

Central County Fire Department

***A Joint Power Agreement between
City of Burlingame and
Town of Hillsborough, California***



***Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2013***

**Central County Fire Department
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2013**

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INTRODUCTORY SECTION



CENTRAL COUNTY FIRE DEPARTMENT

Serving the Town of Hillsborough and the City of Burlingame

Mark Ladas

Fire Chief

December 5, 2013

To the Board of Directors of the Joint Powers Agreement Establishing the Central County Fire Department, the Chief Administrative Officers, and the Citizens of the City of Burlingame and the Town of Hillsborough, California

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Central County Fire Department (CCFD) for the fiscal year ended June 30, 2013 in conformity with generally accepted accounting principles (GAAP) in the United States and as stipulated in the Joint Power Agreement, audited in accordance with generally accepted auditing standards in the United States by a firm of licensed certified public accountants.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the Department's framework of internal control provides reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Badawi & Associates, CPAs, a firm of licensed certified public accountants, has issued an unqualified ("clean") opinion on the Central County Fire Department's financial statements for the year ended June 30, 2013. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE ORGANIZATION

Basic Information

The Central County Fire Department is an all risk emergency response and community service organization which core purpose is to make the City of Burlingame and the Town of Hillsborough (covering an area of 11.73 square miles) safe for all citizens to live and work, through the protection of life, property and the environment. It seeks to minimize risk to people, property and the environment by responding to all fire, medical, rescue and hazardous materials incidents. Administrative and non-emergency safety services include fire prevention and hazardous materials regulations, emergency medical services system management and disaster preparedness and training. The City of Burlingame and the Town of Hillsborough are located in San Mateo County on the western shore of the San Francisco Bay approximately 10 miles south of the City and County of San Francisco and 30 miles north of the Silicon Valley.

History

The Department was established on April 20, 2004 through a Joint Powers Agreement (JPA) between the City of Burlingame and the Town of Hillsborough with essential support services provided by the two cities. This partnership and the JPA structure were designed to promote more efficient administration and effective delivery of services to the two cities. Significant cost savings were achieved since the initial merger especially in personnel costs. The total authorized and filled positions have decreased from 94 at the initial merger to the proposed staffing of 63.5 full time equivalents (FTEs) in FY 13/14. At the time of the initial merger, a cost sharing plan was developed to allow each partner city to pay its fair share of the combined operating expenses of the Department. The initial merger included stipulations whereby the Department's personnel remained employees of the individual cities including the Chief Administrative Officer and the Fire Chief who shall be employees of either city. Additionally, responsibility for certain major costs such as retirement, replacement of vehicles and facilities and costs related to other post-employment benefits remained with the individual cities.

Effective fiscal year 2010/11, the merged fire operations moved onto a full merger transferring all employees and operations to an independent single entity with the exception of the Chief Administrative Officer. However, retirement costs relating to prior service and health insurance costs for employees that retired prior to fiscal year 2010/11 will continue to be the responsibility of and borne by the individual cities. Additionally, capital assets that include fire stations, fire engines and other major assets will remain assets of the individual cities which will also be responsible for the related costs.

The Department's operating costs net of program revenues are allocated sixty percent (60%) to the City of Burlingame and forty percent (40%) to the Town of Hillsborough.

Governance

The Department is governed by a Board of Directors ("Board") consisting of two representatives from each city whereas the members represent the cities in determining the level of fire, emergency medical and disaster preparedness services to be provided by the Department. All major decisions by the Board require ratification by the respective City Councils.

Administration

The Board appoints the City Manager of either city to serve as Chief Administrative Officer for alternating two-year term. The Chief Administrative Officer appoints the Fire Chief who shall conduct the day-to-day operations of the Department, coordinate and supervise all training, and make recommendations to the Board and the Chief Administrative Officer regarding the conduct and operation of the Department.

The Chief Administrative Officer shall also appoint an employee of one of the member agencies to act as Secretary and an employee to act as Treasurer of the Department who shall act as Controller for the Department and shall perform all such functions such as disbursement of revenues, payment of outstanding obligations and other similar functions.

Component Units

The Central County Fire Department is a legally separate and independent entity that is not a component unit of the City of Burlingame or the Town of Hillsborough. Further, the Department has no component unit organizations under its control. Therefore, this comprehensive annual financial report and the

financial statements contained within, represent solely the activities, transactions and status of the Central County Fire Department.

Budget

The JPA requires that an annual budget be adopted by resolution of the Board. In the spring preceding the start of each fiscal year that runs from July through June, staff presents an annual budget based on established goals, objectives and performance measures to the Board and subsequently approved by the City Councils of the member agencies prior to June 30th of each fiscal year.

Once adopted, the Board has the authority to amend the budget. While the legal level of budgetary control is at the fund level, the Department maintains stricter control at line item levels to serve various needs. The Chief Administrative Officer or his designate may transfer budget amounts between line items but any increase to the expenditure budget and funding level of the contributions from the partner cities, as a whole requires the approval of the Board. Additionally, the Department uses the encumbrance system to reduce budget balances by issuing purchase orders to avoid over-commitment of resources.

The modified accrual basis is used for budgeting. This means revenues are recognized when they become measurable or available, while expenditures are accounted for or recognized in the period they were incurred. As a special purpose organization established pursuant to joint powers legislation, the Department is not subject to the State of California's Gann Act requiring adherence to an annual appropriations limit.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

COMMUNITY PROFILE AND ECONOMIC CONDITION

Both the City of Burlingame and the Town of Hillsborough are California general law cities incorporated in 1908 and 1910 respectively that operate under the council-manager form of government. A five-member city council is elected at large to four-year terms and serves as the board of directors. The council selects a mayor and vice-mayor from its member annually. A city manager is appointed by the council and serves as the chief executive officer. The city manager is responsible for all municipal functions. A city attorney is appointed by the council to serve as chief legal advisor for the governing body and administration.

Municipal services include police and fire protection; public works; community development; parks and recreation; library services; water, sewer, solid waste through a third party provider and storm drainage. General government activities include, finance, human resources, legal services and city administration.

Support for the merged fire operations comes from the cities' general fund revenues.

City of Burlingame

Burlingame has a population of 29,426 (data provided by the California Department of Finance). According to the 2005-2009 American Community Survey, median household income was \$82,295 in 2009. It has both residential and commercial-base properties and thus has a more diversified revenue base. Major revenue sources in the general fund come from property taxes (30%), sales and use tax (19%) and transient occupancy taxes (34%) comprising 82% of the FY 12/13 revenues of \$51.2 million. This is the third year in a row the city has registered healthy revenues increases (9% increase in FY 12/13) from the economic downturn. However, the city continues to investigate strategies to fund its OPEB liability, deferred maintenance and capital programs.

Town of Hillsborough

The Town of Hillsborough has a population of 11,115 and has a median household income of \$202,292 in 2009 according to the same survey above. It is an entirely residential community. As such, the Town's major revenues are from property taxes and various property-based revenues. It has a public safety special parcel tax that is a major source of funding for the fire operations. Major revenue sources in the general fund come from property taxes (includes property tax in-lieu of VLF and ERAF – 63%) and the special public safety (11%) comprising 74% of the FY12/13 revenues of \$20.6 million. Like its partner city, it continues to look for ways to continue funding its OPEB liability and pay for its deferred maintenance and capital programs.

Long-term Financial and Strategic Planning and Major Initiatives

Due to financial constraints to the member agencies in the most recent years, the Department has implemented a variety of cost savings measures foremost of these is the closure of Station 36 in August 2010. Based on statistics, management believes there have been no adverse impacts on the communities and minimal impact to the automatic aid responses of the neighboring cities. The Department plans to continue closure of Station 36 to continue minimizing costs.

Additionally, the Department continues to explore the potential for further cost savings by merging functions or full fire operations with other cities. In October 2011, the Department began to share administrative personnel and functions with two neighboring cities (Millbrae and San Bruno). While a full merger among CCFD, Millbrae and San Bruno continues to be explored and discussed, the city councils of the CCFD partnership and Millbrae have approved a plan to share a fire station to serve the partner cities of the CCFD (Hillsborough and Burlingame) and the City of Millbrae. Savings net of the cost of the new fire station and personnel costs to staff a flex engine is estimated at \$900,000 to be equally shared between Millbrae and the CCFD partners. Due to several issues, primarily the pending sunset of an assessment for the City of Millbrae in June 2014 and the possibility of a new assessment being brought forward to voters in early 2014, this project has been placed on hold.

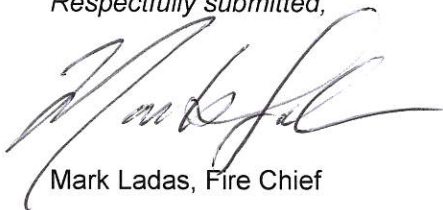
The Department continues to look for more partnerships with other cities, including sharing mechanics and training and EMS supervision. Belmont Fire Department became a full partner in its shared training program starting in July 2012; this further reduced its overall training costs. The CCFD plans to share more administrative positions as positions are vacated. On May 26, 2012, the Department began sharing the Fire Chief's position with the cities of Millbrae and San Bruno. Each city pays 25% of the Fire Chief's salary and benefit costs. Annually, this amounts to \$72,500 from each.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Central County Fire Department for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2012. This is the second year the department has received this prestigious award in its first two years of operations as a separate entity. In order to be awarded a Certificate of Achievement, the Department published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We acknowledge and appreciate all the individuals who assisted in both the preparation of this report and the processing of financial transactions throughout the fiscal year. We also wish to thank the City Councils of the partner cities, the Fire Board and the City Managers for their interest and support in planning and conducting the financial operations of the Central County Fire Department in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mark Ladas', with a stylized flourish at the end.

Mark Ladas, Fire Chief

A handwritten signature in blue ink, appearing to read 'Maria Edna J. Masbad', with a stylized flourish at the end.

Maria Edna J. Masbad, Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Central County Fire Department
California**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2012

Executive Director/CEO

CENTRAL COUNTY FIRE DEPARTMENT BOARD OF DIRECTORS



CHAIR

Michael Brownrigg, City of Burlingame Council Member



VICE CHAIR

Marie Chuang, Town of Hillsborough Council Member



Jess E. Benton, Town of Hillsborough Mayor



Ann Keighran, City of Burlingame Council Member

CENTRAL COUNTY FIRE DEPARTMENT

EXECUTIVE AND COMMAND STAFF

Randy Schwartz, City Manager, Town of Hillsborough	Chief Administrative Officer
Fire Chief	Mark Ladas
Deputy Fire Chiefs	Kevin McWhirter David Downing
Fire Marshal	Rocque Yballa
EMS Division Chief	John Kammeyer
Battalion Chiefs:	
A Shift	Craig Latham
B Shift	Drew Flinders
C Shift	Ed Barton
Training Captain	Jeff Baker
Fire Inspectors	Christine Reed Julie Parenti
Administrative Assistant	Rubina Ellam
Service Clerks	Lisa Bartolo Lil Finocchiaro Wendy McGraw
Emergency Preparedness Coordinators:	
Burlingame	John Parkin
Hillsborough	Bill Reilly
Finance Director Town of Hillsborough Finance Department	Maria Edna J. Masbad
HR Manager Town of Hillsborough City Manager's Office	Kristin Armbruster
General Counsel	Jean Savaree

CENTRAL COUNTY FIRE DEPARTMENT ORGANIZATIONAL CHART



CENTRAL COUNTY FIRE DEPARTMENT AT A GLANCE

The Central County Fire Department was established on April 20, 2004 through a Joint Powers Agreement between the City of Burlingame and the Town of Hillsborough, California, to promote more efficient administration and effective delivery of services to the partner cities. Funding is essentially provided with the partner cities' general fund tax revenues. The initial merger included stipulations whereby personnel remained employees of the individual cities and responsibility for certain major costs such as replacement of vehicles and facilities and costs related to other post-employment benefits remained with the partner cities. Effective fiscal year 2010/11, the operations moved onto a full merger transferring all employees to an independent single entity. All other terms of the initial merger remain the same except the individual cities will continue to be responsible for the post-employment benefits of those retirees before the full merger on June 21, 2010.

Governance	Board of Directors consisting of two representatives from the Council of each member agency with all major decisions to be ratified by the respective city councils
Administration	The Board appoints the City Manager of each city to serve as Chief Administrative Officer for alternating two-year term. The Chief Administrative Officer appoints the Fire Chief who shall conduct the day-to-day operations of the Department.
Size of Area	City of Burlingame – 5.5 square miles Town of Hillsborough – 6.23 square miles Total – 11.73 square miles
Population	City of Burlingame – 29,426 Town of Hillsborough – 11,115 Total – 40,541
Apparatus Inventory/Facilities	See pages 55 and 56 of this financial report
Personnel Strength	<ul style="list-style-type: none"> 1 Fire Chief 1 Deputy Fire Chief 1 Fire Marshal 1 EMS Division Chief 2 Fire Inspectors 3 Battalion Chiefs 1 Training Captain 17 Captains 33 Firefighters and Paramedics 1 Administrative Assistant 2.5 Service Clerks 63.5 FTEs

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of the Central County Fire Department
Burlingame, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Central County Fire Department (the Department), Burlingame, California as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the Department's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Department, as of June 30, 2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
of the Central County Fire Department

Page2

Other Matters

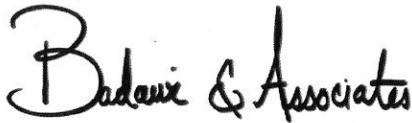
Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Department's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



Badawi & Associates, CPAs
Oakland, California
December 2, 2013



CENTRAL COUNTY FIRE DEPARTMENT MANAGEMENT'S DISCUSSION AND ANALYSIS

This is Management's Discussion and Analysis (MD&A) of the financial activities of the Central County Fire Department (Department) for fiscal year ended June 30, 2013. The reader is encouraged to consider this information together with the transmittal letter, financial statements and notes to the financial statements to better understand the department's financial position.

The annual financial report was prepared in accordance with Generally Accepted Accounting Principles (GAAP) and all Governmental Accounting Standards Board (GASB) pronouncements that affect the Department.

