



CENTRAL COUNTY FIRE DEPARTMENT

Serving the communities of Burlingame, Hillsborough and Millbrae

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

Fiscal Year End | June 30, 2023



CENTRAL COUNTY FIRE DEPARTMENT
A JOINT POWER AGREEMENT BETWEEN
CITY OF BURLINGAME AND
TOWN OF HILLSBOROUGH, CALIFORNIA

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2023

CENTRAL COUNTY FIRE DEPARTMENT
Annual Comprehensive Financial Report
For the fiscal year ended June 30, 2023

Table of Contents

	<u>Page</u>
 <u>INTRODUCTORY SECTION</u>	
Transmittal Letter	1
Board of Directors	7
Executive and Command Staff	8
Organization Chart	9
The Department at a Glance	10
GFOA Certificate of Excellence in Financial Reporting	12
 <u>FINANCIAL SECTION</u>	
Independent Auditors' Report	15
Management's Discussion and Analysis	19
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	35
Statement of Activities	36
Fund Financial Statements:	
Governmental Fund Financial Statements:	
Balance Sheet – Governmental Funds	37
Statement of Revenues, Expenditures and Changes in Fund	
Balances – Governmental Funds	38
Reconciliation of the Governmental Statement of Revenues,	
Expenditures, and Changes in Fund Balances to the	
Statement of Activities	39
Proprietary Fund Financial Statements:	
Statement of Net Position	40
Statement of Revenues, Expense and Changes in Fund	
Net Position	41
Statement of Cash Flows	42
Notes to the Financial Statements	43

CENTRAL COUNTY FIRE DEPARTMENT

Annual Comprehensive Financial Report

For the fiscal year ended June 30, 2023

Table of Contents

	<u>Page</u>
<u>FINANCIAL SECTION, Continued</u>	
Required Supplementary Information:	
Schedule of the Department's Proportionate Share of the Net Pension Liability	66
Schedule of Pension Contributions.....	68
Schedule of Changes in the Net OPEB Liability and Related Ratios	70
Schedule of OPEB Contributions	72
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund	74
Notes to Required Supplementary Information	75
Supplementary Information:	
Statement of Net Position – Self Insurance Fund and Vehicle and Equipment Replacement Fund	79
Statement of Revenues, Expenses, and Changes in Fund Net Position – Self Insurance Fund and Vehicle and Equipment Replacement Fund	80
Statement of Cash Flow – Self Insurance Fund and Vehicle and Equipment Replacement Fund	81
<u>STATISTICAL SECTION (Unaudited)</u>	
Net Position by Component	86
Changes in Net Position	88
Changes in Fund Balance of Governmental Funds	92
Expenditures by Function – Governmental Funds	94
Revenues by Source	96
General Fund Tax Revenues by Source – Partner Cities	98
Assessed Values of Taxable Properties – Partner Cities	100
Principal Property Tax Payers – Partner Cities	102
Largest Employers	104
Demographic and Economic Statistics	105
Apparatus Inventory	106
Fire Stations and Facilities	108
Comparative Annual Graph – Total Responses	112
Call Frequency Analysis by Hour	113
Call Frequency Analysis by Day of Week	114
Automatic Aid Responses Received and Given	115
Automatic Aid Responses Received – All Cities	116
Emergency Responses by Incident Type	117
Personnel Training Hours by Function	118

INTRODUCTORY SECTION

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November 15, 2023

To the Board of Directors of Central County Fire Department, the Chief Administrative Officer, and the Citizens of the City of Burlingame, the Town of Hillsborough, and the City of Millbrae, California

We are pleased to present the Annual Comprehensive Financial Report for the Central County Fire Department (CCFD) for the fiscal year ended June 30, 2023, in conformity with generally accepted accounting principles (GAAP) in the United States and as stipulated in the Joint Powers 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 in this report, based upon a comprehensive internal control framework established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the Department's internal control framework 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 unmodified ("clean") opinion on the Central County Fire Department's financial statements for the year ended June 30, 2023. The independent auditor's report is in the Financial Section of this report.

Management's discussion and analysis (MD&A) 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. The Department's core purpose is to make Burlingame, Hillsborough, and Millbrae safe for all citizens to live and work by protecting 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 emergency preparedness and training. CCFD's personnel serve the communities with six

engine companies and one truck company, strategically located in six fire stations, and administrative offices that include fire prevention, public education, training, and emergency preparedness. The total service area is 15.51 square miles, with a population of approximately 66,000. The value of property protected is more than \$32 billion. Legal counsel, information technology, human resources, and accounting services are provided by contract.

The City of Burlingame, the Town of Hillsborough, and the City of Millbrae are in San Mateo County on the western shore of the San Francisco Bay, approximately 10 miles south of San Francisco and 30 miles north of San Jose.

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. This JPA was designed to promote more efficient administration and effective delivery of services to the two members. Significant cost savings have been achieved since the initial merger, primarily in personnel costs.

In FY 2010/11, the two cities elected to fully merge fire operations, transferring all employees and operations to an independent single entity. Unfunded retirement costs relating to prior service and health insurance costs for employees who retired prior to FY 2010/11 continue to be the responsibility of and borne by the member cities. Likewise, capital assets acquired before FY 2010/11 will remain assets of the individual members, who will be responsible for the related costs.

In December 2014, the CCFD Board of Directors (“Board”) entered into a contract for services agreement with the City of Millbrae, including suppression, fire prevention, and administrative oversight and support. With this contract came the addition of 19 fire personnel to the CCFD ranks.

The Department’s operating costs net of program revenues are allocated seventy percent (70%) to the City of Burlingame and the Town of Hillsborough and thirty percent (30%) to the City of Millbrae. The JPA share (70%) is further 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 consisting of two City Council members from Burlingame and two City Council members from Hillsborough, who determine the level of fire, emergency medical, and disaster preparedness services to be provided by the Department. All major decisions by the Board that increase expenditures to the cities require ratification by the respective City Councils.

Administration

The Board appoints the City Manager of one of the members to serve as Chief Administrative Officer for an alternating two-year term. The Chief Administrative Officer (CAO) appoints the Fire Chief, who conducts the Department's day-to-day operations. The CAO also appoints an

employee to act as Secretary and an employee of one of the member agencies to act as Treasurer of the Department. The Treasurer acts as Controller for the Department and performs such functions as disbursement of revenues, payment of outstanding obligations, and other accounting responsibilities.

