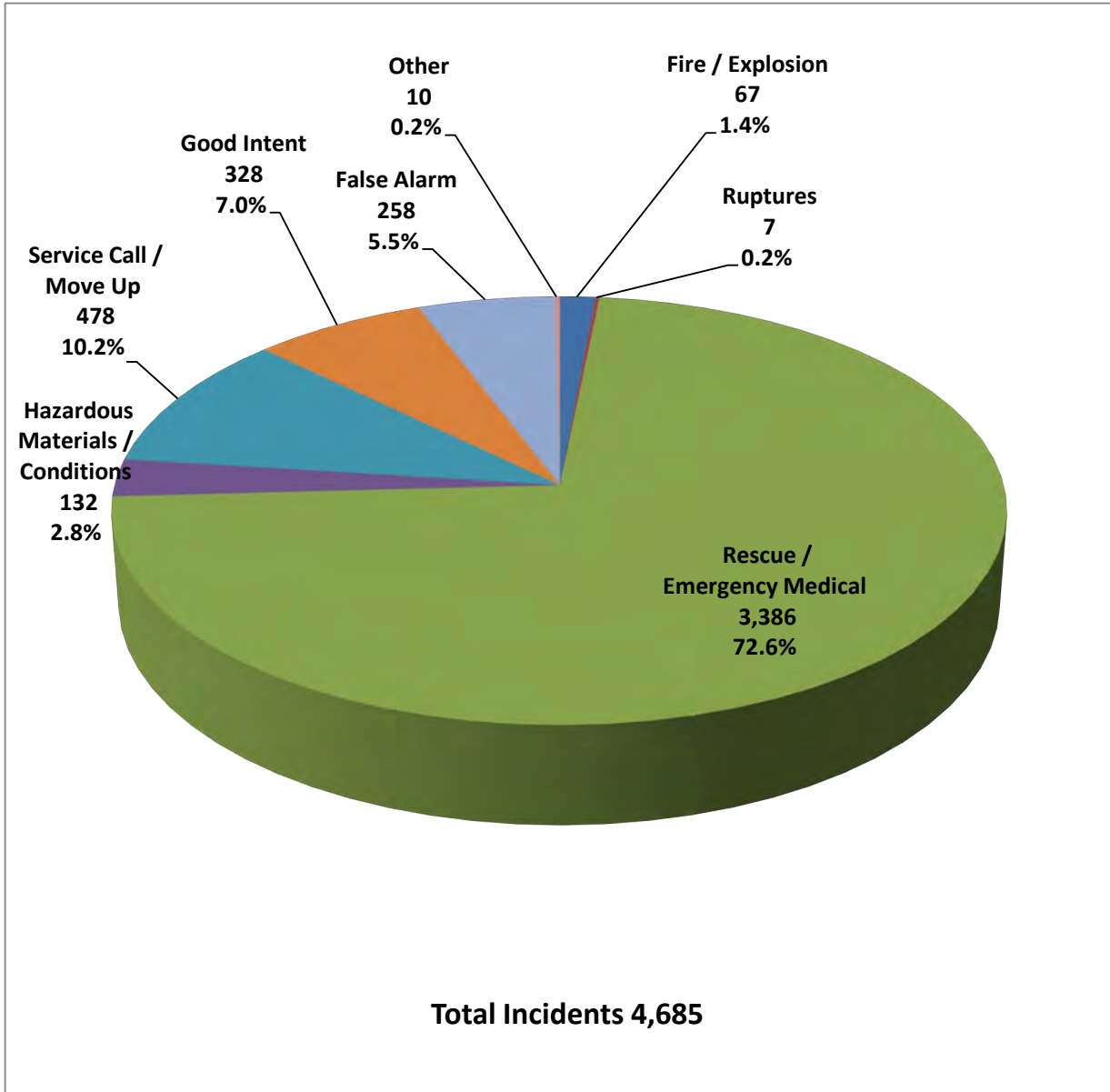
False Alarm: Some examples of the incidents in this category are malicious mischief calls, system malfunctions and the accidental tripping of an interior alarm sensor or device.

Natural Disaster: This category includes incidents that are not normal occurrences, such as earthquakes, lightning strikes, hurricanes and other weather or natural events.

Other: This includes citizen complaints and reports of fire code or ordinance violations.