Financial Highlights

- The Department is in its third year of operations as a legal entity – separate from the City of Burlingame and the Town of Hillsborough – the partner cities of the Joint Power Agreement (JPA). The JPA stipulates that partner cities will contribute towards its general fund operations net of the Department's program revenues based on a 60%-40% cost allocation. Major capital assets including fire stations, fire engines and vehicles remain owned by the partner cities. They also remain responsible for the Other Post-Employment Benefits (OPEB) attributable to employees who retired before June 2010. As such, the Department will reflect in its financial statements, the net OPEB liabilities and accumulated vested vacation and sick leave credits (compensated absences) of the employees as of the June 2010 full merger.
- The Department's liabilities exceed its assets as of June 30, 2013 by \$3.9 million covering net OPEB liability for the first two years of operations (\$1.8 million), compensated absences (\$2 million) and Incurred But Not Reported (IBNR) workers compensation claims (\$1.5 million). \$116,294 was invested in capital assets. The negative change and Fund Balance in the Self-Insurance Fund resulted from an upswing of workers compensation disabilities and accrual of IBNRs recommended in an actuarial study.

	2013	2012	Change
Joint Training Fund	\$178,774	\$117,408	\$61,366
Capital Projects Fund	424,056	151,993	272,063
Self-Insurance Fund	(788,958)	282,280	(1,071,238)
Total	(\$186,128)	\$551,681	(\$737,809)

- In 2013, the Department established an OPEB trust account and deposited \$955,000 to fully fund the FY12/13 annual required contribution (ARC) pursuant to the actuarial study. The \$1.8 million liability in this year's report is attributable to the first two years of operations.
- The following table summarizes the Department's General Fund operations compared to the prior year:

	2013	2012	Positive (Negative) Variance	% of Chg
REVENUES:				
Program Revenues	\$1,336,334	\$1,108,010	\$228,324	21%
Contribution from Burlingame	8,880,347	8,460,470	419,877	5%
Contribution from Hillsborough	5,920,232	5,640,313	279,919	5%
Total revenues	\$16,136,913	\$15,208,793	\$928,120	6%
EXPENDITURES:				
Personnel costs	\$14,796,777	\$14,071,775	(\$725,002)	(5%)
Materials and services	1,040,136	1,137,018	96,882	9%
Transfers to capital projects	300,000		(300,000)	-----
Total expenditures	\$16,136,913	\$15,208,793	(\$928,120)	(6%)

- While the contributions from the partner cities increased by 5% over the previous year (\$700,000) attributable to the initial deposit to the OPEB trust account (\$955,000) to start funding the liability, they were 1% less than budgeted.
- Overtime and OPEB costs increased by \$0.4 million and \$1 million respectively tempered by salary savings and related retirement costs for vacant positions not filled as the Department pursues other merging operations opportunities with other cities.
- Though total expenditures increased by 6%, contributions from the partner cities increased by only 5%; the remaining costs were covered by additional program revenues.
- The partner cities funded 50% (\$300,000) of certain costs of a proposed temporary fire station to be shared with a neighboring city.

Overview of the Financial Statements

This MD&A is intended to serve as an introduction to the Department's basic financial statements made up of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements such as this MD&A.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Department's finances in a manner similar to a private-sector business.

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

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

Both of these government-wide financial statements distinguish functions of the Department that are principally supported by contributions from the partner cities (*governmental activities*) including the activities of the Self-Insurance Fund set up as a proprietary fund as recommended by GAAP but fully supporting the governmental fire operations.

The government-wide financial statements can be found on pages 21 and 22 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Department, like other state, local and special governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Department's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows*

and *outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Department has three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Joint Training Fund and the Capital Projects Fund.

The basic governmental fund financial statements can be found on pages 23 through 25 of this report.

The Department adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget (page 42).

Proprietary funds. Proprietary funds are used to account for services and activities for which a fee is charged to customers in exchange for provided good or services using the "economic resources" measurement focus, which concentrates on how transactions and events have affected the fund's "total economic resources." The Department maintains one proprietary fund – the *Internal Service Fund* where insurance premiums are charged to the General Fund based on market rates to pay workers compensation and dental claims as they occur. Because this service fully benefits a governmental function, it has been included with *governmental activities* in the government-wide financial statements.

The proprietary fund financial statements which account for the activities of the Internal Service Fund can be found on pages 26 through 28 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29 through 39 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the Department's funding for OPEB and the general fund budgetary schedule. Required supplementary information can be found on pages 41 through 44 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The following summary shows the Departments first three years of operations as a separate entity:

NET POSITION			
	Governmental Activities	Governmental Activities	Governmental Activities
	2013	2012	2011
ASSETS:			
Current assets	\$2,214,195	\$1,942,076	\$2,132,561
Capital assets	116,294	135,297	44,847
Total assets	2,330,489	2,077,373	2,177,408
LIABILITIES:			
Current liabilities	1,902,465	1,359,066	1,521,325
Long-term liabilities	4,318,238	4,025,189	2,996,395
Total liabilities	6,220,703	5,384,255	4,517,720
NET POSITION:			
Invested in capital assets	116,294	135,297	44,847
Unrestricted	(4,006,508)	(3,442,179)	(2,385,159)
Total net liabilities	(\$3,890,214)	(\$3,306,882)	(\$2,340,312)

The Department's governmental fund operations had liabilities consisting of the OPEB liability for the first two years (\$1.8 million - see Note 11); compensated absences (\$2 million - see Note 7) and workers compensation claims (\$1.5 million - see Note 8). The positive net asset covered investments in capital assets for \$116,294. It should be noted that the Departments general fund operations received funding from the partner cities enough to cover their annual operations net of program revenues.

The following condensed summary compared the statement of activities for the year compared to the past two years:

STATEMENT OF ACTIVITIES			
	Governmental Activities	Governmental Activities	Governmental Activities
	2013	2012	2011
Expenses:			
Personnel	\$15,577,913	\$14,969,002	\$14,032,646
Materials and services	1,305,754	1,331,681	1,149,333
Depreciation expense	19,003	5,383	
Total Expenses	16,902,670	16,306,066	15,181,979
Program Revenues:			
Operating contributions		47,495	110,300
Charges for services	1,518,522	1,190,585	1,157,093
Interest income			322
Total program revenues	1,518,522	1,238,080	1,267,715
General Revenues:			
Contribution from Burlingame (unrestricted)	8,880,347	8,460,470	8,220,089
Contribution from Hillsborough (unrestricted)	5,920,232	5,640,313	5,480,060
Interest income (unrestricted)	237	633	1,202
Total general revenues	14,800,816	14,101,416	13,701,351
Increase (Decrease) in net position	(583,332)	(966,570)	(212,913)
Special item – assumption of beginning compensated absences liability on formation			(2,127,399)
Increase (Decrease) in net position after special item	(583,332)	(966,570)	(2,340,312)
Net Position – beginning	(3,306,882)	(2,340,312)	-0-
Net Position – ending	(\$3,890,214)	(\$3,306,882)	(\$2,340,312)

Financial Analysis of the Department's Funds

Governmental Funds

Governmental funds provide information on the short-term inflows, outflows, and balances of resources that are available for spending, usually a 12 month period. The goals of the funds are to have sufficient resources available to finance the services within each fiscal year. In particular, the fund balance may serve as a measure of funds that are available for spending in the short-term.

General Fund

The General Fund is the department's main operating fund. Pursuant to the JPA, funding is provided by the partner cities to the extent of the department's expenditures net of any program revenues. Hence, it is not expected to have any fund balance at the end of the year.

General Fund expenditures increased \$928,000 (6%) over the prior year resulting mainly from fully funding the year's OPEB ARC liability by depositing funds in a trust account. While overtime costs increased \$344,000, savings in salaries and retirement costs more than covered the increase in overtime costs. The table below presented the expenditures for 2013 compared to 2012:

	2013	2012	Increase (Decrease)	%
Salaries	\$7,571,246	\$8,089,578	(\$518,332)	-6%
Overtime	1,649,068	1,305,430	343,638	26%
Part-time salaries	119,352	10,181	109,171	1072%
Retirement	1,671,932	1,969,856	(297,924)	-15%
Health, dental, vision & life insurances	1,208,146	1,183,962	24,184	2%
Retirees' health insurance	1,129,429	80,017	1,049,412	1311%
Workers' compensation	602,860	603,905	(1,045)	0%
All others	844,744	828,846	15,898	2%
Total personnel costs	14,796,777	14,071,775	725,002	5%
Materials & services	1,040,136	1,137,018	(96,882)	-9%
Capital (Temporary Fire Station transferred to Capital Projects Fund)	300,000		300,000	100%
TOTAL GENERAL FUND EXPENDITURES	\$16,136,913	\$15,208,793	\$928,120	6%

General Fund Budgetary Highlights

The table below summarized General Fund budget variances reflecting an overall 2% resulting from overtime costs:

	Revised Budget	Actual	Positive (Negative) Variance	%
Salaries	\$7,680,910	\$7,571,246	\$109,664	1%
Overtime	1,149,970	1,649,068	(499,098)	-43%
Part-time salaries	45,000	119,352	(74,352)	-165%
Retirement	1,814,720	1,671,932	142,788	8%
Health, dental, vision & life insurance	1,165,040	1,208,146	(43,106)	-4%
Retirees' health insurance	1,050,270	1,129,429	(79,159)	-8%
Workers compensation	602,860	602,860		0%
All others	819,730	844,744	(25,014)	-3%
Total personnel costs	14,328,500	14,796,777	(468,277)	-3%
Materials & services	1,194,120	1,040,136	153,984	13%
Capital (temporary fire station)	300,000	300,000		0%
Total General Fund expenditures	\$15,822,620	\$16,136,913	(\$314,293)	-2%

Joint Training Fund

The fund accounts for the operations of a joint operational and EMS training services and administration program among the fire agencies of Belmont, Millbrae, San Bruno, San Mateo, Foster City and the Central County Fire Department. The agencies continue to explore ways to cost effectively implement required training on a regional basis thereby reducing program costs to the individual cities. As of June 30, 2013, the Fund has fund balance in the amount of \$178,774.

Capital Projects Fund

In 2013, the partner cities appropriated funding of \$300,000 as the department's 50% share of certain costs of a temporary fire station to be shared with the City of Millbrae. As discussed in the letter of transmittal, this project is temporarily on hold.

Proprietary Fund – Internal Service Fund

The Department is self-insured for workers compensation and dental programs accounted in an Internal Service Fund. The Department started funding the workers compensation program at the 60% confidence level, administered by a third-party administrator and obtaining additional insurance in excess of \$250,000 up to \$5 million. The Department commissioned an actuarial study for the program and adopted to recognize the IBNRs and increase the confidence level to 70%. The department recognized an expense of approximately \$1.6 million towards this objective resulting to a negative (\$875,840) fund balance in the Workers Compensation program. The negative fund balance will be funded with future contributions in FY13/14.

Dental premiums are adopted based on current commercial rates. At year-end, the dental program has a fund balance of \$86,882.

Collectively, the Internal Service Fund has a negative fund balance of \$788,958.

Capital Asset and Debt Administration

Capital Assets

As mentioned in Note 5 of the Notes to the Financial Statement, major capital assets including fire stations, engines and vehicles remain the assets of the member agencies. The capital asset activity for the Department was limited to a depreciation expense of \$19,003 discussed further in Note 5 located on page 34 of this report.

Long-term Debt

The Department has no long-term debt other than the compensated absences discussed in detailed in Note 7 of this report; the liability associated to the Other Post Employment Benefits fully discussed in Note 11; and the IBNRs for workers compensation claims fully discussed in Note 8. The compensated absences are valued at \$2,023,391 at June 30, 2013 of which \$47,320 are expected to be paid within next year.

Economic Factors and Future Challenges

The Department continues to have an unusually high number of disabilities. While the Department's management and the third party administrators continue to find ways to reduce the risk, the problem is expected to continue as current cases are likely to linger.

California has passed a legislation aimed at pension reform. AB340 created the Public Employees' Pension Reform Act (PEPRA) that implemented new benefit formulas and final compensation period, as well as new contribution requirements for new employees hired on or after January 1, 2013 who meet the definition of new member as per PEPRA. Notable changes include less expensive benefit formulas, longer final compensation period (1 year to 3-year average), 50%-50% sharing of retirement costs by employers and employees, and caps on pensionable compensation. Though there are no current employees classified as new members, retirement cost savings are projected in the future.

As discussed in the transmittal letter, the Department continues to pursue cost sharing options with neighboring cities.

Management took action to appropriate funds to partially fund the associated accrued costs for the IBNRS starting FY 2013/14.

Request for Information

This financial report is designed to provide a general overview of the Central County Fire Department's finances and to demonstrate the Department's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Central County Fire Department, c/o Town of Hillsborough's Finance Department, 1600 Floribunda Avenue, Hillsborough, CA 94010.

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BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**CENTRAL COUNTY FIRE DEPARTMENT
STATEMENT OF NET POSITION
JUNE 30, 2013**

	Governmental <u>Activities</u>
ASSETS	
Cash and cash equivalents	\$ 1,924,405
Accounts receivable	289,790
Capital assets (net of accumulated depreciation):	
Machinery and equipment	<u>116,294</u>
Total assets	<u>2,330,489</u>
LIABILITIES	
Accounts Payable	308,912
Due to Burlingame	264,086
Due to Hillsborough	46,953
Other Accrued Liabilities	314,978
Long-term Liabilities:	
Due within 1 year:	
Workers' compensation claims	920,216
Compensated absences	47,320
Due in more than 1 year:	
Workers' compensation claims	545,178
Compensated absences	1,976,071
OPEB	<u>1,796,989</u>
Total Liabilities	<u>6,220,703</u>
NET POSITION	
Net investment in capital assets	116,294
Unrestricted (deficit)	<u>(4,006,508)</u>
Total Net Position (deficit)	<u>\$ (3,890,214)</u>

The notes to the financial statements are an integral part of this statement.