Component Units

The Central County Fire Department is a legally separate and independent entity. It is not a component unit of the City of Burlingame, the Town of Hillsborough, or the City of Millbrae. Further, the Department has no component unit organizations under its control. Therefore, this annual comprehensive 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. The City Councils of the member agencies subsequently approve the CCFD budget via approval of their city's budget before June 30th of each fiscal year.

Once adopted, the Board has the authority to amend the budget. The legal level of budgetary control is at the fund level. The Chief Administrative Officer or his/her designee may transfer budget amounts between line items. Any increase in the expenditure budget and funding level of the contributions from the partner cities requires the approval of the Board.

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 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 major governmental fund.

COMMUNITY PROFILE AND ECONOMIC CONDITION

The City of Burlingame, the Town of Hillsborough, and the City of Millbrae are California general law cities, incorporated in 1908, 1910, and 1948, respectively, that operate under the Council-Manager form of government. In each city, 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 members annually. The Council appoints a City Manager who serves as the chief executive officer and is responsible for all municipal functions. The Council appoints the City Attorney as chief legal advisor for the governing body and administration.

Municipal services include police and fire protection, building permitting and inspection, land use management, maintenance of streets, public facilities, water, sewer, storm drain infrastructure, and certain recreational facilities, and other community services.

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

City of Burlingame

Burlingame has a population of approximately 31,000 and has a median household income of approximately \$150,000. It has residential and commercial-based properties and thus has a more diversified revenue base. Major revenue sources in the general fund come from property taxes, sales and use taxes, and transient occupancy taxes.

Town of Hillsborough

The Town of Hillsborough has a population of approximately 11,000 and has a median household income of approximately \$250,000. It is an entirely residential community. 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 fire operations.

City of Millbrae

The City of Millbrae has a population of approximately 23,000 and has a median per capita income of approximately \$141,000. Millbrae's business community is a mix of retail, restaurants, service businesses, hotels, and public services. With the Bay Area Rapid Transit (BART) / San Francisco (SFO) Extension, the city has adopted the Millbrae Station Area Specific Plan to attract hotel, office, retail, and housing development to the area around the Millbrae BART station.

Long-term Financial Planning and Major Initiatives

The Department continues partnering with other cities for training and EMS supervision. The Department's mechanics division services the vehicles and apparatus for the College of San Mateo and the Colma Fire Protection District. The in-house training program delivers training in partnership with the San Bruno Fire Department.

FY 2023/24 adopted budget reflects a 5.5% increase over the FY 2022/23 budget. Revenue contributions for all agencies are anticipated to increase by 6.2%, primarily for personnel costs, including cost of living and step increases and CalPERS pension required contributions.

CalPERS pension policies will continue to increase contributions required by the Central County Fire Department. In addition to the unfunded liability, the decrease in the assumption for the CalPERS investment rate of return, the revision of the rate smoothing policy, and the demographic assumption changes have all contributed to an increase in employer contribution rates. The footnotes to the financial statements include further disclosures on the pension liability.

The Department continues to manage workers' compensation programs to contain costs. The Department strives to fund to an actuarially determined reserve level at a 70% confidence level.

The Department will replace fire apparatus, vehicles, and equipment over several years. The FY 2023/24 budget reflects a \$1.1 million contribution to reserves for this purpose.

In FY 2023/24, the Department will continue to evaluate its communities to assess the fire threat level in the local wildland-urban interface (WUI). It will be recommending and implementing preventative measures necessary to reduce the threat. In addition, the Department will put plans in place for programs and recommendations identified in the Standards of Cover Study.

AWARDS AND ACKNOWLEDGEMENTS

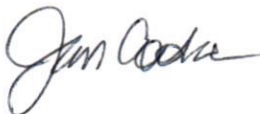
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Central County Fire Department for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2022. This was the eleventh year the Department has received this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report 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 preparing this report and processing financial transactions throughout the fiscal year. We also wish to thank the City Councils of the partner cities, the Board of Directors, and the City Managers for their support in responsibly planning and conducting the financial operations of the Central County Fire Department.