Source: Southern Marin Fire Protection District Operations Division

Southern Marin Fire Protection District
Emergency Responses by Incident Type
Fiscal Year 2022-2023



Source: Southern Marin Fire District NFIRS database, Emergency Reporting Systems

**Southern Marin Fire Protection District
Emergency Response Detail Analysis
Fiscal Year 2022-2023**

Incident Code	Category / Description	Total Incidents	Total Dollar Loss	Acres Burned
Fire / Explosion				
100	Fire, other	5	\$ -	-
111	Building fire	15	245,000	-
113	Cooking fire, confined to container	3	-	-
114	Chimney or flue fire, confined to chimney or flue	3	-	-
118	Trash or rubbish fire, contained	3	-	-
123	Trash or rubbish fire, contained	1	-	-
130	Mobile property (vehicle) fire, other	2	-	-
131	Passenger vehicle fire	9	-	-
140	Natural vegetation fire, other	4	-	-
141	Forest, woods or wildland fire	10	-	2.5
142	Brush, or brush and grass mixture fire	1	-	-
143	Grass fire	1	-	-
150	Outside rubbish fire, other	3	-	-
151	Outside rubbish, trash or waste fire	3	-	-
154	Dumpster or other outside trash receptacle fire	2	-	-
160	Special outside fire, other	1	-	-
162	Outside equipment fire	1	-	-
Total Fire / Explosion		67	245,000	2.5
Over-Pressure / Rupture				
200	Overpressure rupture, explosion, overheat	1	-	-
251	Excessive heat, scorch burns with no ignition	6	-	-
Total Over-Pressure / Rupture		7	-	-
Rescue / EMS Call				
300	Rescue, emergency medical call (EMS) call, other	3	-	-
311	Medical assist, assist EMS crew	9	-	-
320	Emergency medical service, other (conversion only)	28	-	-
321	EMS call, excluding vehicle accident with injury	3,129	-	-
322	Vehicle accident with injuries	111	-	-
323	Motor vehicle/pedestrian accident (MV Ped)	21	-	-
324	Motor vehicle accident with no injuries	15	-	-
352	Extrication of victim(s) from vehicle	34	-	-
353	Removal of victim(s) from stalled elevator	1	-	-
354	Trench/below grade rescue	1	-	-
356	High angle rescue	4	-	-
360	Water & ice related rescue, other	24	-	-
361	Swimming/recreational water areas rescue	1	-	-
365	Watercraft rescue	1	-	-
381	Rescue or EMS standby	1	-	-
Total Rescue / EMS Call		3,386	-	-

(Continued)

**Southern Marin Fire Protection District
Emergency Response Detail Analysis
Fiscal Year 2022-2023**

(Continued)

Incident Code	Category / Description	Total Incidents	Total Dollar Loss	Acres Burned
Hazardous Condition				
400	Hazardous condition, other	11	-	-
410	Flammable gas or liquid condition, other	1	-	-
411	Gasoline or other flammable liquid spill	2	-	-
412	Gas leak (natural gas or LPG)	25	-	-
420	Toxic condition, other	1	-	-
424	Carbon monoxide incident	7	-	-
440	Electrical wiring/equipment problem, other	18	-	-
441	Heat from short circuit (wiring), defective/worn	1	-	-
442	Overheated motor	2	-	-
444	Power line down	61	-	-
445	Arcing, shorted electrical equipment	3	-	-
Total Hazardous Condition		132	-	-
Service Call				
500	Service Call, other	44	-	-
510	Person in distress, other	3	-	-
511	Lock out	1	-	-
520	Water problem, other	3	-	-
521	Water evacuation	1	-	-
522	Water or steam leak	1	-	-
531	Smoke or odor removal	11	-	-
550	Public service assistance, other	263	-	-
551	Assist police or other governmental agency	6	-	-
552	Police matter	15	-	-
553	Public service	52	-	-
554	Assist invalid	77	-	-
571	Cover assignment, standby, moveup	1	-	-
Total Service Call		478	-	-