**CENTRAL COUNTY FIRE DEPARTMENT
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	Governmental <u>Activities</u>
EXPENSES	
Personnel	\$ 15,577,913
Materials and services	1,305,754
Depreciation expense	19,003
Total Expenses	<u>16,902,670</u>
PROGRAM REVENUES	
Charges for services	<u>1,518,522</u>
Total Program Revenues	<u>1,518,522</u>
NET PROGRAM EXPENSES	<u>15,384,148</u>
GENERAL REVENUES	
Intergovernmental - Burlingame (unrestricted)	8,880,347
Intergovernmental - Hillsborough (unrestricted)	5,920,232
Interest income (unrestricted)	237
Total general revenues	<u>14,800,816</u>
Change in Net Position	(583,332)
NET POSITION - BEGINNING	(3,306,882)
NET POSITION - ENDING	<u>\$ (3,890,214)</u>

-

The notes to the financial statements are an integral part of this statement.

**CENTRAL COUNTY FIRE DEPARTMENT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2013**

		<u>(Non-major)</u>		
		Special	Capital	Total
	(Major)	Revenue -	Projects	Governmental
	General	Joint	Fund	Funds
	Fund	Training		
	Fund	Fund		
<u>ASSETS</u>				
Cash and cash equivalents	\$ 761,608	\$ 49,560	\$ 424,056	\$ 1,235,224
Accounts receivable	140,128	149,662		289,790
Total Assets	<u>\$ 901,736</u>	<u>\$ 199,222</u>	<u>\$ 424,056</u>	<u>\$ 1,525,014</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ 275,719	\$ 20,448	\$	\$ 296,167
Due to Burlingame	264,086			264,086
Due to Hillsborough	46,953			46,953
Other Accrued Liabilities	314,978			314,978
Total Liabilities	<u>901,736</u>	<u>20,448</u>		<u>922,184</u>
Fund Balances - Assigned		<u>178,774</u>	<u>424,056</u>	<u>602,830</u>
Total Liabilities and Fund Balances	<u>\$ 901,736</u>	<u>\$ 199,222</u>	<u>\$ 424,056</u>	

Amounts reported for governmental activities in the Statement of Net Position (page 21) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	116,294
Net position of the Self-Insurance Fund are included in the governmental activities in the Statement of Net Position	(788,958)
Long-term liabilities are not due and payable from resources available in the current period and therefore are not reported in the funds:	
Net OPEB obligations	(1,796,989)
Compensated absences	<u>(2,023,391)</u>
Net position of governmental activities	<u>\$ (3,890,214)</u>

The notes to the financial statements are an integral part of this statement.

**CENTRAL COUNTY FIRE DEPARTMENT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

		<u>(Non-major)</u>		
	<u>(Major)</u>	<u>Special</u>	<u>Capital</u>	<u>Total</u>
	<u>General</u>	<u>Revenue -</u>	<u>Projects</u>	<u>Governmental</u>
	<u>Fund</u>	<u>Joint</u>	<u>Fund</u>	<u>Funds</u>
		<u>Training</u>		
		<u>Fund</u>		
REVENUES:				
Intergovernmental:				
Burlingame	\$ 8,880,347	\$	\$	\$ 8,880,347
Hillsborough	5,920,232			5,920,232
Service charges	1,336,097	182,425		1,518,522
Interest income	237			237
Total Revenues	<u>16,136,913</u>	<u>182,425</u>		<u>16,319,338</u>
EXPENDITURES:				
Current:				
Personnel costs	14,796,777			14,796,777
Materials and services	1,040,136	121,059	27,937	1,189,132
Total Expenditures	<u>15,836,913</u>	<u>121,059</u>	<u>27,937</u>	<u>15,985,909</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	300,000	61,366	(27,937)	333,429
OTHER FINANCING SOURCES (USES):				
Transfers	<u>(300,000)</u>		<u>300,000</u>	
NET CHANGE IN FUND BALANCES		61,366	272,063	333,429
BEGINNING FUND BALANCES		<u>117,408</u>	<u>151,993</u>	<u>269,401</u>
ENDING FUND BALANCES	<u>\$</u>	<u>\$ 178,774</u>	<u>\$ 424,056</u>	<u>\$ 602,830</u>

The notes to the financial statements are an integral part of this statement.

**CENTRAL COUNTY FIRE DEPARTMENT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

Amounts reported for governmental activities in the Statement of Activities
(page 22) are different because:

Net Change in Fund Balances - Total Governmental Funds (page 24)	\$ 333,429
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	(19,003)
The Internal Service Fund - Self Insurance Fund - is used to accumulate funds to service the workers compensation and dental insurance programs. This is the net loss of the Self Insurance Fund.	(1,071,238)
Expenses reported in accrual basis are recognized when incurred, regardless of when paid:	
OPEB expense	14,361
Accrued compensated absences	159,119
	<hr/>
Change in net position of governmental activities (page 22)	\$ (583,332)
	<hr/>

The notes to the financial statements are an integral part of this statement.

CENTRAL COUNTY FIRE DEPARTMENT
STATEMENT OF NET POSITION - SELF INSURANCE FUND (Governmental Activities)
JUNE 30, 2013

ASSETS	
Cash and cash equivalents	\$ 689,181
Total Assets	<u>689,181</u>
LIABILITIES	
Liabilities:	
Current:	
Accounts Payable	12,745
Accrued workers compensation claims	<u>920,216</u>
Total Current Liabilities	932,961
Noncurrent:	
Workers compensation claims	<u>545,178</u>
Total Liabilities	<u>1,478,139</u>
NET POSITION	
Unrestricted (deficit)	<u>\$ (788,958)</u>

The notes to the financial statements are an integral part of this statement.

**CENTRAL COUNTY FIRE DEPARTMENT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
SELF INSURANCE FUND (Governmental Activities)
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

REVENUES:	
Workers Compensation Premiums	\$ 602,860
Dental Premiums	120,400
Total Operating Revenues	<u>723,260</u>
OPERATING EXPENSES:	
Workers Compensation Claims	1,600,628
Dental Claims	77,248
Materials and services	116,622
Total Operating Expenses	<u>1,794,498</u>
Operating Income (Loss)	<u>(1,071,238)</u>
Change in net position	(1,071,238)
Net Position - Beginning	<u>282,280</u>
Net Position - Ending (Deficit)	<u>\$ (788,958)</u>

The notes to the financial statements are an integral part of this statement.

**CENTRAL COUNTY FIRE DEPARTMENT
STATEMENT OF CASH FLOWS
SELF INSURANCE FUND (Governmental Activities)
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts for interfund services provided	\$ 723,260
Payment to employees	(291,631)
Payment to vendors	(433,024)
Net cash provided (used) by operating activities	<u>(1,395)</u>
Net increase (decrease) in cash and cash equivalents	(1,395)
Cash and cash equivalents - beginning	690,576
Cash and cash equivalents - ending	<u>\$ 689,181</u>

Reconciliation of operating income to net cash provided

(used) by operating activities:	
Operating income (loss)	\$ (1,071,238)
Increase (decrease) in accounts payable	(10,509)
Increase (decrease) in accrued workers compensation claims	1,080,352
Net cash and cash equivalents provided (used) by operating activities	<u>\$ (1,395)</u>

The notes to the financial statements are an integral part of this statement.

**CENTRAL COUNTY FIRE DEPARTMENT
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FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2013**

NOTE 1 – ORGANIZATION

Central County Fire Department was established on April 20, 2004 through a Joint Powers Agreement (JPA) between the City of Burlingame and the Town of Hillsborough with essential support services provided by the two cities. This partnership and the JPA structure were designed to promote for efficient administration and effective delivery of services to the two cities. Significant cost savings were achieved since the initial merger especially in personnel costs. At the time of the initial merger, a cost sharing plan was developed to allow each partner city to pay its fair share of the combined operating expenses of the Department. The initial merger included stipulations whereby the Department's personnel remained employees of the individual cities including the Chief Administrative Officer and the Fire Chief who shall be employees of either city. Responsibility for certain major costs such as retirement, replacement of vehicles and facilities, and costs related to other post-employment benefits (OPEB) other than pension costs, remained with the individual cities. Consequently, ownership of major capital assets including fire stations and vehicles and equipment remained with the individual cities.

Effective fiscal year 2010/11, the merged fire operations moved onto a full merger transferring all active employees and operations to an independent single entity with the exception of the Chief Administrative Officer. However, unfunded retirement costs relating to prior service and OPEB costs for employees that retired prior to fiscal year 2010/11 will continue to be the responsibility of and borne by the individual cities. Likewise, capital assets acquired before 2010/11 will remain assets of the individual cities which will be responsible for related costs.

The Department's operating costs net of program revenues are allocated sixty percent (60%) to the City of Burlingame and forty percent (40%) to the Town of Hillsborough.

The Department is governed by a Board of Directors ("Board") consisting of two representatives from each city whereas the members represent the cities in determining the level of fire, emergency medical and disaster preparedness services to be provided by the Department. All major decisions by the Board require ratification by the respective City Councils.

The Board appoints the City Manager of either city to serve as Chief Administrative Officer for alternating two-year term. The Chief Administrative Officer appoints the Fire Chief who shall conduct the day-to-day operations of the Department. He shall also appoint an employee to act as Secretary and an employee of one of the member agencies to act as Treasurer of the Department who shall act as Controller for the Department and shall perform all such functions such as disbursement of revenues, payment of outstanding obligations and other accounting functions.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Central County Fire Department is a legally separate and independent entity that is not a component unit of the City of Burlingame or the Town of Hillsborough. Further, the Department has no component unit organizations under its control. Therefore, this comprehensive annual financial report and the financial statements contained within represent solely the activities, transactions and status of the Central County Fire Department.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the Central County Fire Department. The effect of interfund activity has been removed from these statements. All activities are categorized *governmental activities* as they are attributable to services for structural and wild land fire suppression, response to hazardous materials incidents, search and rescue, vehicle extrication and other emergency services supported largely by contributions from the member cities' general fund revenues.

The statement of activities demonstrates the degree to which the expenses are offset by program revenues that include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided and 2) contributions that are restricted to meeting the operational or capital requirements of a particular segment. Other items not properly included among program revenues are reported as *general revenues*.

Separate financial statements are provided for governmental funds and the internal service self-insurance fund. The general fund is a major individual governmental fund and is reported in a separate column.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the internal service self-insurance fund. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Contributions from the member agencies are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Department considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

The *General Fund* is the Department's major and primary operating fund. It accounts for all financial resources of the Department, except those required to be accounted for in another fund. Additionally, the Department reports an *Internal Service Fund* used to account for the servicing of the self-insurance that includes workers compensation and dental programs.

The Department follows GASB in accounting the activities of the Internal Service Fund. The effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

The Department has two other governmental funds (non-major) beside the General Fund:

- 1) Joint Training Fund is used to account for the operations of a joint operational and EMS training services and administration program among the fire agencies of Belmont, Millbrae, San Bruno, San Mateo, Foster City and Central County Fire Department.
- 2) Capital Projects Fund is used to account for the acquisition and construction of capital assets other than those that remained with the member agencies.

The Internal Service fund distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues represent premiums paid for the programs; operating expenses include claims paid and administrative expenses of the programs. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Department's policy to use restricted resources first.

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

D. Assets, Liabilities, and Net Assets or Equity

1. Cash and Cash Equivalents

The Department's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

The City of Burlingame and the Town of Hillsborough advance 1/12 of their respective budgeted contributions to the Department every month. At the end of the fiscal period, advances in excess of the actual contributions due to the Department are returned to the respective cities immediately after end of the year.

2. Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements, outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in

applicable governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

Interfund transfers are generally recorded as transfers except for charges for services including workers compensation insurance and dental premiums, which are recorded as revenues of the internal service fund and expenditures in the general fund.

The \$300,000 transfer from the General Fund to the Capital Projects Fund will cover the department's 50% share of certain costs for a planned temporary fire station between Central County Fire Department and the City of Millbrae.

3. Capital assets

Capital assets which include machinery and equipment are reported in the government-wide financial statements. Capital assets are defined by the Department as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. As stipulated in the JPA, capital assets including fire stations, fire engines and other vehicles acquired prior to FY10/11 remain the assets of the individual member agencies.

Machinery and equipment are depreciated using the straight line method over an estimated useful life of 3 to 15 years.

4. Compensated Absences

The Department permits employees to accumulate earned but unused vacation up to a certain amount depending on bargaining units. Sick leave credit is vested in varying amounts depending on bargaining units and groups. Both are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

5. Self-Insurance

The Department is self-insured for workers' compensation and dental claims. The Internal Service Fund is used to account for the activities of these programs. It is the Department's policy to provide in each fiscal year, through premiums charged to the general fund, amounts sufficient for self-insurance program expenses and reserves associated with claims. Additional reserves are maintained to protect against unusual losses beyond normal experience. The amount recorded as liability for known claims, if any, is based on the recommendations of the administrator. In 2013, accrued liability for incurred but not reported claims (IBNRs) recommended in an actuarial study has been recorded.

E. Subsequent Events

Management has considered subsequent events through December 5, 2013, the date which the financial statements were available to be issued.

NOTE 3 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the governmental funds except the capital projects fund which adopt project-length budgets. All annual appropriations lapse at fiscal year-end.

The Fire Chief may make transfers of appropriations that do not exceed the fund's budget. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The Chief Administrative Officer or his designate may make administrative adjustments to the budget as long as those changes will not have a significant policy impact nor affect budgeted year-end fund balances. Any revisions that alter the total expenditures of any fund must be approved by the Board.

B. Excess of Expenditures over Appropriations

For the year ended June 30, 2013, expenditures exceeded appropriations by approximately \$314,000 resulting from overtime costs to cover a number of disabilities and unexpected vacation leaves. The excess expenditures were covered by a corresponding increase in revenues. The budget revisions that were approved by the Chief Administrative Officer were within the budgeted contributions of the partner cities.