Respectfully submitted,



Ken Giacotto, Interim Fire Chief



Jan Cooke, Finance Director

CENTRAL COUNTY FIRE DEPARTMENT

MEET THE FIRE BOARD



Marie Chuang, Council Member, Town of Hillsborough
CHAIR



Peter Stevenson, Council Member, City of Burlingame
VICE CHAIR



Sophie Cole, Council Member, Town of Hillsborough

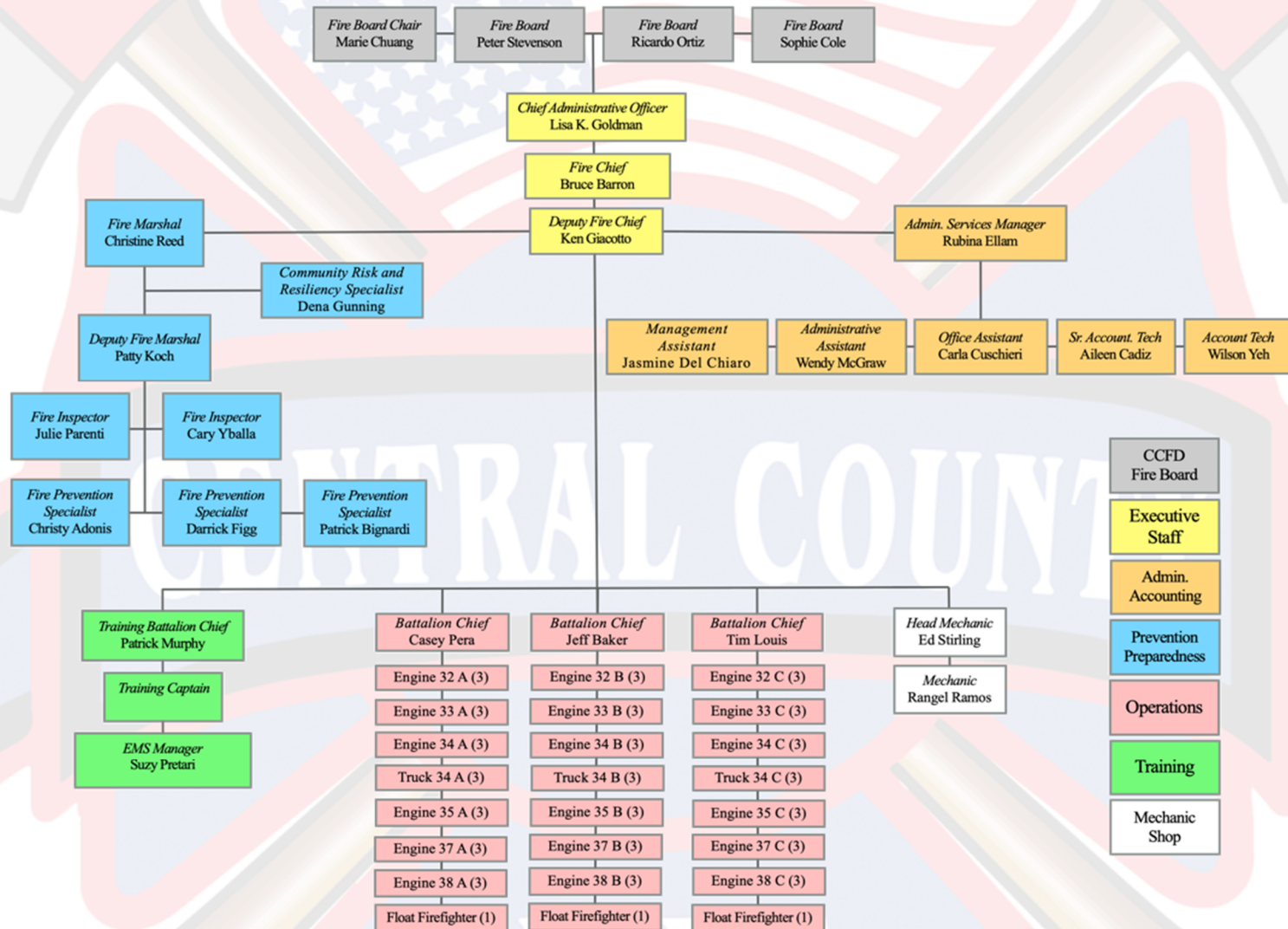


Ricardo Ortiz, Council Member, City of Burlingame

CENTRAL COUNTY FIRE DEPARTMENT EXECUTIVE AND COMMAND STAFF

Chief Administrative Officer	Lisa K. Goldman City Manager, City of Burlingame
Fire Chief	Bruce Barron
Deputy Fire Chief	Ken Giacotto
Fire Marshal	Christine Reed
Battalion Chiefs:	
A Shift	Casey Pera
B Shift	Jeff Baker
C Shift	Tim Louis
Training	Pat Murphy
Administrative Services Manager/ Secretary to Board of Directors	Rubina Ellam
General Legal Counsel	Jean Savaree
Finance Director/Treasurer Finance Department, Town of Hillsborough	Jan Cooke
HR Manager	Kristin Armbruster

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. On June 21, 2010 the operations moved onto a full merger transferring all employees to an independent single entity. Central County Fire Department (CCFD) is now a stand-alone entity with the partner cities only responsible for facilities respectively owned by them and post-employment benefits for those retirees having retired prior to June 21, 2010.

On December 29, 2014 CCFD entered into a contract for fire services with the City of Millbrae that includes suppression, fire prevention, and administrative oversight and support. With this contract came the addition of 19 fire personnel to the CCFD ranks.

Governance

Board of Directors consisting of two Council members each from the City of Burlingame and Town of Hillsborough 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 terms. 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
City of Millbrae – 3.2 square miles
Town of Hillsborough – 6.23 square miles
Total – 14.93 square miles

Population

City of Burlingame – 31,386
City of Millbrae – 23,216
Town of Hillsborough – 11,447
Total – 66,049

Frontline Apparatus

6 Engines
1 Aerial Ladder Truck
1 SVI Heavy Rescue
1 Type 6 Rescue

Fire Stations

City of Burlingame – 2
City of Millbrae – 2
Town of Hillsborough – 2

CENTRAL COUNTY FIRE DEPARTMENT AT A GLANCE

Personnel Strength

1	Fire Chief
1	Deputy Chief
1	Fire Marshal
1	Deputy Fire Marshal
2	Fire Inspector
3	Fire Prevention Specialists
4	Battalion Chiefs
22	Captains
45	Firefighters and Paramedics
1	Non-Safety Emergency Vehicle Tech. III
1	Non-Safety Emergency Vehicle Tech. II
1	Non-Safety Emergency Medical Services Mgr.
1	Administrative Services Manager
1	Management Assistant
1	Senior Accounting Technician
1	Accounting Technician
1	Administrative Assistant
1	Office Assistants
1	Community Risk & Resiliency Specialist
90	FTE's



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Central County Fire Department
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and aggregate remaining fund information of the District, as of June 30, 2023, 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.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.⁵
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, pension schedules, and other post employment benefits (OPEB) schedules on pages 19-30 and 66-75 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

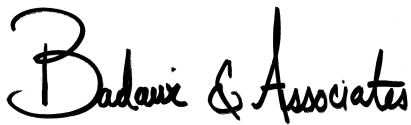
The combining and individual nonmajor fund statements are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

To the Board of Directors
of the Central County Fire Department
Burlingame, California
Page 4

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

Badawi and Associates, CPAs
Berkeley, California
November 15, 2023

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 the fiscal year ending June 30, 2023. The reader is encouraged to consider this information with the transmittal letter, financial statements, and notes to the financial statements to 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.

The Department is a Joint Powers Agreement (JPA) between the City of Burlingame and the Town of Hillsborough, which as of December 2014, provides fire and emergency medical services to the City of Millbrae via contract. Existing major capital assets, including fire stations, fire apparatus and vehicles, remain owned by the partner cities. As of FY 14/15, the Department replaces fire apparatus, vehicles, and equipment rather than the cities. These assets are owned and maintained by the Department. The cities also remain responsible for the Other Post-Employment Benefits (OPEB) attributable to employees who retired before FY 10/11. The Department's financial statements reflect the net OPEB liabilities and accumulated vested vacation and sick leave credits (compensated absences) of the employees after the June 2010 full merger. The Department's operating costs net of program revenue are allocated 70% to the JPA and 30% to the City of Millbrae. The JPA allocates 60% to the City of Burlingame and 40% to the Town of Hillsborough.