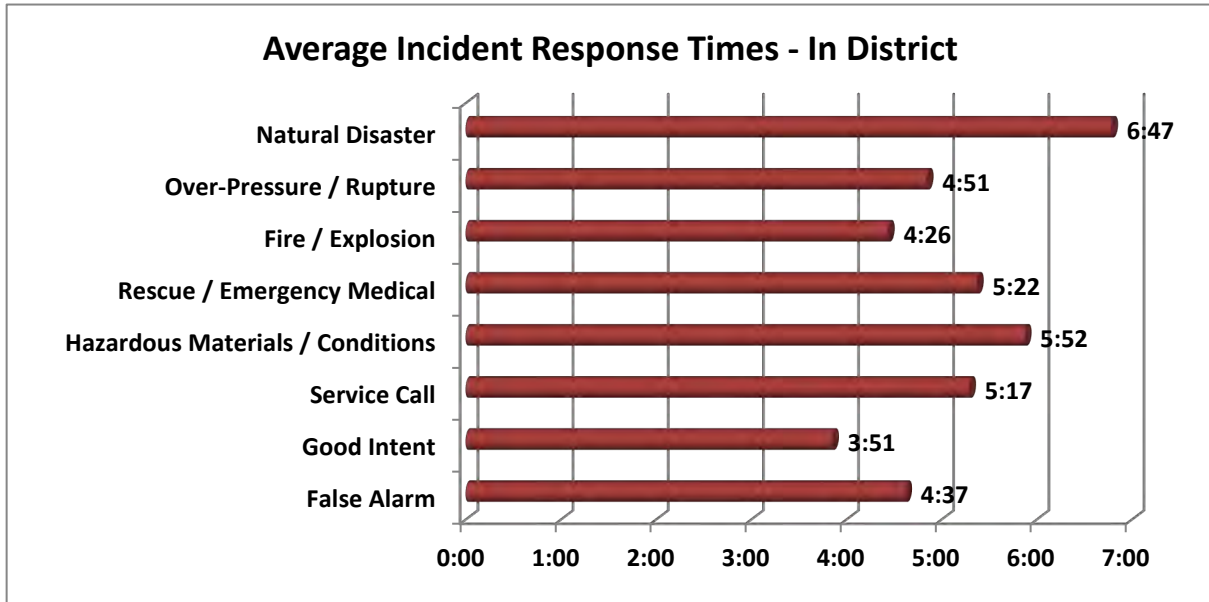
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**Southern Marin Fire Protection District
Emergency Response Detail Analysis
Fiscal Year 2022-2023**

(Continued)

Incident Code	Category / Description	Total Incidents	Total Dollar Loss	Acres Burned
Good Intent				
600	Good intent call, other	46	-	-
611	Dispatched & canceled en route	184	-	-
622	No incident found on arrival at dispatch address	38	-	-
631	Authorized controlled burning	1	-	-
641	Vicinity alarm (incident in other location)	1	-	-
650	Steam, other gas mistaken for smoke, other	4	-	-
651	Smoke scare, odor of smoke	43	-	-
652	Steam, vapor, fog or dust thought to be smoke	4	-	-
653	Barbecue, tar kettle	2	-	-
672	Biological hazard investigation, none found	5	-	-
Total Good Intent		328	-	-
False Alarm				
700	False alarm or false call, other	38	-	-
710	Malicious, mischievous false call, other	1	-	-
713	Telephone, malicious false alarm	1	-	-
714	Central station, malicious false alarm	1	-	-
715	Local alarm system, malicious false alarm	1	-	-
730	System malfunction, other	2	-	-
731	Sprinkler activation due to malfunction	1	-	-
733	Smoke detector activation due to malfunction	24	-	-
734	Heat detector activation due to malfunction	1	-	-
735	Alarm system sounded due to malfunction	150	-	-
736	CO detector activation due to malfunction	10	-	-
741	Sprinkler activation, no fire - unintentional	1	-	-
743	Smoke detector activation, no fire unintentional	16	-	-
744	Detector activation, no fire unintentional	3	-	-
745	Alarm system activation, no fire unintentional	5	-	-
746	Carbon monoxide detector activation, no CO	3	-	-
Total False Alarm		258	-	-
Natural Disaster				
800	Severe wather or natural disaster, other	11	-	-
812	Flood assessment	1	-	-
813	Wind storm, tornado/hurricane assessment	7	-	-
Total Natural Disaster		19	-	-
Other				
900	Special type of incident, other	9	-	-
911	Citizen complaint	1	-	-
Total Other		10	-	-
Grand Total		4,685	245,000	2.5