C. Deficit Fund Equity

The Internal Service Fund had a deficit fund balance of \$788,958 as of June 30, 2013. Utilizing an actuarial study commissioned to evaluate the program, the Board adopted to recognize the IBNRs and increase the confidence level to 70%. The department recognized an expense of approximately \$1.6 million towards implementing above resulting to the deficit fund balance. The plan is to phase out the deficit with future contributions from the partner cities with the Board adopting to appropriate funds to partially fund the deficit starting FY 13/14.

NOTE 4 – CASH AND CASH EQUIVALENTS

The Department maintains a cash pool which includes cash balances of all funds. The pooled interest earned is allocated to the funds based on cash balances in these funds at the end of each accounting period. It has the following cash and cash equivalents at June 30, 2012:

Cash on hand	\$50
Deposits with financial institutions	1,924,355
Total cash and cash equivalents	<u>\$1,924,405</u>

The carrying amounts of the Department's cash deposits were \$1,924,355. Bank balances before reconciling items were \$3,059,126 the total amount of which was collateralized or insured with securities held by the pledging financial institutions in the Department's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the Department's cash deposits by pledging securities as collateral. This Code states that collateral

pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the Department's name.

The market value of the pledged securities must equal at least 110% of the Department's cash deposits. California law also allows institutions to secure city deposits by pledging first trust deed mortgage notes having a value of 150% of the Department's total cash deposits. The Department may waive collateral requirements for cash deposits which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation. The Department, however, has not waived the collateralization requirements.

NOTE 5 – CAPITAL ASSETS

Major capital assets including fire stations, engines and vehicles remain the assets of the member agencies and hence are not reflected in the Department's capital assets. Capital asset activity for the year ended June 30, 2013 was as follows:

	Governmental Activities		
	Beginning Balance	Increases	Decreases
Ending Balance			
Capital assets being depreciated:			
Machinery and equipment	\$140,680		\$
Less accumulated depreciation for:			
Machinery and equipment	(5,383)	(\$19,003)	
Total capital assets being depreciated, net	\$135,297	(\$19,003)	\$
Governmental activities capital assets, net	\$135,297	(\$19,003)	\$

It is the Department's policy to recognize half a year's depreciation for assets acquired the first half of the year and no depreciation for assets acquired the second half of the year.

NOTE 6 – OPERATING ASSISTANCE

The City of Burlingame and the Town of Hillsborough provide major funding to the Central County Fire Department apportioned 60%-40% (\$8,880,347 and \$5,920,232 in FY 12/13) respectively after applying program revenues to the operating and administrative costs.

NOTE 7 – LONG-TERM DEBT

Compensated Absences – Compensated absences due within one year represent an estimate of the net compensated absences that will be utilized within the next year. All compensated absences for governmental activities are paid out of the General Fund.

Other Post-Employment Benefits (OPEB) – Refer to Note 11 for details of the OPEB obligation.

Long-term liability activity other than OPEB for the year ended June 30, 2013, was as follows:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Compensated Absences	\$2,182,510	\$857,432	\$1,016,551	\$2,023,391	\$47,320

NOTE 8 – RISK MANAGEMENT

The Department is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The Department has established a limited risk management program of these types of risks.

The Department has general liability insurance coverage through the City of Burlingame as a participant in the Association of Bay Area Governments Pooled Liability Assurance Network (ABAG PLAN) organized within the Joint Powers Authority Association of Bay Area governments. The ABAG PLAN provides liability insurance coverage, claims management, risk management services, and legal defense to its participating members. ABAG PLAN is governed by a board of directors, which comprises officials appointed by each participating member. Premiums paid to ABAG PLAN are subject to possible refund based on the results of actuarial studies and approval by the board of directors. Premiums are assessed to participants based on their individual loss experience. General liability insurance coverage has been purchased by ABAG PLAN for losses exceeding \$250,000 up to a maximum of \$10 million.

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly claims are reevaluated periodically to consider these factors, estimate recoveries from salvage or subrogation, and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other claim adjustment expenses regardless of whether allocated to specific claims. The amount recorded as liability for known claims, if any, is based on the recommendation of the administrator. No accrued liability for incurred but not reported claims (IBNRs) has been recorded as amounts for such claims cannot be reasonably estimated. The Department's exposure for claims filed under this program is minimal.

The Department is self-insured for workers' compensation. The program is administered by a third-party administrator (TPA), Athens Administrators. The TPA sets reserve levels for reported claims. Reserve levels for IBNRs are based on an actuarial study by a third independent party. Excess workers' compensation insurance has been purchased by the Department for losses exceeding \$250,000 up to \$5 million.

There is no significant change in insurance coverage from that of the prior year while separately covered by the partner cities, nor have there been any insurance related settlements that exceeded insurance coverage during the past three fiscal years.

The table below shows activities relating to claims liabilities in its three-year operations as a separate entity:

	Beg Balance	Claims and Changes in Estimates	Paid	End Balance
2010-11	\$	\$183,989	(\$47,729)	\$136,260
2011-12	\$136,260	\$627,170	(\$378,388)	\$385,042
2012-13	\$385,042	\$1,887,000	(\$806,648)	\$1,465,394

NOTE 9 – RELATED PARTY TRANSACTIONS

The City of Burlingame, one of the partner cities providing resources to CCFD, charges facilities costs based on the square footage of the buildings utilized by CCFD including the fire stations and administration building. Facilities costs include personnel, janitorial services and general operating costs. Likewise, the city also provides IT support to the Department. For fiscal year ended June 30, 2013, the City of Burlingame charged \$105,880 and \$56,731 for the facilities and IT support respectively.

NOTE 10 – FUND BALANCES

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based on the extent to which the Department is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2013, fund balances for governmental funds consist of *Assigned Fund Balance* that includes amounts intended to be used for specific purposes that are neither restricted nor committed. Intent is expressed by an action of the Fire Board passing a resolution for the assignment or delegation of the authority to assign amounts to be used for specific purposes. Likewise, a similar action is required to reverse the assignment.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned and unassigned. Fund balances for all the governmental funds as of June 30, 2013 were as follows:

Designation	Joint Training Fund	Capital Projects Fund
Assigned to joint training program	\$178,774	
Assigned to certain capital projects		\$424,056

NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

- A. Plan Description – The Central County Fire Department Retiree Healthcare Plan (Plan) is a single-employer defined benefit healthcare plan administered by the Department. The plan provides healthcare benefits to eligible retirees and their dependents. Benefit provisions are established and may be amended through agreements and memorandums of understanding between the Department, its management employees and unions representing its employees. The Plan does not issue a financial report.

The Department provides eligible retirees medical benefits through the California Public Employees' Retirement system healthcare program (PEMHCA). It pays retiree healthcare benefits up to a cap for eligible retirees, dependent on bargaining unit and hire date.

- B. Funding Policy – The contribution requirements of the Plan participants and the department are established under a funding policy approved by the Fire Board, and may be amended by the department from time to time. The Plan is currently funded by employer contributions with no requirement for matching or employee contributions for eligible employees. The department adopted to prefund the actuarial liability by contributing the annual required contribution (ARC) – an amount sufficient to pay the current year's retiree premium and plan expenses, with an additional amount to pre-fund benefits as determined by an actuary on a biennial basis. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liability (or funding excess) over a period of thirty years. The current ARC rate is 12.8% of annual covered payroll.
- C. Annual OPEB Cost and Net OPEB Obligation – The following table, based on actuarial valuation as of July 1, 2011, shows the components of the annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the Department's net OPEB obligation:

	FY 10/11 GASB 45	FY11/12 GASB 45	FY12/13 GASB 45
Annual Required Contribution	\$890,933	\$1,049,000	\$1,130,000
Interest		36,865	131,323
Amortization		-64,437	-145,684
Annual OPEB cost	890,933	1,021,428	1,115,639
Annual OPEB cost as % of payroll		11.9%	12.8%
Contributions:			
Benefit Payment Outside Trust	23,533	77,478	175,442
Trust Funding			954,558
Total Contributions	23,533	77,478	1,130,000
Net Changes to Net OPEB Obligation	867,400	943,950	-14,361
Net OPEB Obligation – beginning		867,400	1,811,350
Net OPEB Obligation – ending	\$867,400	\$1,811,350	\$1,796,989
Percentage of Annual OPEB Cost Contributed	3%	7.6%	101.3%

- D. Funded Status and Funding Progress – In June 2013, the Department established an OPEB irrevocable trust with the California Employer's Retiree Benefit Trust Program (CERBT) administered by the California Public Employees' Retirement System (CalPERS) as an agent multiple-employer plan. This trust is used to accumulate resources to fund future benefits; however, it does not represent the activities of the plan. Financial statements of CERBT are included in the CalPERS financial report. Copies of this report may be obtained from CalPERS Executive Office – 400 P Street, Sacramento, California. The June 30, 2011 unfunded actuarial accrued liability (UAAL) for benefits (latest available information) was \$8,905,000. The \$954,558 initial deposit to the trust at June 30, 2013 was 10.72% of UAAL.

Actuarial valuations of an ongoing plan involve estimates of the value of expected benefit payments and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplemental information, following the notes to the financial statements, presents multi-year trend information

about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

- E. Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and the plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the actuarial valuation as of July 2011, the entry age normal actuarial cost method was used. The actuarial assumptions included a 7.25 percent investment rate of return, which is the expected long-term investment returns on the Department's funds, a 3% general inflation assumption, an annual aggregate payroll increase rate of 3.25% and healthcare cost trend rate ranging from 8.9% to 5% through the year 2021. The UAAL is being amortized as a level dollar amount over 30 years on a closed basis starting June 30, 2010.

NOTE 12 – EMPLOYEE RETIREMENT PLAN

- A. Plan Description and Funding Policy – The Department provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to its employees through a cost-sharing multiple-employer defined benefit plan offered by the Public Agency portion of the California Public Employees Retirement System (CalPERS), which acts as a common investment and administrative agent for participating public employers with the State of California. A cost-sharing multiple-employer plan is a single plan with pooling (cost-sharing) arrangements for the participating employers. All risks, rewards, and costs, including benefit costs, are shared and are not attributed individually to the employers. A single actuarial valuation covers all plan members and the same contribution rate(s) applies for each employer. A menu of benefit provisions and other requirements are established by State statutes within the Public Employee's Retirement Law. The Department selects optional benefit provisions from the benefit menu by contract with CalPERS and adopts those benefits through local resolutions. Benefits are based on years of credited service equal to one year of full-time employment. The Department participates in separate Safety and Miscellaneous Employee Plans. CalPERS issues a separate comprehensive annual financial report. Copies of its annual financial report may be obtained from CalPERS Executive Office at 400 P Street, Sacramento, CA 95814.

CalPERS determines contribution requirements using the entry Age Normal Cost method. Under this method, projected benefits are determined for all members and the associated liabilities are spread in a manner that produces level annual cost as a percent of pay from the age of hire (entry age) to the assumed retirement age. The actuarial assumptions included a 7.75 percent investment rate of return which is the expected long-term investment returns on plan assets, projected payroll growth of 3.25 percent, 3 percent inflation rate and salary increases in a range depending on age, service and type of employment. The unfunded actual accrued liability is being amortized as a level percentage of payroll on a closed basis. All changes in liability due to plan amendments, changes in actuarial assumptions or changes in actuarial methodology are amortized separately over a 2-year period. All gains or losses are tracked and amortized over a rolling 30 year period. The actuarial methods and assumptions used are those adopted by the CalPERS board. The contribution requirements of the

plan members are established by State statute and the employer contribution rate is established and may be amended by CalPERS.

The Department's safety and miscellaneous plans are parts of a CalPERS risk pool for employers with less than 100 active plan members (implemented as of the actuarial valuation date of June 30, 2003). As part of a cost-sharing multiple employer defined benefit plan, disclosure of the schedule of funding progress is not provided.

Active plan members are required to contribute 8% (miscellaneous) or 9% (public safety) of their annual covered salary. For fiscal year 2013, plan members contributed \$756,381. The Department is required to contribute the actuarially determined remaining amounts necessary to fund the benefits for its members.

- B. Annual Pension Cost – For fiscal year 2013, the Department's annual pension costs was \$1,899,935 with the safety employees paying an additional 2% of their covered payroll (\$153,400) towards these costs. The required contribution for the current year was determined as part of the June 30, 2010 actuarial valuation.

The Plan's provisions and benefits in effect at June 30, 2013 and the required contribution rates for fiscal year 2012-13 are summarized below:

	Safety – Fire		Miscellaneous	
Benefit vesting schedule	5 years' service		5 years' service	
Benefit payments	Monthly for life		Monthly for life	
Retirement Age	50	50	50	52
Monthly benefits as a % of annual salary	2.4% - 3.0%	2% - 2.7%	2% - 2.5%	1% - 2.5%
Required employee contribution rates	9% +2%	12.25%	8%	6.5%
Required employer contribution rates	22.744%	12.25%	14.822%	6.7%
Retirement formula	3% @ 55	2.7% @ 57	2.5% @ 55	2% @ 62
	Single highest year	3 year final comp	Single highest year	3 year final comp
Pensionable Compensation Cap		\$136,440		\$113,700

- C. Trend Information – Trend information is as follows:

	Fiscal Year Ending	Annual Pension Cost (APC)	Percentage Of APC Contributed
Miscellaneous	6/30/11	\$25,961	100%
	6/30/12	\$25,247	100%
	6/30/13	\$31,666	100%
Safety	6/30/11	\$1,587,523	100%
	6/30/12	\$1,947,762	100%
	6/30/13	\$1,868,269	100%

NOTE 13 – NEW ACCOUNTING PRONOUNCEMENTS

The GASB has issued Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* This Statement establishes standards for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and also requires related disclosures. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011. The Department has implemented the requirement of this standard.

GASB has also issued the Statement No. 60 *“Accounting and Financial Reporting for Service Concession Arrangements”*, Statement No. 61 *“The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No.34.”* and Statement No. 62, *“Codification of Accounting and Financial Reporting Guidance Contained in pre-November 30, 1989, FASB and AICPS Pronouncements”*.

GASB has also issued Statement No. 65, *“Items Previously Reported as Assets and Liabilities”* which is effective for periods beginning after December 15, 2012, with earlier implementation encouraged.