Financial Highlights

- The total net position of the Central County Fire Department as of June 30, 2023, was negative \$37.9 million. The net position increased by \$6.1 million primarily due to changes and timing of pension and OPEB-related liabilities. The Department is primarily funded annually by the JPA and contract city; therefore, the liabilities exceed the assets of the Department. Liabilities are primarily for compensated absences, OPEB, pension, and workers' compensation claims.
- The other funds' net position increased by \$1.2 million compared to 2022. The Self-Insurance Fund accounts for workers' compensation claims and actuarially determined reserves. The improved net position is due to favorable claims experience. The Vehicle Replacement Fund accounts for purchases of vehicles, fire apparatus, and equipment. The improved net position is due to the timing of vehicle and equipment replacements.

Net Position - Other Funds				
June 30, 2023, 2022, and 2021				
	2023	2023 v. 2022 \$ Change	2022	2021
Joint Training Fund	\$ -	\$ -	\$ -	\$ 157,270
Capital Projects Fund	394,851	100,000	294,851	308,537
Self-Insurance Fund	1,193,206	498,312	694,894	(1,870,042)
Vehicle Replacement Fund	6,565,201	579,756	5,985,445	5,266,888
Total	\$ 8,153,258	\$ 1,178,068	\$ 6,975,190	\$ 3,862,653

- The Department paid \$1.0 million toward its OPEB annual contribution, with \$0.1 million going into the trust and \$0.9 million for benefits.
- The Department spent \$0.6 million in capital for one vehicle, SCBA equipment, and turnouts.
- Long-term liabilities (including the short-term portion) of \$77.1 million consist of \$58.6 million pension liability, \$5.5 million workers' compensation liability, \$9.9 million OPEB liability, and \$3.1 million in compensated absences. Long-term liabilities increased \$30.6 million primarily due to CalPERS' investment loss in FY 21/22.

The following table summarizes the Department's General Fund operations for the fiscal year ending June 30, 2023, compared to the prior fiscal year.

General Fund Operations For the Fiscal Years Ended June 30, 2023 and 2022				
	2023	2022	\$ Variance	% Change
Revenues:				
Service charges	\$ 1,850,056	\$ 1,464,622	\$ 385,434	26%
Contribution from Burlingame	13,534,647	12,501,368	1,033,279	8%
Contribution from Hillsborough	9,023,098	8,334,250	688,848	8%
Contribution from Millbrae	8,654,097	7,993,416	660,681	8%
Grants	444,699	1,314,026	(869,327)	-66%
Interest Income	11,329	546	10,783	1975%
Total revenues	\$ 33,517,926	\$ 31,608,228	\$ 1,909,698	6%
Expenditures:				
Personnel costs	29,509,277	28,851,862	657,415	2%
Materials and services	3,077,583	2,889,870	187,713	6%
Total expenditures	\$ 32,586,860	\$ 31,741,732	\$ 845,128	3%
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 931,066	\$ (133,504)	\$ 1,064,570	-797%
Other Financing Sources (Uses):				
Transfers out	(100,000)	-	(100,000)	100%
Net Change in Fund Balance	\$ 831,066	\$ (133,504)	\$ 964,570	-723%

- Service charges increased by \$0.3 million (26%) due to higher permitting for city development activities.
- Contributions are collected from the cities based on the adopted budget. The budget increase over the prior year is primarily attributable to labor increases in salaries and contractual MOU increases in pensions and benefits.
- Grants are reimbursements of costs incurred by the Department for participation in statewide fires. The decrease over the prior year (\$0.9 million) is attributable to fewer events in the current year.
- Personnel costs increased by \$0.6 million (2%) primarily due to salary, cost of living, step, and required pension contribution increases, offset somewhat by open positions.
- The Net Change in Fund Balance of \$0.8 million is added to General Fund reserves.

Overview of the Financial Statements

This MD&A serves as an introduction to the Department's basic financial statements, comprising 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* provide readers with a broad overview of the Department's finances in a manner like a private-sector business.

The *statement of net position* presents information on the Department's assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, 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 Department's financial position 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).

The 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 and the Vehicle Replacement Fund set up as proprietary funds as recommended by GAAP but fully supporting the governmental fire operations.

The government-wide financial statements are on pages 35 and 36 of this report.

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

Governmental funds. *Governmental funds* account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources and 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, comparing the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements is useful. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. 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 the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Capital Projects Fund.

The basic governmental fund financial statements are on pages 37 through 38 of this report.

The Department adopts an annual appropriated budget for its General Fund. The budgetary comparison statement for the General Fund to demonstrate compliance with this budget is located on page 74.

Proprietary funds. Proprietary funds account for services and activities for which a fee is charged to customers in exchange for provided goods 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 two proprietary funds – the *Internal Service Fund - Self-Insurance*, where insurance premiums are charged to the General Fund based on market rates to pay for workers’ compensation, and the *Internal Service Fund – Vehicle and Equipment Replacement*, where charges are made to the General Fund for the purchase of vehicles, apparatus, and equipment. Because these services fully benefit the governmental function, the financial activities of the Self-Insurance Fund and the Vehicle Replacement Fund have 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 Funds, are on pages 40 through 42 of this report.

Notes to the financial statements. The notes provide additional information essential to fully understanding the data provided in the government-wide and fund financial statements. The notes to the financial statements are on pages 43 through 64 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report presents certain *required supplementary information* on the Department’s pension and OPEB liabilities and a summary of major fund budgetary schedules. Required supplementary information is on pages 66 through 75 of this report. This report also presents other *supplementary information* that summarizes the combining financial statements for the Self-Insurance Fund and Vehicle Replacement Fund. The other supplementary information is on pages 79 through 81 of this report.

Government-wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. The following chart shows the Department's net position as of June 30, 2023, and the previous years.