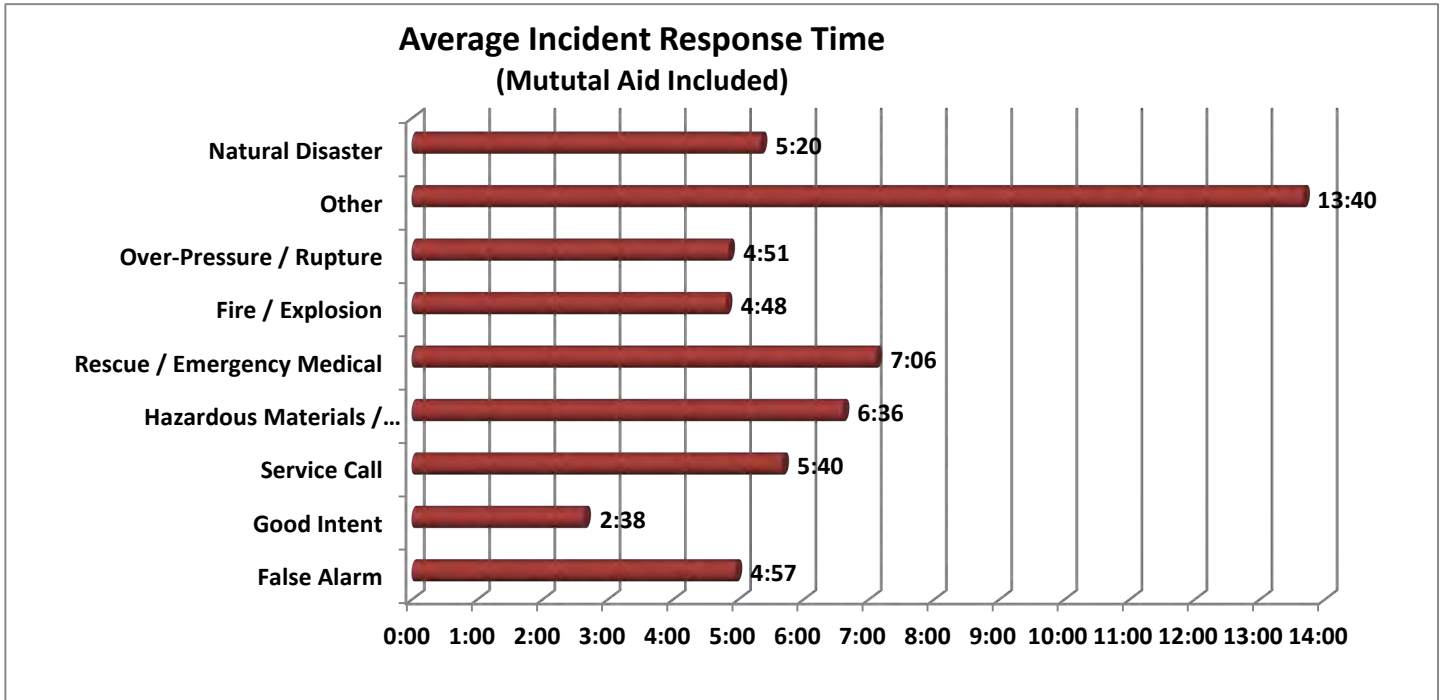
**Southern Marin Fire Protection District
Average Incident Response Time
Fiscal Year 2022-2023**



<u>Incident Type</u>	<u>Average Response Time Minutes</u>
Fire / Explosion	4:26
Over-Pressure / Rupture	4:51
Rescue / Emergency Medical	5:22
Hazardous Materials / Conditions	5:52
Service Call	5:17
Good Intent	3:51
False Alarm	4:37
Natural Disaster	6:47