Above three statements have minimal impact to the Department.

**REQUIRED SUPPLEMENTARY
INFORMATION**

**CENTRAL COUNTY FIRE DEPARTMENT
SCHEDULE OF FUNDING PROGRESS FOR RETIREE HEALTH PLAN**

Actuarial Valuation <u>Date*</u>	Actuarial Accrued <u>Liability</u>	Actuarial Value of <u>Assets</u>	Unfunded Liability (Excess <u>Assets</u>)	Funded <u>Ratio</u>	Annual Covered <u>Payroll</u>	UAAL as a % of <u>Payroll</u>
6/30/2011	\$ 8,905,000		\$ 8,905,000	0%	\$ 8,577,000	104%

DEFINED BENEFIT PENSION PLAN

The Department retirement plans are part of the CalPERS risk pool for cities and other government entities that have less than 100 active members. Actuarial valuations performed included other participants within the same risk pool. Therefore, standalone information of the schedule of funding progress for the Department's employees is not available.

*Latest information available

**CENTRAL COUNTY FIRE DEPARTMENT
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:				
Burlingame	\$ 8,977,494	\$ 8,977,494	\$ 8,880,347	\$ (97,147)
Hillsborough	5,984,996	5,984,996	5,920,232	(64,764)
Service charges	1,159,330	859,330	1,336,097	476,767
Interest income	800	800	237	(563)
Total Revenues	16,122,620	15,822,620	16,136,913	314,293
EXPENDITURES:				
Current:				
Personnel costs	13,728,500	14,328,500	14,796,777	(468,277)
Materials and services	1,794,120	1,194,120	1,040,136	153,984
Total Expenditures	15,522,620	15,522,620	15,836,913	(314,293)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	600,000	300,000	300,000	
OTHER FINANCING SOURCES (USES)				
Transfers	(600,000)	(300,000)	(300,000)	
NET CHANGE IN FUND BALANCES				
BEGINNING FUND BALANCES				
ENDING FUND BALANCES	\$	\$	\$	\$

**CENTRAL COUNTY FIRE DEPARTMENT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES-
JOINT TRAINING FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:				
Service charges	\$ 150,557	\$ 150,557	\$ 182,425	\$ 31,868
Total Revenues	<u>150,557</u>	<u>150,557</u>	<u>182,425</u>	<u>31,868</u>
EXPENDITURES:				
Current:				
Materials and services	150,557	150,557	121,059	29,498
Total Expenditures	<u>150,557</u>	<u>150,557</u>	<u>121,059</u>	<u>29,498</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			<u>61,366</u>	<u>61,366</u>
NET CHANGE IN FUND BALANCES			61,366	61,366
BEGINNING FUND BALANCES		117,408	117,408	
ENDING FUND BALANCES	<u>\$</u>	<u>\$ 117,408</u>	<u>\$ 178,774</u>	<u>\$ 61,366</u>

CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
JUNE 30, 2013

Schedule of funding Progress for Retiree Health Plan

This schedule presents information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. The Department established a trust account to fund the OPEB liability fully funding the \$1,130,000 Annual Required Contribution (ARC) for FY12/13.

Budgetary Information

The Department adopts annual budgets on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects funds, which adopt project-length budgets. All appropriations lapse at fiscal year-end. Encumbrances related to unperformed contracts for goods or services at year-end lapse and are automatically reappropriated and reencumbered in the subsequent fiscal year. There are no outstanding encumbrances in the governmental funds at June 30, 2013.

Prior to June 30, the Chief Administrative Officer submits to the Fire Board a proposed operating budget for review. The Board holds public hearings and a final budget is adopted on or before June 30.

The modified accrual basis of accounting is used for budgeting. This means revenues are recognized when they become measurable or available, while expenditures are accounted for or recognized in the budgeting period when they were incurred.

The Fire Board may amend or supplement the budget at any time after its adoption by a majority vote of the members. The Chief Administrative Officer or his designate may make administrative adjustments to the budget as long as those changes will not have a significant policy impact nor affect budgeted year-end fund balances. Any revisions that alter the total expenditures of any fund in excess of the approved funding contributions from the partner cities must be approved by the Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. Budget amounts shown in these financial statements include all supplemental appropriations made, if any, during the year.

A schedule of revenues, expenditures and changes in fund balances – budget and actual – of the Department's General Fund is presented as required supplementary information.

STATISTICAL SECTION

This part of the Central County Fire Department's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the Department's overall financial health.

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PAGES

Financial Trends

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

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Revenue Capacity

These schedules contain information to help the reader assess the Partner Cities' ability to generate its major sources for funding the Department

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Demographic and Economic Information

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

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Operating Information

These schedules contain information to help the reader understand how the information in the financial reports relates to the services the Department provides and activities it performs.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

CENTRAL COUNTY FIRE DEPARTMENT
NET POSITION BY COMPONENT (accrual basis of accounting)
LAST THREE YEARS (from inception)

	<u>2011</u>		<u>2012</u>		<u>2013</u>
Governmental Activities:					
Net investment in capital assets	\$ 44,847	\$	135,297	\$	116,294
Unrestricted	(2,385,159)		(3,442,179)		(4,006,508)
Total governmental activities net position	<u>\$ (2,340,312)</u>	\$	<u>(3,306,882)</u>	\$	<u>(3,890,214)</u>

Source: Central County Fire Department audited financial statements as restated, if applicable.

CENTRAL COUNTY FIRE DEPARTMENT
CHANGES IN NET POSITION (accrual basis of accounting)
LAST TWO YEARS (from inception)

	<u>2011</u>	<u>2012</u>	<u>2013</u>
Expenses:			
Governmental Activities:			
Public safety:			
Personnel	\$ 14,032,646	\$ 14,969,002	\$ 15,577,913
Materials and services	1,149,333	1,331,681	1,305,754
Depreciation expense		5,383	19,003
Total Governmental Activities Expenses	<u>15,181,979</u>	<u>16,306,066</u>	<u>16,902,670</u>
Program Revenues:			
Governmental Activities:			
Charges for services	1,157,093	1,190,585	1,518,522
Operating grants and contributions	110,300	47,495	
Interest income	322		
Total Governmental Activities program Revenues	<u>1,267,715</u>	<u>1,238,080</u>	<u>1,518,522</u>
Governmental Activities net (Expenses)/Revenue	<u>(13,914,264)</u>	<u>(15,067,986)</u>	<u>(15,384,148)</u>
General Revenues:			
Governmental Activities:			
Intergovernmental - Burlingame	8,220,089	8,460,470	8,880,347
Intergovernmental - Hillsborough	5,480,060	5,640,313	5,920,232
Interest income	1,202	633	237
Total Governmental Activities General Revenues	<u>13,701,351</u>	<u>14,101,416</u>	<u>14,800,816</u>
Governmental Activities Changes in Net Position Before Special Item	(212,913)	(966,570)	(583,332)
Assumption of Beginning Compensated Absences Liability on Formation	<u>(2,127,399)</u>		
Governmental Activities Changes in Net Position After Special Item	<u>\$ (2,340,312)</u>	<u>\$ (966,570)</u>	<u>\$ (583,332)</u>

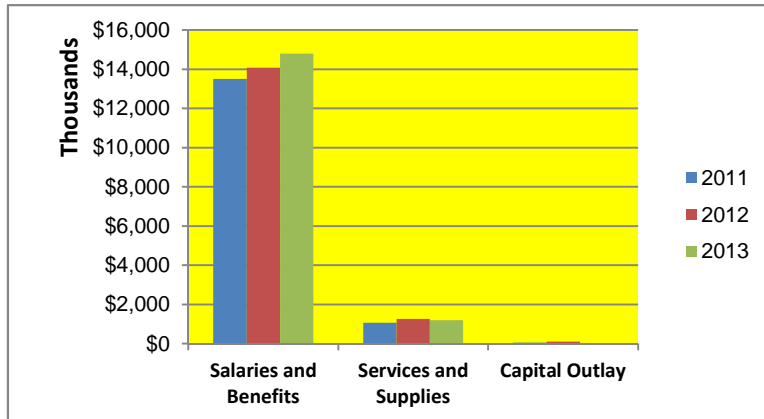
Source: Central County Fire Department audited financial statements as restated, if applicable.

CENTRAL COUNTY FIRE DEPARTMENT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (modified accrual basis of accounting)
LAST THREE YEARS (from inception)

	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues:			
Intergovernmental:			
Burlingame	\$ 8,233,728	\$ 8,460,470	\$ 8,880,347
Hillsborough	5,480,060	5,640,313	5,920,232
Millbrae	96,661		
Federal grants		47,495	
Service Charges	1,157,093	1,190,585	1,518,522
Interest Income	1,209	633	237
Total Revenues	<u>14,968,751</u>	<u>15,339,496</u>	<u>16,319,338</u>
Expenditures:			
Current:			
Personnel costs	13,505,767	14,071,775	14,796,777
Materials and services	1,063,180	1,257,444	1,189,132
Capital Outlay	44,847	95,833	
Total Expenditures	<u>14,613,794</u>	<u>15,425,052</u>	<u>15,985,909</u>
Net Change in Fund Balances	354,957	(85,556)	333,429
Beginning Fund Balances	-	354,957	269,401
Ending Fund Balances	<u>\$ 354,957</u>	<u>\$ 269,401</u>	<u>\$ 602,830</u>
General Fund:			
Committed	\$ -	\$ -	\$ -
Assigned			
Unassigned			
Total General Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
All Other Governmental Funds:			
Assigned	<u>\$ 354,957</u>	<u>\$ 269,401</u>	<u>\$ 602,830</u>

Source: Central County Fire Department audited financial statements as restated, if applicable.

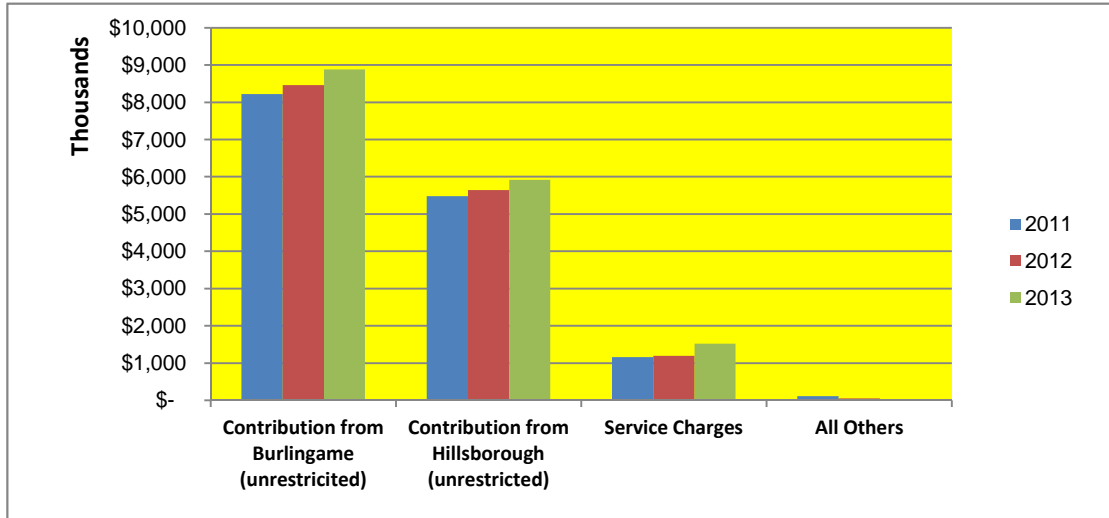
CENTRAL COUNTY FIRE DEPARTMENT
GOVERNMENTAL FUNDS EXPENDITURES BY FUNCTION
(modified accrual basis of accounting)
LAST THREE YEARS (from inception)



	<u>2011</u>	<u>2012</u>	<u>2013</u>
Salaries and Benefits	\$ 13,505,767	\$ 14,071,775	\$ 14,796,777
Services and Supplies	1,063,180	1,257,444	1,189,132
Capital Outlay	44,847	95,833	
Total	<u>\$ 14,613,794</u>	<u>\$ 15,425,052</u>	<u>\$ 15,985,909</u>

Source: Central County Fire Department audited financial statements

CENTRAL COUNTY FIRE DEPARTMENT
GOVERNMENTAL FUNDS REVENUES BY SOURCES
(modified accrual basis of accounting)
LAST THREE YEARS (since inception)



	<u>2011</u>	<u>2012</u>	<u>2013</u>
Contribution from Burlingame (unrestricted)	\$ 8,220,089	8,460,470	8,880,347
Contribution from Hillsborough (unrestricted)	5,480,060	5,640,313	5,920,232
Service Charges	1,157,093	1,190,585	1,518,522
All Others	111,509	48,128	237
Total	<u>\$ 14,968,751</u>	<u>\$ 15,339,496</u>	<u>\$ 16,319,338</u>

CITY OF BURLINGAME AND TOWN OF HILLSBOROUGH (PARTNER CITIES)
GENERAL FUND TAX REVENUES BY SOURCE
LAST TEN YEARS (amounts expressed in thousands)

<u>Fiscal Year</u>	<u>Property Tax</u> (1)	<u>Public Safety Special Tax</u>	<u>Sales Tax</u>	<u>Transient Occupancy Tax</u>	<u>Other Taxes</u> (2)	<u>Inter- Governmental Revenues</u>	<u>Total</u>
CITY OF BURLINGAME							
2004	\$ 7,399		\$ 8,834	\$ 7,299	\$ 1,728	\$ 3,072	\$ 28,332
2005	9,360		8,508	8,066	1,861	1,996	29,791
2006	10,390		8,806	9,273	2,204	1,041	31,714
2007	11,469		9,231	10,356	1,523	567	33,146
2008	12,198		9,459	11,265	1,981	505	35,408
2009	12,798		8,251	10,155	1,782	313	33,299
2010	13,355		6,276	10,342	1,857	403	32,233
2011	13,310		8,041	13,404	2,071	2,966	39,792
2012	13,460		8,495	16,183	2,582	399	41,119
2013	15,539		9,199	18,244	3,284	1,408	47,674
TOWN OF HILLSBOROUGH							
2004	\$ 7,621	\$ 2,138	\$ 76		\$ 1,558	\$ 595	\$ 11,988
2005	8,591	2,188	51		1,588	248	12,666
2006	9,324	2,233	55		1,654	370	13,636
2007	10,703	2,234	59		1,407	181	14,584
2008	10,971	2,236	67		1,591	173	15,038
2009	11,700	2,238	73		1,288	162	15,461
2010	12,324	2,232	77		1,304	137	16,074
2011	12,493	2,232	48		1,398	154	16,325
2012	12,340	2,232	79		1,397	279	16,327
2013	13,012	2,235	169		1,714	227	17,357