Comparative Statements of Net Position - Governmental Activities			
June 30, 2023, 2022, and 20201			
	2023	2022	2021
Assets			
Current assets	\$ 11,838,035	\$ 9,461,623	\$ 8,368,628
Capital assets	4,784,952	4,705,941	4,311,130
Total assets	<u>16,622,987</u>	<u>14,167,564</u>	<u>12,679,758</u>
Deferred outflows of resources	<u>31,152,328</u>	<u>15,402,861</u>	<u>14,675,043</u>
Liabilities			
Current liabilities	2,484,478	2,350,243	2,144,523
Long-term liabilities	75,660,861	45,130,873	69,984,341
Total liabilities	<u>78,145,339</u>	<u>47,481,116</u>	<u>72,128,864</u>
Deferred inflows of resources	<u>7,563,867</u>	<u>26,217,738</u>	<u>4,676,614</u>
Net Position			
Net investment in capital assets	4,784,952	4,705,941	4,311,130
Restricted	-	-	157,270
Unrestricted (deficit)	(42,718,843)	(48,834,370)	(53,919,077)
Total net position	<u>\$ (37,933,891)</u>	<u>\$ (44,128,429)</u>	<u>\$ (49,450,677)</u>

- The Department's current assets consist primarily of cash and investments (\$11.5 million) and accounts receivable (\$0.3 million). The increase over the prior year is primarily due to the timing of asset replacements and building reserves in the self-insurance workers' compensation fund. The cash balance of \$6.7 million in the Self-Insurance Fund is retained based on the actuarial valuation. The cash balance of \$2.1 million in the Vehicle Replacement Fund is held for future vehicle and equipment replacements. The remainder is in all other funds combined and totals \$2.7 million.
- Net capital assets increased by \$0.1 million to purchase one vehicle, SCBA equipment, and turnouts, offset by depreciation.
- Long-term liabilities (including the short-term portion) of \$77.1 million consist of \$58.6 million pension liability, \$5.5 million workers' compensation liability, \$9.9 million OPEB liability, and \$3.1 million in compensated absences. Long-term liabilities increased \$30.6 million primarily due to CalPERS' investment loss in FY 21/22.

- Deferred inflows and outflows are accounting-related timing differences for pension and OPEB. The deferred outflow increase of \$15.7 million and the deferred outflow decrease of \$18.8 million is primarily attributable to unamortized differences in CalPERS' investment actual versus expected actuarial experience (investment loss in FY 21/22) that also shifts the balance from a deferred inflow to a deferred outflow. The items are actuarially determined and fluctuate yearly based on actual results and other changes.
- There is no restricted net position on June 30, 2023. The net investment in capital assets increased by \$0.1 million due to the addition of equipment, offset by depreciation. The unrestricted net position deficit is attributable to the annual funding approach for the city contributions. The Department is primarily funded annually by the JPA and contract city; therefore, the liabilities exceed the assets of the Department.

The following condensed summary compares the Statement of Activities for the fiscal year ending June 30, 2023, and the two previous years.

Statement of Activities - Governmental Activities For the Fiscal Years Ended June 30, 2023, 2022, and 2021			
	2023	2022	2021
Expenses:			
Personnel	\$ 25,735,927	\$ 24,793,700	\$ 30,258,050
Materials and services	1,118,853	1,474,453	1,708,037
Depreciation expense	490,194	452,648	371,792
Loss on sale of capital assets	14,188	-	25,974
Total Expenses	27,359,162	26,720,801	32,363,853
Revenues:			
Program revenues:			
Charges for services	1,850,056	1,828,748	1,613,444
Total program revenues	1,850,056	1,828,748	1,613,444
Net Program Expenses	25,509,106	24,892,053	30,750,409
General revenues:			
Unrestricted Contribution from Burlingame	13,534,647	12,501,368	11,892,420
Unrestricted Contribution from Hillsborough	9,023,098	8,334,250	7,928,280
Unrestricted Contribution from Millbrae	8,654,097	7,993,416	7,604,472
Grants	480,473	1,384,721	1,433,093
Unrestricted interest income	11,329	546	427
Total general revenues	31,703,644	30,214,301	28,858,692
Change in net position	6,194,538	5,322,248	(1,891,717)
Net Position - beginning	(44,128,429)	(49,450,677)	(47,558,960)
Net Position - ending	\$ (37,933,891)	\$ (44,128,429)	\$ (49,450,677)

- Personnel Expenses include salaries and benefits costs for 88 full-time equivalent personnel. The increase of \$0.9 million is attributable to salary and required pension contribution increases, offset somewhat by lower overtime and GASB 68 accounting pension expenses.
- Materials and Services Expenses include apparatus maintenance, mechanic shop operations, contract services, property and liability insurance, and the operating profit/(loss) of the Internal Service Funds (ISF). The decrease from the prior year is primarily attributable to lower training program expenditures (moved to in-house training only), as well as a lower internal service profit caused by adjustments to the workers' compensation liability,
- Program revenues include charges for permitting, inspections, mechanics shop services, joint training, WUI revenue, and ALS and reimbursement revenue from the Self-Insurance Fund. The increase from the prior year is due to higher permitting activity for city development activities.
- General revenues include contributions from the cities (the primary funding source for the Department) and grants, which are reimbursements for participation in statewide fires. The contributions from the cities are based on the adopted budget.

Financial Analysis of the Department's Funds

Governmental Funds

Governmental funds provide information on the short-term inflows, outflows, and balances of available resources for spending, usually over a 12-month period. The goal is to ensure sufficient resources are available to finance the services within each fiscal year.

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General Fund

The General Fund is the Department's main operating fund. The three cities – Burlingame, Hillsborough, and Millbrae provide most of the funding for the Department.

The table below presents General Fund expenditures and transfers for the fiscal year ending June 30, 2023, compared to fiscal year 2022. Total General Fund expenditures and transfers grew \$0.9 million (3%) compared to the prior year. Growth is primarily in salaries and retirement expenditures.

General Fund Expenditures and Transfers
For the Fiscal Years Ended June 30, 2023 and 2022

	2023	2022	\$ Change	% Change
Salaries	\$ 13,737,260	\$ 12,831,980	\$ 905,280	7%
Overtime	2,764,900	3,497,542	(732,642)	-21%
Part-time salaries	48,008	42,717	5,291	12%
Retirement	6,604,588	5,972,863	631,725	11%
Health, dental, vision & life insurances	1,891,751	1,712,962	178,789	10%
Retirees' health insurance	1,030,000	1,364,211	(334,211)	-24%
Workers' compensation	1,900,000	1,900,000	-	0%
All others	1,532,770	1,529,587	3,183	0%
Total personnel costs	\$ 29,509,277	\$ 28,851,862	\$ 657,415	2%
Materials & services	3,077,583	2,889,870	187,713	6%
Total General Fund Expenditures	\$ 32,586,860	\$ 31,741,732	\$ 845,128	3%
Transfer to capital fund	100,000	-	100,000	100%
Total General Fund Expenditures and Transfers	\$ 32,686,860	\$ 31,741,732	\$ 945,128	3%

- Salaries expenditures increased \$0.9 million (7%), primarily for MOU, step increases, and filling of open positions.
- Overtime expenditures decreased \$0.7 million (-21%), primarily for fewer participation in strike teams.
- Retirement expenditures increased \$0.6 million (11%) due to CalPERS contractual increases driven by actual experience and policies.