Source: Southern Marin Fire District database, Emergency Reporting Systems

**Southern Marin Fire Protection District
Average Incident Response Time
Fiscal Year 2022-2023**

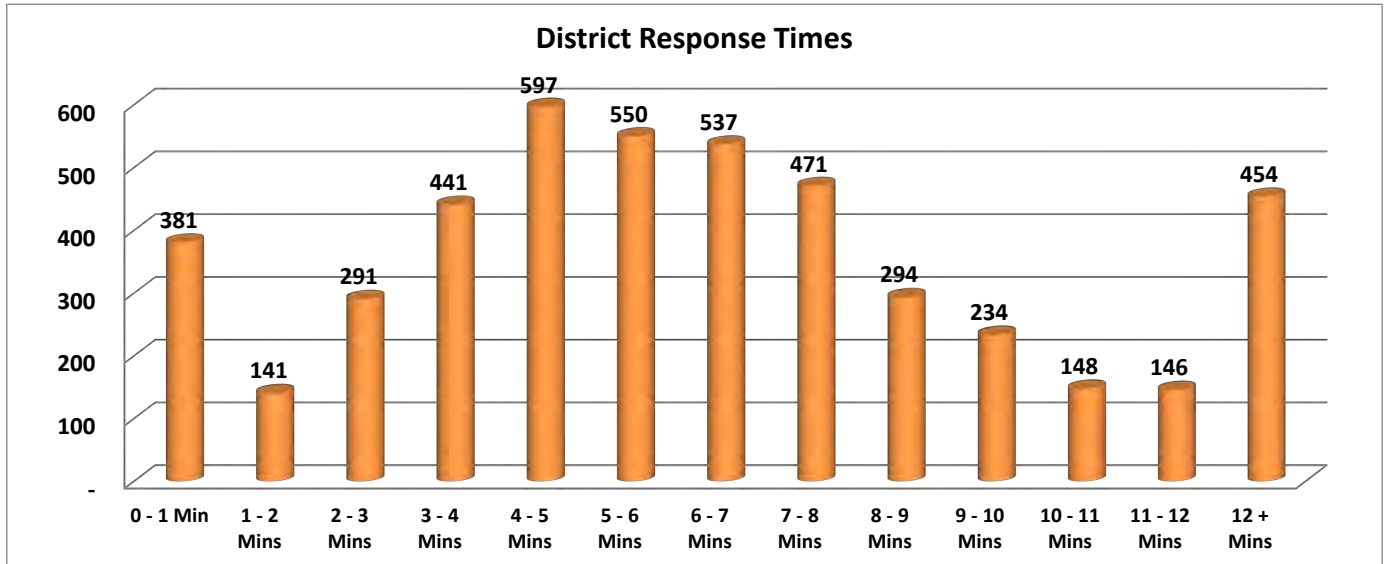


<u>Incident Type</u>	<u>Average Response Time Minutes</u>
Fire / Explosion	4:48
Over-Pressure / Rupture	4:51
Rescue / Emergency Medical	7:06
Hazardous Materials / Conditions	6:36
Service Call	5:40
Good Intent	2:38
False Alarm	4:57
Other	13:40
Natural Disaster	5:20

Source: Southern Marin Fire District database, Emergency Reporting Systems

Out of County and Pre-positioning responses excluded due to required shift coverage before team can respond