(1) Includes Excess ERAF (from FY 03/04) and Motor Vehicle License Fee in Lieu and Triple Flip (from FY 04/05)

(2) Include Property Transfer Tax, Business License Tax, Franchise Fees and HOPTR

Source: City of Burlingame and Town of Hillsborough audited financial statements

CITY OF BURLINGAME AND TOWN OF HILLSBOROUGH (PARTNER CITIES)
 ASSESSED VALUES OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS

Fiscal Year	Net Secured	CITY OF BURLINGAME			% of Chg	TOWN OF HILLSBOROUGH			% of Chg	Grand Total	% of Chg
		Unsecured	Total			Net Secured	Unsecured	Total			
2004	\$ 4,522,570,927	\$ 293,708,468	\$ 4,816,279,395	3.31%		\$ 4,556,892,447	\$4,892,748	\$ 4,561,785,195	7.36%	\$ 9,378,064,590	5.24%
2005	4,849,578,559	293,279,512	5,142,858,071	6.78%		4,789,772,330	4,369,077	4,794,141,407	5.09%	9,936,999,478	5.96%
2006	5,216,583,717	272,414,954	5,488,998,671	6.73%		5,141,117,835	5,176,974	5,146,294,809	7.35%	10,635,293,480	7.03%
2007	5,635,157,143	324,100,493	5,959,257,636	8.57%		5,551,232,376	4,843,411	5,556,075,787	7.96%	11,515,333,423	8.27%
2008	6,089,635,422	291,377,516	6,381,012,938	7.08%		5,893,838,384	5,982,508	5,899,820,892	6.19%	12,280,833,830	6.65%
2009	6,457,431,033	300,758,515	6,758,189,548	5.91%		6,279,198,652	4,766,453	6,283,965,105	6.51%	13,042,154,653	6.20%
2010	6,662,858,226	299,902,769	6,962,760,995	3.03%		6,628,286,307	4,896,023	6,633,182,330	5.56%	13,595,943,325	4.25%
2011	6,733,012,764	274,429,627	7,007,442,391	0.64%		6,626,284,225	7,862,429	6,634,146,654	0.01%	13,641,589,045	0.34%
2012	6,838,109,244	270,906,684	7,109,015,928	1.45%		6,631,133,227	5,673,361	6,636,806,588	0.04%	13,745,822,516	0.76%
2013	7,154,664,973	275,840,943	7,430,505,916	4.52%		6,900,156,922	5,149,053	6,905,305,975	4.05%	14,335,811,891	4.29%

NOTE: In 1978, California voters passed Proposition 13 which set the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within. The cities' average share of the 1% tax rate is 0.1707 for Burlingame and 0.171916 for Hillsborough.

Source: City of Burlingame and Town of Hillsborough audited financial statements

CITY OF BURLINGAME AND TOWN OF HILLSBOROUGH (PARTNER CITIES)
PRINCIPAL PROPERTY TAX PAYERS
JUNE 30, 2013

<u>Taxpayer</u>	<u>2013</u>			<u>2012</u>		
	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total Assessed Value</u>
CITY OF BURLINGAME:						
EQR-Northpark LP	112,200,000	1	1.51%	110,000,000	1	1.55%
HMC Burlingame Hotel LLC	\$ 88,569,898	2	1.19%	81,841,514	2	1.15%
Inland American Lodging	79,569,725	3	1.07%	72,000,000	3	1.01%
Mills-Peninsula Health Services	61,086,976	4	0.82%	47,137,708	5	0.66%
Bay Park Plaza Associates	53,405,499	5	0.72%	51,900,000	4	0.73%
Felcor CCS Holdings LP 9520	44,109,547	6	0.59%	44,771,063	6	0.63%
EQR-Skyline Terrace	43,450,534	7	0.58%	42,599,563	7	0.60%
One Bay Plaza Associates LLC	38,419,758	8	0.52%	33,700,000	9	0.47%
DCT Rollins Road LLC	35,150,000	9	0.47%	34,256,020	8	0.48%
Harbour View Hotels, Inc.	28,570,152	10	0.38%	27,926,707	10	0.39%
HMH SFO						
Glenborough Properties LP						
Airport Blvd. Hotel LLC						
Northpark Properties						
California Teachers Association						
	<u>\$ 584,532,089</u>		<u>7.86%</u>	<u>\$ 546,132,575</u>		<u>7.79%</u>
TOWN OF HILLSBOROUGH:						
De Martini James G B III TR (4)	\$ 26,050,000	1	0.38%	\$ 22,650,000	1	0.34%
Vaden Val E TR	18,917,797	2	0.29%	18,546,862	2	0.28%
Kruttschnitt Theodore H (2)	17,938,821	3	0.27%	16,746,556	4	0.25%
Redlich Christopher R Jr (2)	17,336,634	4	0.26%	16,996,701	3	0.26%
Stamos Peter Spiro TR	17,100,000	5	0.26%	13,500,000	6	0.20%
Hsu George TR (4)	15,064,901	6	0.23%	16,582,805	5	0.25%
Charles, Johnson (2)	12,634,940	7	0.19%	12,387,199	7	0.19%
Tai, Patrick (3)	12,202,806	8	0.18%	11,963,537	8	0.18%
Steirman, David	10,961,868	9	0.17%			
Deb Dipanjan	10,600,000	10	0.16%	11,510,022	10	0.17%
Wong, Raymond (2)				11,875,724	9	0.18%
	<u>\$ 158,807,767</u>		<u>2.38%</u>	<u>\$ 152,759,406</u>		<u>2.30%</u>

Source: City of Burlingame and Town of Hillsborough audited financial statements

COUNTY OF SAN MATEO AND PENINSULA CITIES
LARGEST EMPLOYERS

<u>Name</u>	<u>Description</u>	2013 <u>Total Peninsula Employees</u>	<u>Percentage of Labor Workforce San Mateo County (1)</u>
Stanford University	Health care	12,614	3.14%
Genentech Inc.	Biotechnological	8,600	2.14%
Oracle Corporation	Enterprise software	7,000	1.75%
County of San Mateo	County government	5,979	1.49%
Kaiser Permanente	Health care	3,855	0.96%
VA Palo Alto Health Care System	Veteran health care system	3,500	0.87%
Visa Inc.	Payments technology	3,100	0.77%
Vmware Inc.	Virtualization software	3,100	0.77%
Mills-Peninsula Health Service	Nonprofit hospital	2,500	0.62%
Salesforce.com Inc.	Enterprise cloud computing	2,500	0.62%
San Mateo Community College District	Higher education	2,115	0.53%
Safeway Inc.	Retail grocer	2,075	0.52%
Electronic Arts Inc.	Entertainment Software	2,000	0.50%
Facebook Inc.	Social network	2,000	0.50%
Hewlett-Packard Co.	Technology	2,000	0.50%
Gilead Sciences Inc.	Biopharmaceutical	1,846	0.46%
SLAC National Accelerator Laboratory	Scientific research	1,781	0.44%
Space Systems/Loral	Commercial satellite manufacturer	1,700	0.42%
Seton Medical Center	Hospital	1,582	0.39%
U.S. Postal Service	Mailing and shipping services	1,538	0.38%
Virgin America Inc.	Airline	1,500	0.37%
City and County of San Francisco	Local government	1,377	0.34%
Robert Half International Inc.	Staffing services	1,375	0.34%
Palo Alto Unified School District	Public school district	1,318	0.33%
Genencor, A Danisco Division	Biotech	1,098	0.27%

Source: San Francisco Business Times, Book of Lists, 2013

(1) The table above reflects the statistical data for San Mateo County as provided by the Employment Development Department of the State of California as of August 2013

CITY OF BURLINGAME AND TOWN OF HILLSBOROUGH (PARTNER CITIES)
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

<u>Calendar/Fiscal Year</u>	<u>Population</u> (1)	<u>Median Household Income</u>	<u>Per Capita Personal Income</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u> (2)
CITY OF BURLINGAME			(3)	(4)	
2004	28,168		\$ 49,251	3,731	3.5%
2005	28,180		\$ 52,356	3,724	3.1%
2006	28,277		\$ 56,969	3,731	2.6%
2007	28,453		\$ 60,035	3,791	2.7%
2008	28,762		\$ 60,744	3,606	3.5%
2009	29,050		\$ 58,523	3,895	6.2%
2010	29,342		\$ 43,432	3,887	6.5%
2011	29,106		\$ 47,996		5.8%
2012	29,426		\$ 51,002		3.7%
TOWN OF HILLSBOROUGH			(5)	(6)	
2004	10,850			2,030	1.9%
2005	10,983			2,058	1.7%
2006	10,965			2,109	1.5%
2007	11,122			2,156	1.5%
2008	11,272			2,207	2.0%
2009	11,395	\$ 232,253	\$ 121,612	2,232	3.7%
2010	11,537	\$ 208,870	\$ 120,924	2,258	4.0%
2011	10,927			2,262	3.4%
2012	11,006			2,271	3.2%
2013	11,115			2,412	2.2%

(1) State of California, Department of Finance

(2) State of California, Employment Development Department

(3) Income Data: ESRI provided by HDL, Coren & Cone

(4) Burlingame Elementary School District; Burlingame High School

(5) city-data.com; clrsearch.com; 2009-2010 data is the last available information

(6) Hillsborough City School District; Private Schools

Source: City of Burlingame and Town of Hillsborough audited financial statements

CENTRAL COUNTY FIRE DEPARTMENT APPARATUS



Engine 32 Pierce Dash Model Year 2002
Carries 500 Gallons of water and 20 gallons each of
Class A and Class B Foam



Engine 33 Pierce Dash Model Year 2002
Carries 500 gallons of water and 20 gallons of each
Class A and Class B Foam



Engine 34 Pierce Dash Model Year 2002
Carries 680 gallons of water and 20 gallons of each
Class A and Class B Foam



Engine 35 Pierce Dash Model Year 2000
Carries 680 gallons of water and 10 gallons each of
Class A and Class B Foam



SVI Rescue Model Year 2007



Truck 34 2007 Pierce Dash Cab 105" Aerial Ladder

CENTRAL COUNTY FIRE DEPARTMENT

FIRE STATIONS AND FACILITIES



Administrative Office
1399 Rollins Road
Burlingame, CA 94010



Fire Station 34
799 California Drive
Burlingame, CA 94010



Fire Station 32
330 Ascot Road
Hillsborough, CA 94010

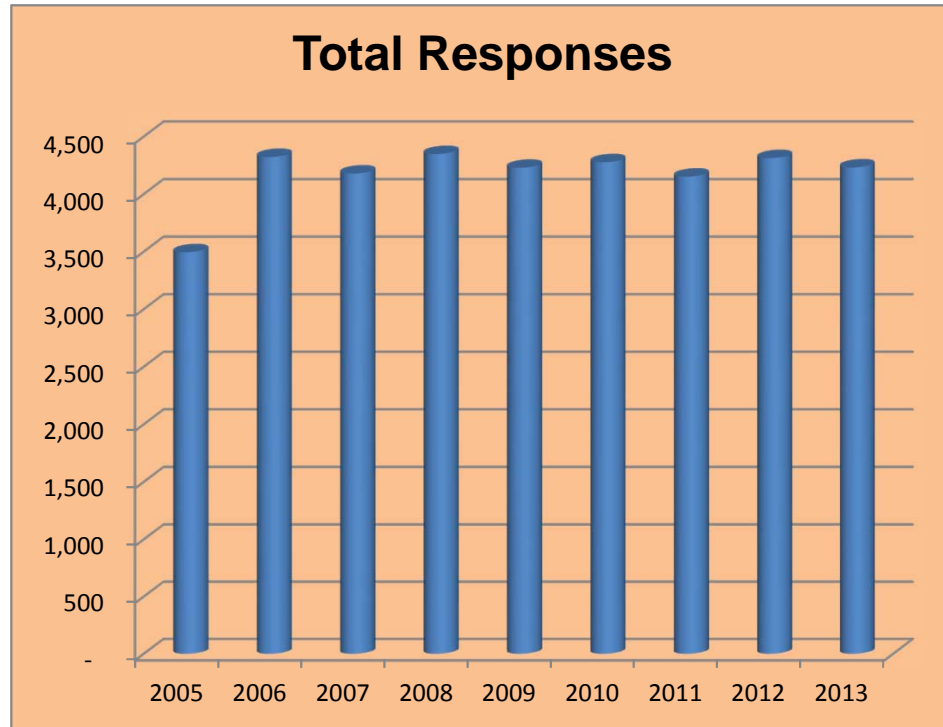


Fire Station 35
2832 Hillside Drive
Burlingame, CA 94010



Fire Station 33
835 Chateau Drive
Hillsborough, CA 94010

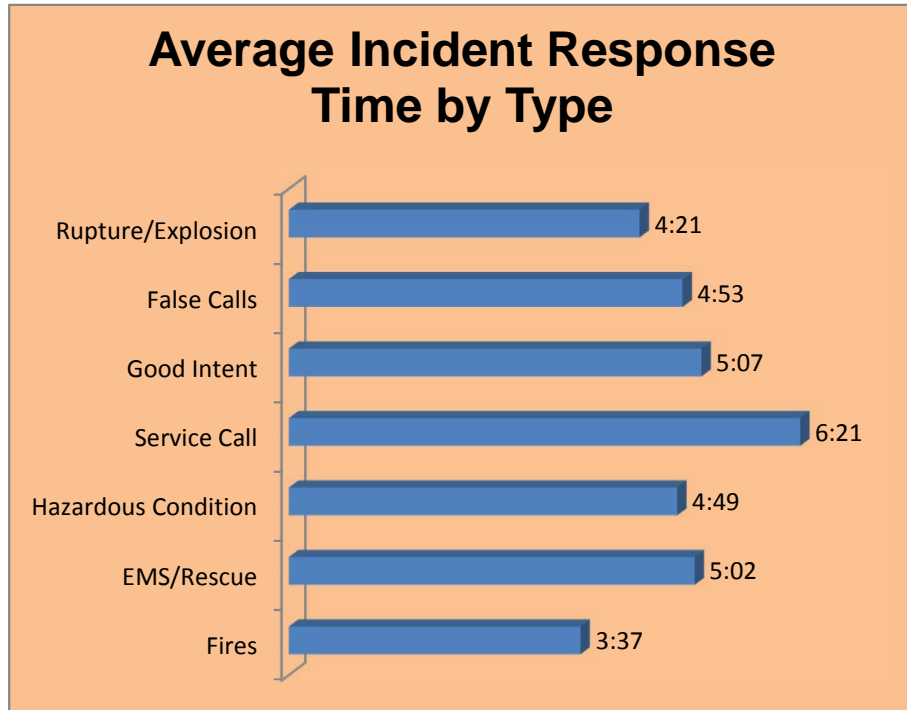
CENTRAL COUNTY FIRE DEPARTMENT
COMPARATIVE ANNUAL GRAPH - TOTAL RESPONSES
LAST NINE YEARS (1)