General Fund Budgetary Highlights

The table below summarizes the General Fund FY 22/23 actual results compared to the adopted budget. There are no amendments to the adopted budget therefore, an amended budget column is not presented below.

General Fund Actual Results to Budget Comparison For the Fiscal Year Ended June 30, 2023				
	Adopted Budget	Actual	\$ Variance	% Variance
Permits	\$ 300,000	\$ 474,500	\$ 174,500	58%
Plan reviews and fire inspections	258,861	368,584	109,723	42%
Joint training	124,000	241,299	117,299	95%
Mechanic shop	19,500	10,422	(9,078)	-47%
ALS JPA	190,656	179,341	(11,315)	-6%
Other service charges, combined	344,716	575,910	231,194	67%
Total service charges	1,237,733	1,850,056	612,323	49%
Contribution from Burlingame	13,534,647	13,534,647	-	0%
Contribution from Hillsborough	9,023,098	9,023,098	-	0%
Contribution from Millbrae	8,654,097	8,654,097	-	0%
Total contributions	31,211,842	31,211,842	-	0%
Grants	228,202	444,699	216,497	100%
Interest income	299	11,329	11,030	3689%
Total General Fund revenue	32,678,076	33,517,926	839,850	3%
Salaries	13,756,582	13,737,260	19,322	0%
Overtime	1,908,000	2,764,900	(856,900)	-45%
Part-time salaries	57,362	48,008	9,354	16%
Retirement	6,644,590	6,604,588	40,002	1%
Health, dental, vision & life insurance	1,809,513	1,891,751	(82,238)	-5%
Retirees' health insurance	1,383,000	1,030,000	353,000	26%
Workers' compensation	1,900,000	1,900,000	-	0%
All others	1,878,624	1,532,770	345,854	18%
Total personnel costs	29,337,671	29,509,277	(171,606)	-1%
Materials & services	3,240,405	3,077,583	162,822	5%
Total General Fund expenditures	32,578,076	32,586,860	(8,784)	0%
Excess (deficiency) of revenues over (under) expenditures	100,000	931,066	831,066	100%
Transfer to capital projects fund	(100,000)	(100,000)	-	-
Total General Fund Other Financing Uses	(100,000)	(100,000)	-	-
Net change in Fund Balance	-	831,066	831,066	-100%
Beginning Fund Balance	771,885	771,885	-	0%
Ending Fund Balance	\$ 771,885	\$ 1,602,951	\$ 831,066	108%

General Fund Revenue

- Permit and inspection revenue are higher than budget due to more permitting activity in Millbrae and Burlingame.
- Plan reviews and fire inspections are higher than budget primarily due to increased activity.
- Joint Training revenue is higher than the budget due to the reimbursement of Department trainers teaching the Academy courses.
- ALS JPA revenue is lower than budget due to increased costs of service experienced by the JPA, primarily in personnel costs.
- Other service charges include WUI revenue, reimbursement from the Self-Insurance Fund to repay the General Fund for costs incurred for workers' compensation disability payments, and other miscellaneous revenue and reimbursements. Actual results are higher than budgeted due to conservative estimates for WUI and other reimbursement revenue.
- Grants are reimbursements of costs for participation in statewide fires and national disasters.

General Fund Expenditures

- Salaries are on budget.
- Overtime expenditures are over budget due to higher needs for staffing coverage for vacancies, training, and other backfills than budgeted, primarily driven by participation in statewide fires.
- Materials and services are lower than budget due to cost control and timing of program spending on supplies, maintenance, and services.

Capital Projects Fund

The Capital Projects Fund accounts for financial resources to fund major capital projects. As of June 30, 2023, the Fund has a fund balance of \$0.4 million. The increase in fund balance is attributable to the transfer from the General Fund to build the reserves in the Capital Projects Fund.

Proprietary Fund – Internal Service Funds

The Department is self-insured for workers' compensation accounted for in an Internal Service Fund - *Self-Insurance Fund*. The Department opted for funding the workers' compensation program at the 70% confidence level, administered by a third-party administrator, and holds an excess insurance policy covering losses over \$250,000 up to \$5 million. As of June 30, 2023, the Fund has a net position of \$1.2 million. The increase in net position (\$0.5 million) is due to lower claims experience. The cash balance of \$7.7 million is actuarially determined.

The Department accounts for the purchase of vehicles, engines, trucks, and equipment in an Internal Service Fund - *Vehicle and Equipment Replacement Fund*. As of June 30, 2023, the Fund has a net position of \$ 6.6 million, primarily comprised of capital assets net of accumulated depreciation of \$4.5 million and net working capital of \$2.1 million for future replacements. The Department contributions and strike team reimbursements funded \$1.1 million into the fund this year. This is offset primarily by a depreciation expense of \$0.5 million, driving an improved net position of \$0.6 million.

Capital Assets and Long-Term Liabilities

Capital Assets

As of FY 14/15, the JPA purchases and owns its fire apparatus, vehicles, and equipment when the cities' owned apparatus and vehicles are replaced. The other major capital assets, including fire stations, apparatus, and vehicles, remain the assets of the member agencies. Net capital assets increased \$0.1 million, primarily for purchasing one vehicle, SCBA equipment, and turnouts, offset by depreciation. Further information is available in the footnotes to the financial statements, in the Capital Assets footnote on page 51.

Capital Assets - Governmental Activities (net of depreciation)					
June 30, 2023, 2022, and 2021					
	2023	2023 v. 2022 \$ Change	2022	2022 v. 2021 \$ Change	2021
Buildings	\$ 154,945	\$ (10,092)	\$ 165,037	\$ (10,092)	\$ 175,129
Machinery and equipment	4,630,007	89,103	4,540,904	404,903	4,136,001
Total	\$ 4,784,952	\$ 79,011	\$ 4,705,941	\$ 394,811	\$ 4,311,130

Long-term Liabilities

On June 30, 2023, long-term liabilities were \$77.1 million (including short-term portion). The workers' compensation, OPEB, and net pension liabilities are based on actuarial valuations. The increase of \$30.6 million from the prior year is primarily due to CalPERS' investment loss in FY 21/22. The net OPEB liability increase is due to CalPERS investment loss in FY 21/22. Further information is available in the footnotes to the financial statements, in the Long-Term Debt footnote on page 51. Details on the Schedule of Net Changes in the Net OPEB are in the required supplementary information section page 70.