**Southern Marin Fire Protection District
District Response Times
Fiscal Year 2022-2023**

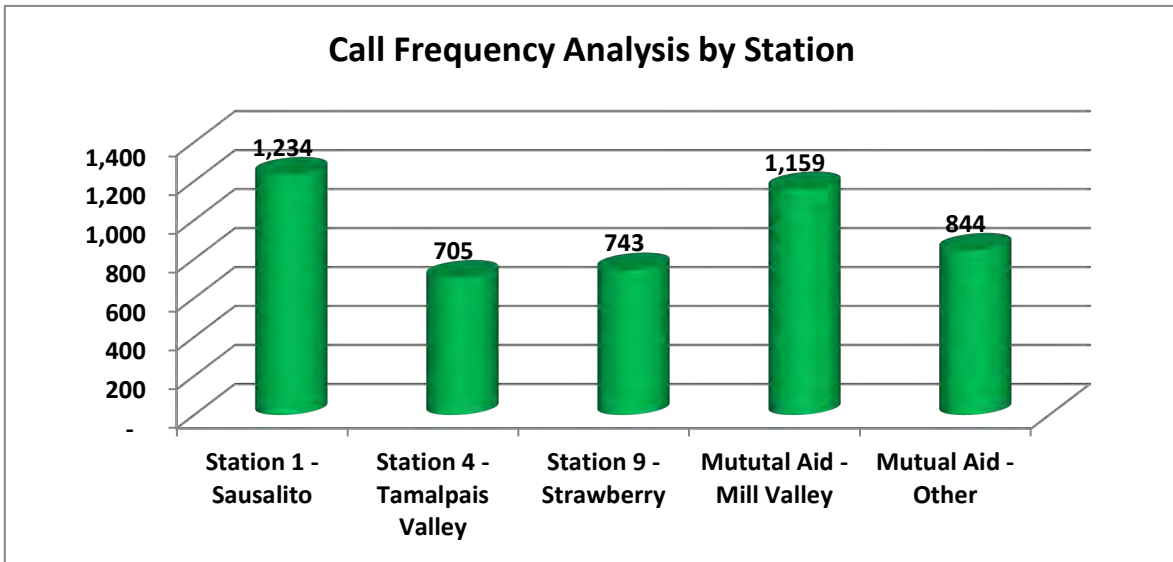


Incident Type	0 - 1 Min	1 - 2 Mins	2 - 3 Mins	3 - 4 Mins	4 - 5 Mins	5 - 6 Mins	6 - 7 Mins	7 - 8 Mins	8 - 9 Mins	9 - 10 Mins	10 - 11 Mins	11 - 12 Mins	12 + Mins	Total
Fire / Explosion	11	7	4	6	11	10	4	3	6	1	1	-	3	67
Over-Pressure / Rupture	1	-	-	1	2	1	1	-	1	-	-	-	-	7
Rescue / Emergency Medical	79	94	217	327	449	411	410	370	222	192	123	123	369	3,386
Hazardous Materials / Conditions	12	5	8	18	18	9	16	12	11	7	3	1	12	132
Service Call	55	9	28	40	48	61	56	56	30	24	11	15	45	478
Good Intent	191	6	7	15	25	25	18	11	10	5	4	2	9	328
False Alarm	25	18	26	34	43	31	30	17	12	4	5	5	8	258
Natural Disaster	5	2	-	-	1	2	1	2	2	1	-	-	3	19
Other	2	-	1	-	-	-	1	-	-	-	1	-	5	10
Total	<u>381</u>	<u>141</u>	<u>291</u>	<u>441</u>	<u>597</u>	<u>550</u>	<u>537</u>	<u>471</u>	<u>294</u>	<u>234</u>	<u>148</u>	<u>146</u>	<u>454</u>	<u>4,685</u>

Mutual aid responses to all areas within Marin County are included

Source: Southern Marin Fire District database, Emergency Reporting Systems

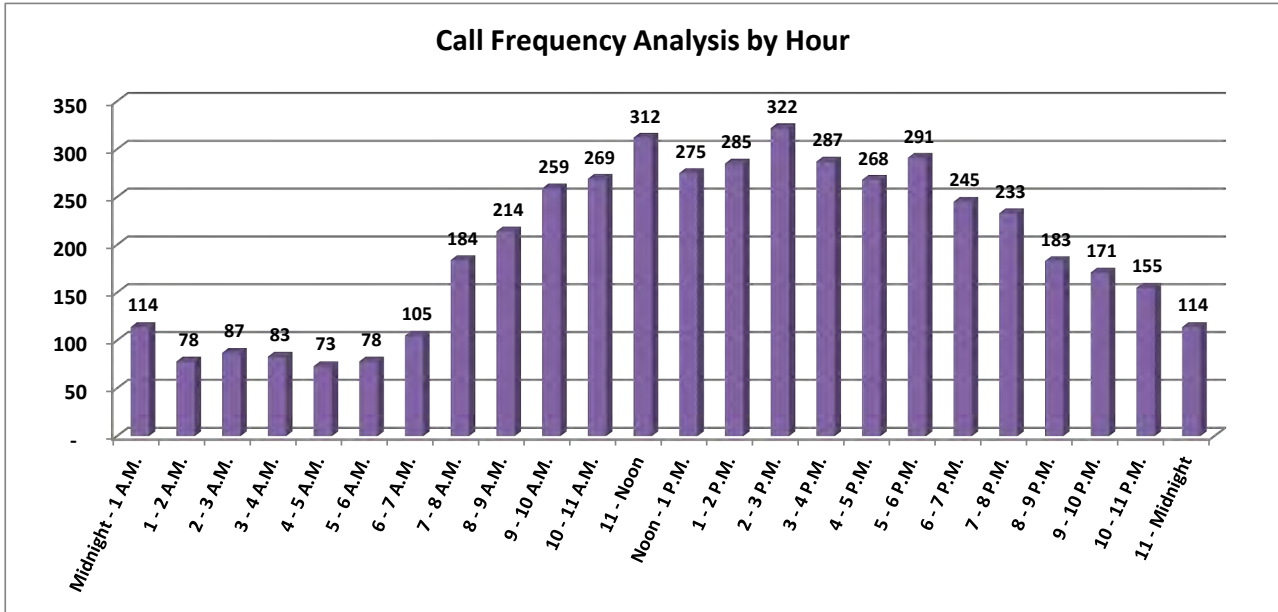
**Southern Marin Fire Protection District
Call Frequency Analysis by Station
Fiscal Year 2022-2023**