<u>Fiscal Year</u>	<u>Total Calls</u>
2005	3,495
2006	4,323
2007	4,179
2008	4,348
2009	4,229
2010	4,277
2011	4,152
2012	4,313
2013	4,232

Source: Department's Records Management Systems
(1) Data only available for the last nine years

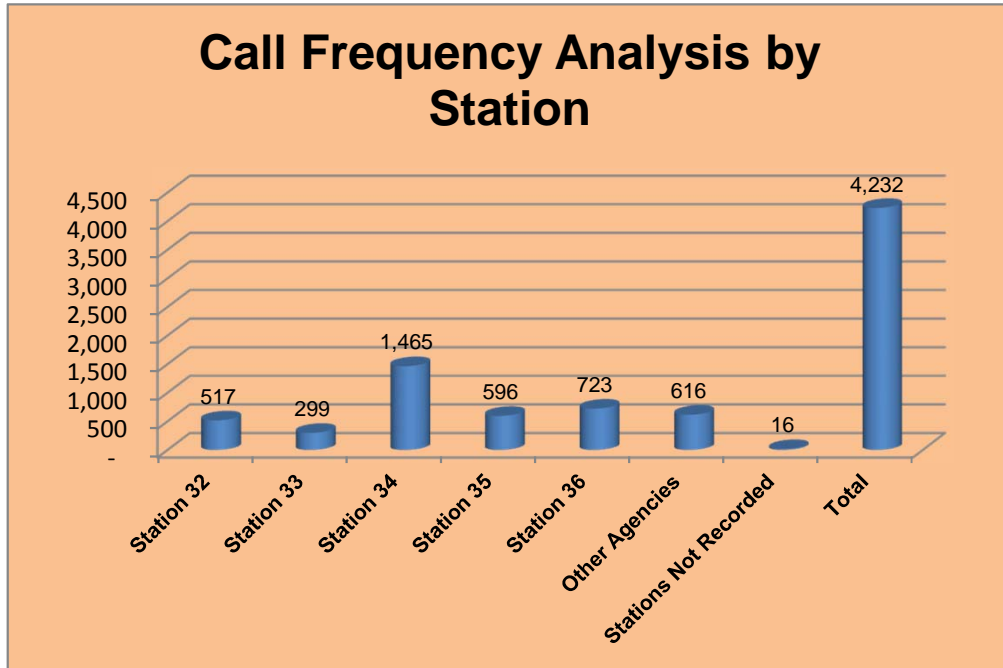
CENTRAL COUNTY FIRE DEPARTMENT
AVERAGE INCIDENT RESPONSE TIME BY TYPE
FISCAL YEAR 2012-13



Incident Type	Average Response Time (in minutes)
Fires	3:37
EMS/Rescue	5:02
Hazardous Condition	4:49
Service Call	6:21
Good Intent	5:07
False Calls	4:53
Rupture/Explosion	4:21

Source: Department's Records Management Systems

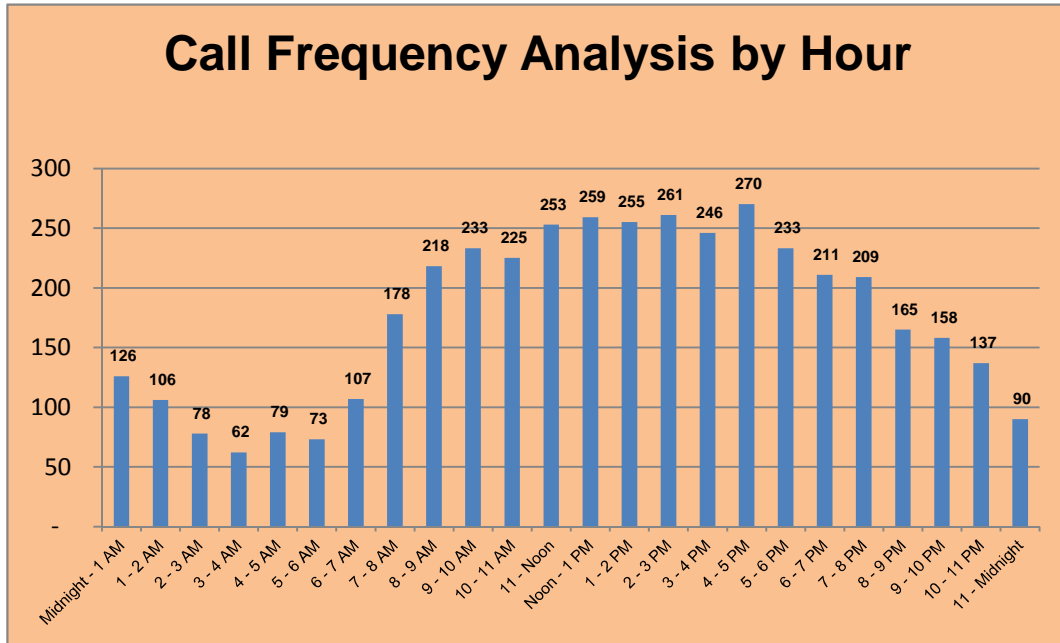
CENTRAL COUNTY FIRE DEPARTMENT
CALL FREQUENCY ANALYSIS BY STATION
FISCAL YEAR 2012-2013



<u>Station Location</u>	<u>Total Calls</u>	<u>% to Totals</u>
Station 32	517	12.22%
Station 33	299	7.07%
Station 34	1,465	34.62%
Station 35	596	14.08%
Station 36	723	17.08%
Other Agencies	616	14.56%
Stations Not Recorded	16	0.38%
Total	4,232	100.00%

Source: Department's Records Management Systems

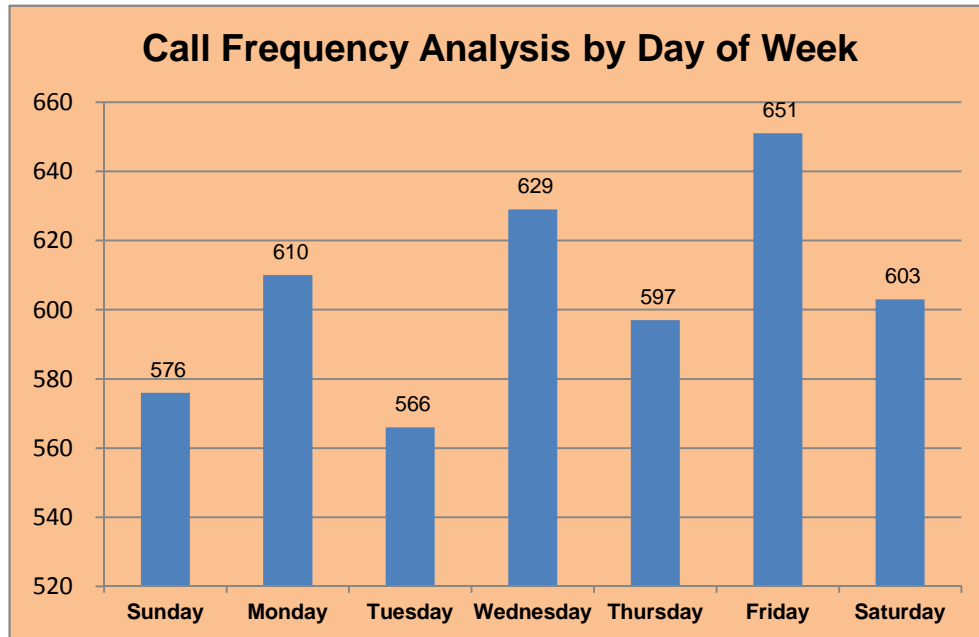
CENTRAL COUNTY FIRE DEPARTMENT
CALL FREQUENCY ANALYSIS BY HOUR
FISCAL YEAR 2012-2013



<u>Hour</u>	<u>Total Calls</u>	<u>% to Totals</u>
Midnight - 1 AM	126	2.98%
1 - 2 AM	106	2.50%
2 - 3 AM	78	1.84%
3 - 4 AM	62	1.47%
4 - 5 AM	79	1.87%
5 - 6 AM	73	1.72%
6 - 7 AM	107	2.53%
7 - 8 AM	178	4.21%
8 - 9 AM	218	5.15%
9 - 10 AM	233	5.51%
10 - 11 AM	225	5.32%
11 - Noon	253	5.98%
Noon - 1 PM	259	6.12%
1 - 2 PM	255	6.03%
2 - 3 PM	261	6.17%
3 - 4 PM	246	5.81%
4 - 5 PM	270	6.38%
5 - 6 PM	233	5.51%
6 - 7 PM	211	4.99%
7 - 8 PM	209	4.94%
8 - 9 PM	165	3.90%
9 - 10 PM	158	3.73%
10 - 11 PM	137	3.24%
11 - Midnight	90	2.13%
Total	4,232	100.00%

Source: Department's Records Management Systems

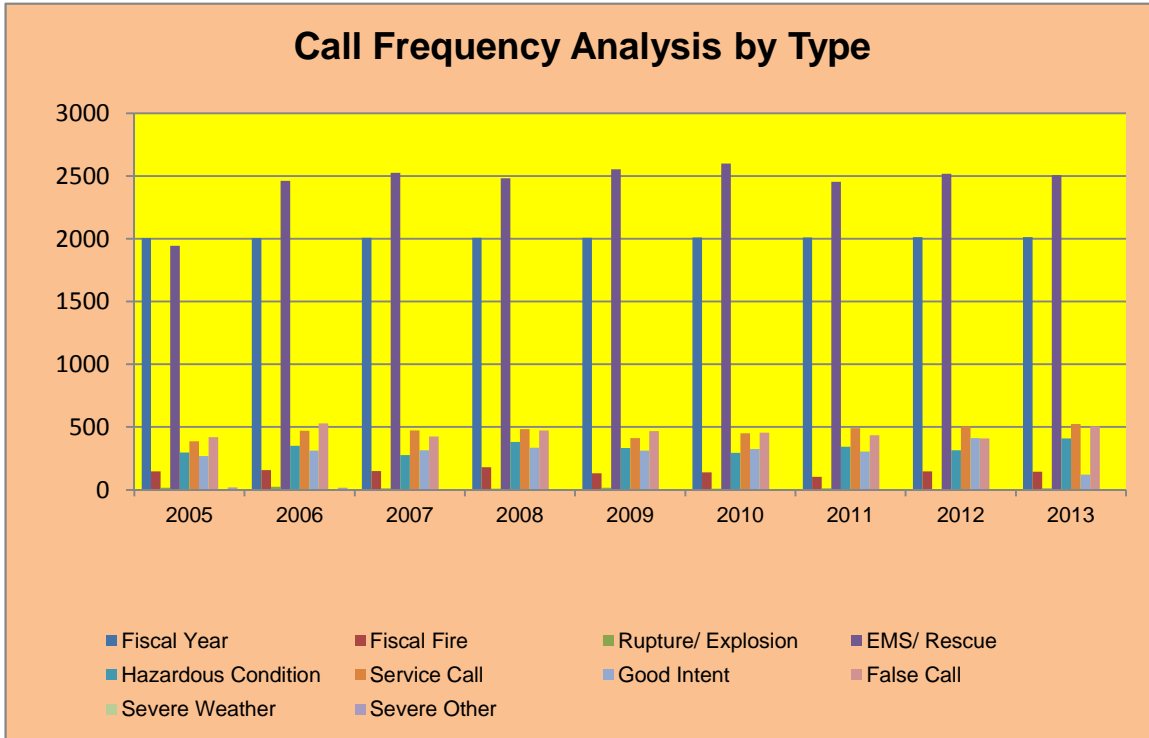
CENTRAL COUNTY FIRE DEPARTMENT
CALL FREQUENCY ANALYSIS BY WEEK
FISCAL YEAR 2012-2013



<u>Day of Week</u>	<u>Total Calls</u>	<u>% to Totals</u>
Sunday	576	13.61%
Monday	610	14.41%
Tuesday	566	13.37%
Wednesday	629	14.86%
Thursday	597	14.11%
Friday	651	15.38%
Saturday	603	14.25%
Total	4,232	100.00%