Long-Term Liabilities					
June 30, 2023, 2022, and 2021					
	2023	2023 v. 2022 \$ Change	2022	2022 v. 2021 \$ Change	2021
Workers' compensation claims	\$ 5,515,000	\$ 441,000	\$ 5,074,000	\$ (1,686,000)	\$ 6,760,000
Net OPEB liability	9,910,613	1,865,363	8,045,250	(3,764,802)	11,810,052
Compensated absences	3,064,992	187,415	2,877,577	71,798	2,805,779
Net pension liability	58,610,256	28,136,210	30,474,046	(19,492,464)	49,966,510
Total	\$ 77,100,861	\$ 30,629,988	\$ 46,470,873	\$ (24,871,468)	\$ 71,342,341

Economic Factors and Future Challenges

The Department is self-insured for workers' compensation, which will continue to require reserve funding based on the actuarially determined valuations. The Department's management and the third-party administrators continue to find ways to reduce the risk.

The CalPERS Board approved CalPERS actuarial policies, assumptions, and discount rates in late 2021 based on completing the four-year Asset Liability Management (ALM) cycle. The Department will continue to see the annual required contributions increase significantly over the next ten years.

Economic impacts from inflation are monitored, and most of the Department's costs are labor and CalPERS contractual commitments. These costs are outlined in MOU and contractual agreements.

Several fire apparatus and vehicles will require replacement over the next five years, and funding will be from the member agency contributions. Assets previously owned by the respective cities will remain owned by their respective owners.

Request for Information

This financial report provides a general overview of the Central County Fire Department's finances and is intended to demonstrate the Department's accountability for the money it receives. Questions concerning any 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.

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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**CENTRAL COUNTY FIRE DEPARTMENT
STATEMENT OF NET POSITION
JUNE 30, 2023**

	Governmental Activities
ASSETS	
Cash and investments	\$ 11,566,482
Accounts receivable	271,553
Capital assets (net of accumulated depreciation):	
Buildings	154,945
Machinery and equipment	4,630,007
Total capital assets	4,784,952
Total assets	16,622,987
DEFERRED OUTFLOW OF RESOURCES	
Deferred outflows- OPEB related amounts	2,275,204
Deferred outflows- pension related amounts	28,877,124
Total deferred outflows of resources	31,152,328
LIABILITIES	
Accounts payable	160,354
Other accrued liabilities	884,124
Due within 1 year:	
Workers' compensation claims	1,200,000
Compensated absences	240,000
Due in more than 1 year:	
Workers' compensation claims	4,315,000
Compensated absences	2,824,992
Net OPEB Liability	9,910,613
Net pension liability	58,610,256
Total liabilities	78,145,339
DEFERRED INFLOW OF RESOURCES	
Deferred inflows - OPEB related amounts	2,876,097
Deferred inflows - pension related amounts	4,687,770
Total deferred inflows of resources	7,563,867
NET POSITION	
Net investment in capital assets	4,784,952
Unrestricted (deficit)	(42,718,843)
Total net position (deficit)	\$ (37,933,891)

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, 2023**

	Governmental Activities
EXPENSES	
Personnel	\$ 25,735,927
Materials and services	1,118,853
Depreciation expense	490,194
Loss on sale of capital assets	14,188
Total expenses	<u>27,359,162</u>
PROGRAM REVENUES	
Charges for services	1,850,056
Total program revenues	<u>1,850,056</u>
NET PROGRAM EXPENSES	25,509,106
GENERAL REVENUES	
Intergovernmental - Burlingame (unrestricted)	13,534,647
Intergovernmental - Hillsborough (unrestricted)	9,023,098
Intergovernmental - Millbrae (unrestricted)	8,654,097
Grants	480,473
Interest income (unrestricted)	11,329
Total general revenues	<u>31,703,644</u>
Change in net position	6,194,538
NET POSITION (DEFICIT) - BEGINNING	<u>(44,128,429)</u>
NET POSITION (DEFICIT) - ENDING	<u><u>\$ (37,933,891)</u></u>

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

**CENTRAL COUNTY FIRE DEPARTMENT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2023**

	(Major) General Fund	(Major) Capital Projects Fund	Total Governmental Funds
<u>ASSETS</u>			
Cash and investments	\$ 2,350,153	\$ 394,851	\$ 2,745,004
Accounts receivable	255,465	-	255,465
Total assets	<u>\$ 2,605,618</u>	<u>\$ 394,851</u>	<u>\$ 3,000,469</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable	\$ 118,543	\$ -	\$ 118,543
Other accrued liabilities	884,124	-	884,124
Total liabilities	<u>1,002,667</u>	<u>-</u>	<u>1,002,667</u>
Fund balances - assigned for capital projects	-	394,851	394,851
Fund balances - unassigned	1,602,951	-	1,602,951
Total fund balance	<u>1,602,951</u>	<u>394,851</u>	<u>1,997,802</u>
Total liabilities and fund balances	<u>\$ 2,605,618</u>	<u>\$ 394,851</u>	
Amounts reported for governmental activities in the Statement of Net Position (page 33) are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			307,300
Net position of the Internal Services Fund are included in the governmental activities in the Statement of Net Position			7,758,407
Employer contributions for pension and OPEB were recorded as expenditures in the governmental funds. However, in the Government-Wide Financial Statement these contributions are deferred.			7,924,287
In the Government-Wide Financial Statements certain differences between actuarial estimates and actual results for pension and OPEB and other differences are recorded as deferred outflows and amortized over a period of time, however in the governmental funds no transactions are recorded.			23,228,041
In the Government-Wide Financial Statements certain differences between actuarial estimates and actual results for pension and OPEB and other differences are recorded as deferred inflows and amortized over a period of time, however in the governmental funds no transactions are recorded.			(7,563,867)
Long-term liabilities are not due and payable from resources available in the current period and therefore are not reported in the governmental funds:			
Net OPEB liability			(9,910,613)
Compensated absences			(3,064,992)
Net pension liability			(58,610,256)
Net position of governmental activities			<u>\$ (37,933,891)</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, 2023