Station Location	Total Calls	% of Total
Station 1 - Sausalito	1,234	26.3%
Station 4 - Tamalpais Valley	705	15.0%
Station 9 - Strawberry	743	15.9%
Mutual Aid - Mill Valley	1,159	24.7%
Mutual Aid - Other	844	18.0%
Total	4,685	100.0%

Source: Southern Marin Fire District database, Emergency Reporting Systems

**Southern Marin Fire Protection District
Call Frequency Analysis by Hour
Fiscal Year 2022-2023**

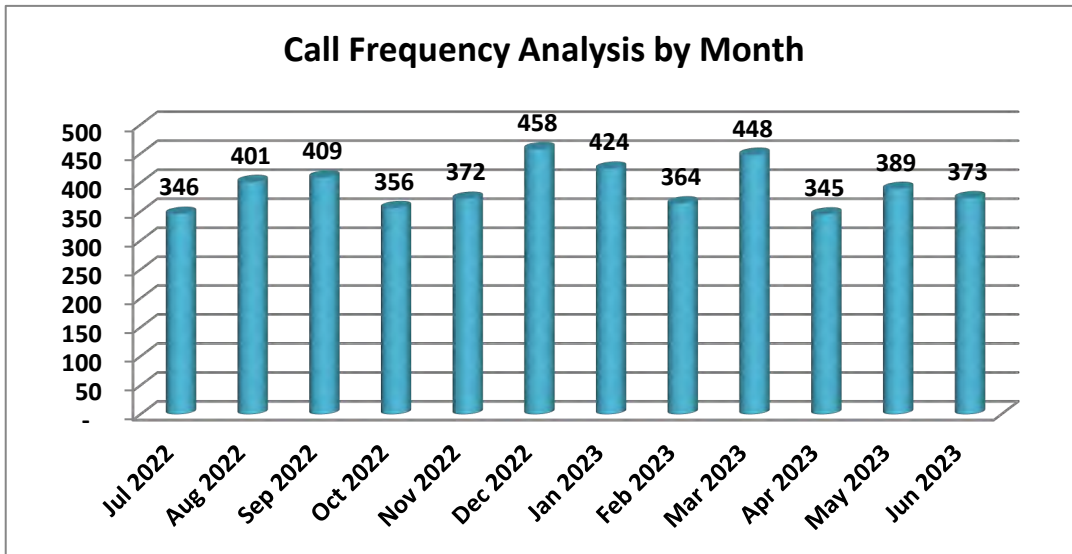


Hour	Number of Calls	% of Total	Hour	Number of Calls	% of Total
Midnight - 1 A.M.	114	2.43%	Noon - 1 P.M.	275	5.87%
1 - 2 A.M.	78	1.66%	1 - 2 P.M.	285	6.08%
2 - 3 A.M.	87	1.86%	2 - 3 P.M.	322	6.87%
3 - 4 A.M.	83	1.77%	3 - 4 P.M.	287	6.13%
4 - 5 A.M.	73	1.56%	4 - 5 P.M.	268	5.72%
5 - 6 A.M.	78	1.66%	5 - 6 P.M.	291	6.21%
6 - 7 A.M.	105	2.24%	6 - 7 P.M.	245	5.23%
7 - 8 A.M.	184	3.93%	7 - 8 P.M.	233	4.97%
8 - 9 A.M.	214	4.57%	8 - 9 P.M.	183	3.91%
9 - 10 A.M.	259	5.53%	9 - 10 P.M.	171	3.65%
10 - 11 A.M.	269	5.74%	10 - 11 P.M.	155	3.31%
11 - Noon	312	6.66%	11 - Midnight	114	2.43%
			Total	4,685	100.00%

Call volume is generally higher from 7:00 A.M. to 10:00 P.M., when people are awake, working, or traveling.