Source: Department's Records Management Systems

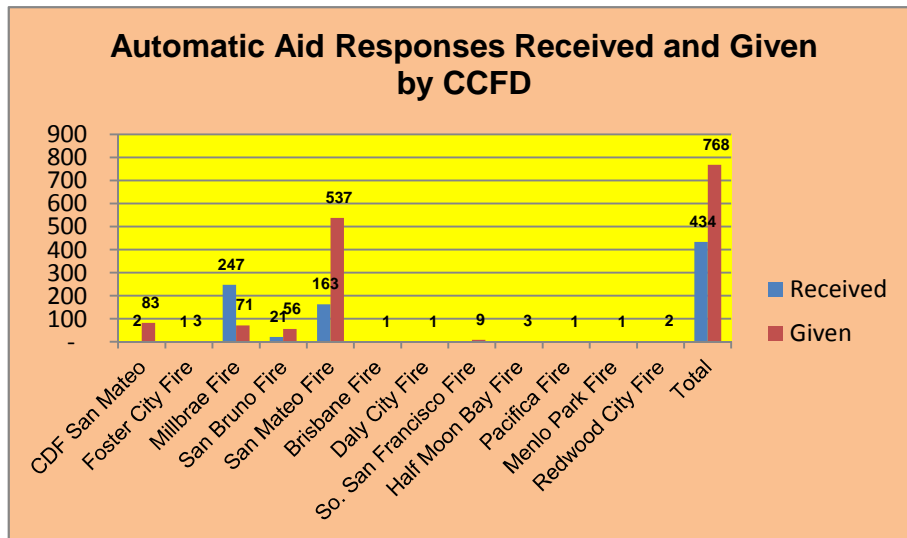
CENTRAL COUNTY FIRE DEPARTMENT
CALL FREQUENCY ANALYSIS BY TYPE
LAST NINE YEARS (1)



<u>Fiscal Year</u>	<u>Fire</u>	<u>Rupture/ Explosion</u>	<u>EMS/ Rescue</u>	<u>Hazardous Condition</u>	<u>Service Call</u>	<u>Good Intent</u>	<u>False Call</u>	<u>Severe Weather</u>	<u>Other</u>	<u>Total</u>
2005	147	16	1,943	296	387	268	419	1	18	3,495
2006	157	23	2,461	350	470	313	530	3	16	4,323
2007	148	11	2,526	276	473	314	424	2	5	4,179
2008	179	8	2,483	381	483	336	472	4	2	4,348
2009	131	17	2,553	334	411	313	468	1	1	4,229
2010	139	9	2,599	295	451	324	454	5	1	4,277
2011	104	12	2,454	343	490	305	435	7	2	4,152
2012	147	2	2,517	316	505	411	408	1	6	4,313
2013	145	12	2,508	410	525	121	505	4	2	4,232

Source: Department's Records Management Systems
(1) Data only available for the last nine years

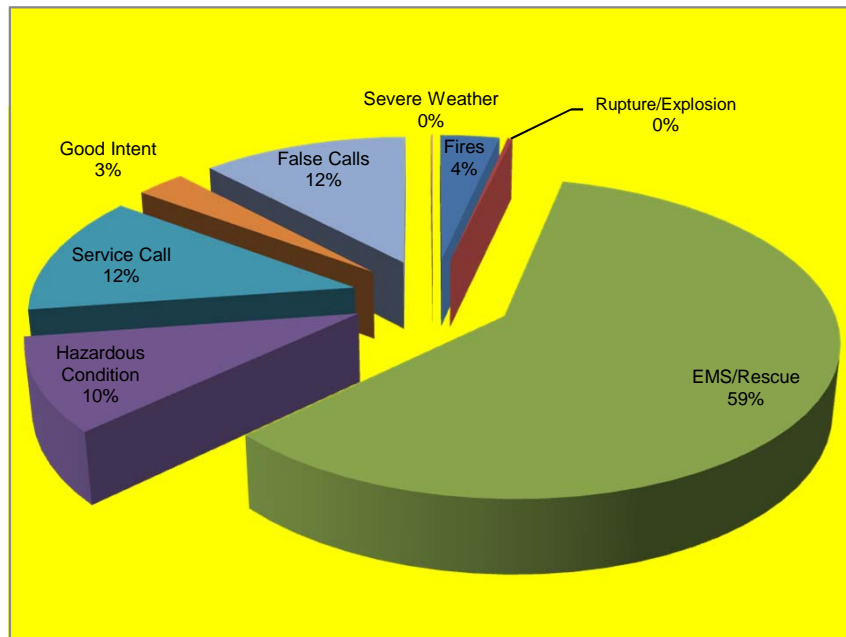
CENTRAL COUNTY FIRE DEPARTMENT
AUTOMATIC AID RESPONSES RECEIVED AND GIVEN
FISCAL YEAR 2012-2013



<u>Agency</u>	<u>Automatic Aid Received</u>	<u>Automatic Aid Given</u>	<u>Total</u>
CDF San Mateo	2	83	85
Foster City Fire	1	3	4
Millbrae Fire	247	71	318
San Bruno Fire	21	56	77
San Mateo Fire	163	537	700
Brisbane Fire		1	1
Daly City Fire		1	1
So. San Francisco Fire		9	9
Half Moon Bay Fire		3	3
Pacifica Fire		1	1
Menlo Park Fire		1	1
Redwood City Fire		2	2
Total	434	768	1,202

Source: Department's Records Management Systems

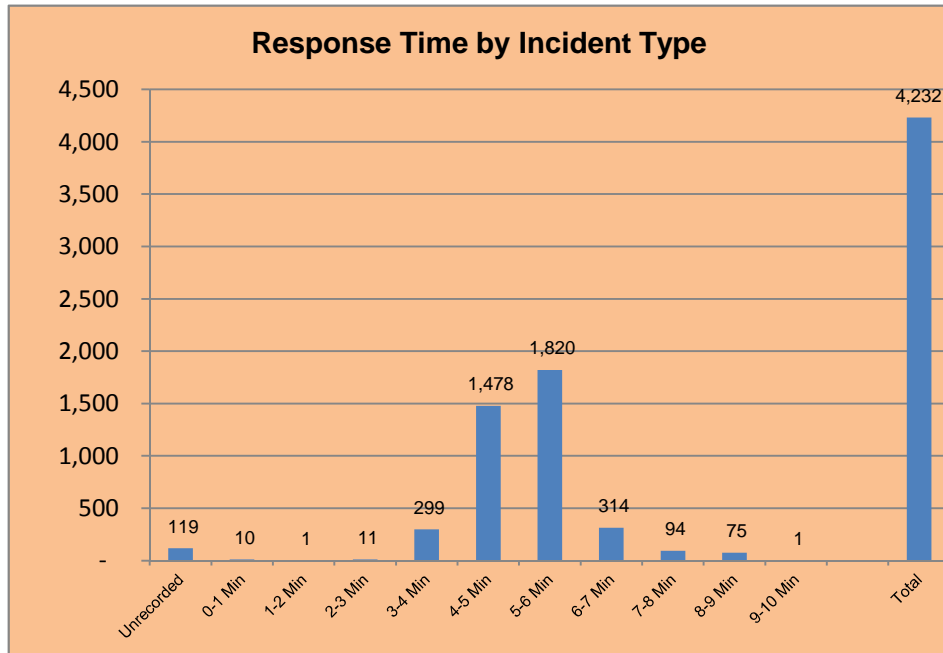
CENTRAL COUNTY FIRE DEPARTMENT
EMERGENCY RESPONSES BY INCIDENT TYPE
FISCAL YEAR 2012-2013



<u>Incident Type</u>	<u>Total Responses</u>
Fires	145
Rupture/Explosion	12
EMS/Rescue	2,508
Hazardous Condition	410
Service Call	525
Good Intent	121
False Calls	505
Severe Weather	4
Other	2
Total	<u>4,232</u>

Source: Department's Records Management Systems

CENTRAL COUNTY FIRE DEPARTMENT
RESPONSE TIME BY INCIDENT TYPE
FISCAL YEAR 2012-2013



<u>Incident Type</u>	<u>Unrecorded</u>											<u>Total</u>
	<u>Time</u>	<u>0-1 Min</u>	<u>1-2 Min</u>	<u>2-3 Min</u>	<u>3-4 Min</u>	<u>4-5 Min</u>	<u>5-6 Min</u>	<u>6-7 Min</u>	<u>7-8 Min</u>	<u>8-9 Min</u>	<u>9-10 Min</u>	
Fire	21	9			69	10	17			19		145
Rupture/Explosion	9				2	1						12
EMS/Rescue	2			7	26	1,158	1,291		6	10		2,508
Hazardous Condition	24			4	128	27	203	13	1			410
Service Call	8	1			5		169	285	10	46	1	525
Good Intent	32				26		30	8	25			121
False Call	17		1		43	282	110		52			505
Severe Weather	4											4
Other	2											2
Total	119	10	1	11	299	1,478	1,820	314	94	75	1	4,232

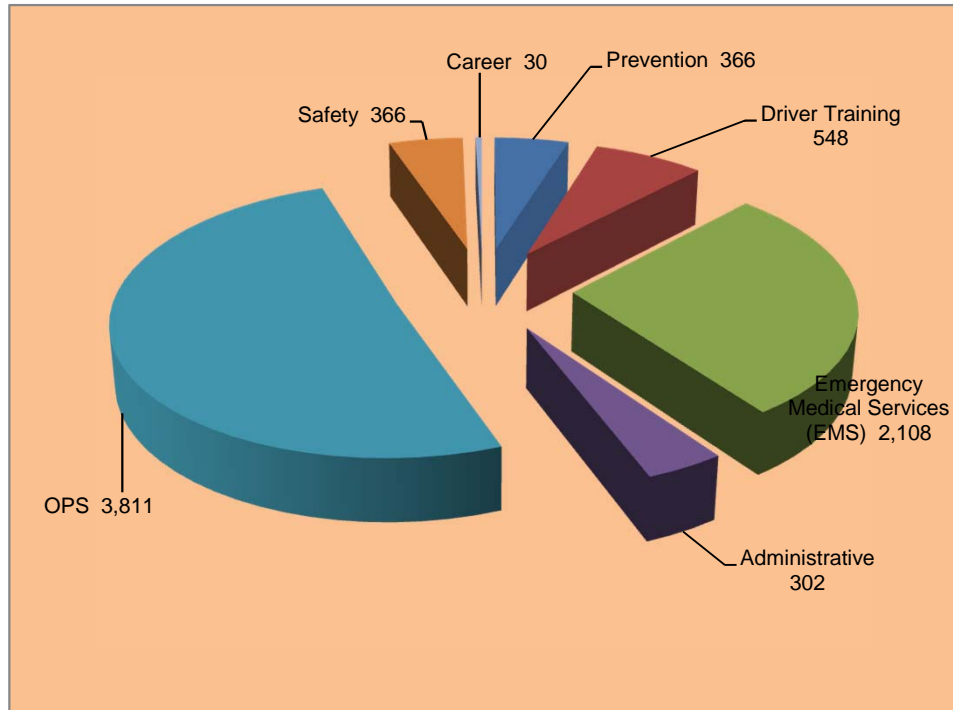
Source: Department's Records Management Systems

CENTRAL COUNTY FIRE DEPARTMENT
COMMUNITY TRAINING HELD
FISCAL YEAR 2012-2013

<u>Category</u>	<u>Number of Hours</u>	<u>Number of Citizens That Received Instruction</u>
Cardiopulmonary Resuscitation (CPR)/Automated External Defibrillators (AED) Training (3 hours per class)	45	109
First Aid (3 hours per class)	6	18
Community Emergency Response Teams (CERT) Training	34	47
Get Ready	4	74

Source: Department's Records Management Systems

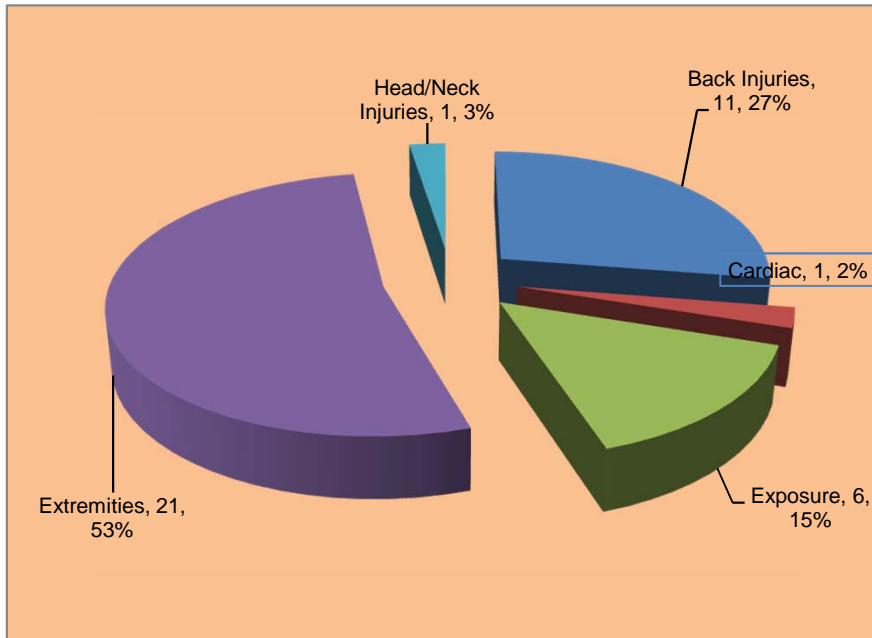
CENTRAL COUNTY FIRE DEPARTMENT
PERSONNEL TRAINING HOURS BY FUNCTION
FISCAL YEAR 2012-2013



<u>Description</u>	<u>Training</u>
Prevention	366
Driver Training	548
Emergency Medical Services (EMS)	2,108
Administrative	302
OPS	3,811
Safety	366
Career	30
Total Training Hours	<u>7,531</u>

Source: Department's Records Management Systems and Target Safety

CENTRAL COUNTY FIRE DEPARTMENT
TYPE OF ILLNESS/INJURY REPORT
YEAR TO DATE 2013



<u>Description</u>	<u>Number</u>	<u>% to Totals</u>
Back Injuries	11	28%
Cardiac	1	3%
Exposure	6	15%
Extremities	21	53%
Head/Neck Injuries	1	3%
Total Injuries	40	100%
First Aid Injuries	31	78%
Disability Injuries	9	23%
	40	100%

Source: Department's Records Management Systems and Target Safety