Source: Southern Marin Fire District database, Emergency Reporting Systems

**Southern Marin Fire Protection District
Call Frequency Analysis by Month
Fiscal Year 2022-2023**

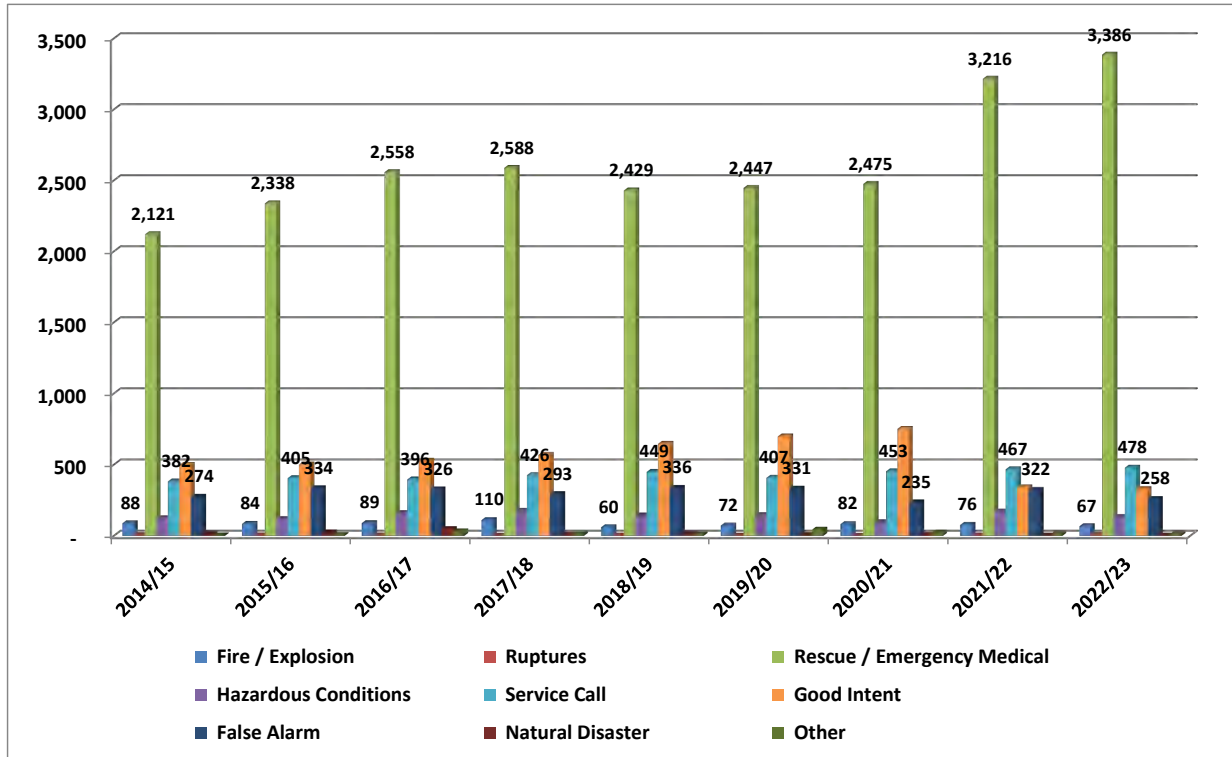


Month	Total Calls	% of Total
Jul 2022	346	7.39%
Aug 2022	401	8.56%
Sep 2022	409	8.73%
Oct 2022	356	7.60%
Nov 2022	372	7.94%
Dec 2022	458	9.78%
Jan 2023	424	9.05%
Feb 2023	364	7.77%
Mar 2023	448	9.56%
Apr 2023	345	7.36%
May 2023	389	8.30%
Jun 2023	373	7.96%
Total	<u>4,685</u>	<u>100.00%</u>

Data includes mutual aid calls.

Source: Southern Marin Fire District database, Emergency Reporting Systems

**Southern Marin Fire Protection District
Call Frequency Analysis by Type
Last Ten Fiscal Years**



Fiscal Year	Fire / Explosion	Ruptures	Rescue / Emergency Medical	Hazardous Materials / Conditions	Service Call	Good Intent	False Alarm	Natural Disaster	Other	Total
2013/14	98	2	2,049	90	337	436	293	16	8	3,329
2014/15	88	5	2,121	123	382	497	274	15	3	3,508
2015/16	84	3	2,338	117	405	501	334	24	6	3,812
2016/17	89	3	2,558	159	396	527	326	47	31	4,136
2017/18	110	1	2,588	175	426	568	293	8	11	4,180
2018/19	60	2	2,429	143	449	646	336	15	11	4,091
2019/20	72	1	2,447	145	407	698	331	6	43	4,150
2020/21	82	-	2,475	96	453	751	235	7	23	4,122
2021/22	76	3	3,216	170	467	340	322	2	15	4,611
2022/23	67	7	3,386	132	478	328	258	19	10	4,685

Source: Southern Marin Fire District database, Emergency Reporting Systems