	(Major) General Fund	(Major) Capital Projects Fund	Total Governmental Funds
REVENUES:			
Intergovernmental:			
Burlingame	\$ 13,534,647	\$ -	\$ 13,534,647
Hillsborough	9,023,098	-	9,023,098
Millbrae	8,654,097	-	8,654,097
Grants	444,699	-	444,699
Service charges	1,850,056	-	1,850,056
Interest income	11,329	-	11,329
Total revenues	<u>33,517,926</u>	<u>-</u>	<u>33,517,926</u>
EXPENDITURES:			
Current:			
Personnel costs	29,509,277	-	29,509,277
Materials and services	3,077,583	-	3,077,583
Total expenditures	<u>32,586,860</u>	<u>-</u>	<u>32,586,860</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	931,066	-	931,066
OTHER FINANCING SOURCES (USES):			
Transfers in	-	100,000	100,000
Transfers out	(100,000)	-	(100,000)
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>100,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	831,066	100,000	931,066
BEGINNING FUND BALANCES	<u>771,885</u>	<u>294,851</u>	<u>1,066,736</u>
ENDING FUND BALANCES	<u><u>\$ 1,602,951</u></u>	<u><u>\$ 394,851</u></u>	<u><u>\$ 1,997,802</u></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, 2023**

Amounts reported for governmental activities in the Statement of Activities
(page 38) are different because:

Net Change in Fund Balances - Total Governmental Funds (page 36)	\$ 931,066
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 of depreciation in the current period.	(28,946)
The Total Internal Service Funds - This is the change in Net Position of the total Internal Service Funds. The Self Insurance Fund is used to accumulate funds to service the workers' compensation and dental and vision insurance program. The Vehicle and Equipment Replacement Fund is used to accumulate funds to purchase vehicles for the Department.	1,078,068
Current year employer pension contributions are recorded as expenditures in the governmental funds, however these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position.	6,891,540
Pension expense is recorded as incurred in the Government-Wide Statement of Activities, however pension expense is not recognized in the governmental funds.	(2,891,046)
Current year employer OPEB contributions are recorded as expenditures in the governmental funds, however these amounts are reported as a deferred outflow of resources in the Government-Wide Statement of Net Position.	1,032,747
OPEB expense is recorded as incurred in the Government-Wide Statement of Activities, however OPEB expense is not recognized in the governmental funds.	(631,476)
Expenses reported on accrual basis are recognized when incurred, regardless of when paid: Accrued compensated absences	(187,415)
Change in net position of governmental activities (page 36)	<u>\$ 6,194,538</u>

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

**CENTRAL COUNTY FIRE DEPARTMENT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023**

	Total Internal Service Funds
<hr/>	
ASSETS	
Current:	
Cash and investments	\$ 8,821,478
Interest receivable	16,088
Noncurrent:	
Capital assets	
net of depreciation	4,477,652
Total assets	<u>13,315,218</u>
LIABILITIES	
Current:	
Accounts payable	41,811
Workers' compensation claims	1,200,000
Total Current Liabilities	1,241,811
Noncurrent:	
Workers' compensation claims	4,315,000
Total liabilities	<u>5,556,811</u>
NET POSITION	
Net investment in capital assets	4,477,652
Unrestricted	3,280,755
Total net position	<u>\$ 7,758,407</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
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Total Internal Service Funds
REVENUES:	
Workers' compensation premiums	\$ 1,900,000
Charges for services	1,075,000
Strike team reimbursements	35,774
Total operating revenues	<u>3,010,774</u>
OPERATING EXPENSES:	
Workers' compensation claims	1,085,127
Materials and services	414,237
Depreciation	461,248
Total operating expenses	<u>1,960,612</u>
Operating income (loss)	<u>1,050,162</u>
NONOPERATING REVENUES (EXPENSES):	
Interest income (loss)	42,094
Loss on sale of capital assets	<u>(14,188)</u>
Total nonoperating revenues (expenses)	<u>27,906</u>
Change in net position	1,078,068
NET POSITION - BEGINNING	<u>6,680,339</u>
NET POSITION - ENDING (DEFICIT)	<u>\$ 7,758,407</u>

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

**CENTRAL COUNTY FIRE DEPARTMENT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts for services provided	\$ 3,128,929
Payment to employees	(644,127)
Payment to vendors	(407,391)
Net cash provided (used) by operating activities	<u>2,077,411</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:	
Acquisition and construction of capital assets	(574,981)
Net cash used in capital financing activities	<u>(574,981)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest income (loss)	<u>29,777</u>
Net increase (decrease) in cash and cash equivalents	1,532,207
Cash and cash equivalents - beginning	7,289,271
Cash and cash equivalents - ending	<u><u>\$ 8,821,478</u></u>
Reconciliation of operating income to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 1,050,162
Depreciation expense	461,248
Decrease (increase) in accounts receivable	118,155
Increase (decrease) in accrued workers' compensation claims	441,000
Increase (decrease) in accounts payable (non-capital)	6,846
Net cash and cash equivalents provided (used) by operating activities	<u><u>\$ 2,077,411</u></u>

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

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

Page

1. Summary of Significant Accounting Policies	
A. Reporting Entity	44
B. Government-wide and Fund Financial Statements	44
C. Measurement Focus, Basis of Accounting and Financial Statement Presentation	44
D. Assets, Liabilities and Net Position or Equity	46
1. Cash, Cash Equivalents and Investments	46
2. Interfund Transactions	46
3. Capital Assets	47
4. Compensated Absences	47
5. Self-Insurance	47
6. Other Postemployment Benefits (OPEB)	47
7. Pensions	48
E. New accounting pronouncements	48
2. Stewardship, Compliance and Accountability	48
3. Cash and Investments	49
4. Capital Assets	51
5. Operating Assistance	51
6. Long-Term Debt	51
7. Risk Management	52
8. Fund Balances	53
9. Postemployment Benefits other than Pension	
A. Plan Description	54
B. Employees Covered	54
C. Contributions	54
D. Net OPEB Liability	55
E. Discount Rate	56
F. Changes in the OPEB Liability	57
G. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate	57
H. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates	57
I. Recognition of Deferred Outflows and Deferred Inflows of Resources	58
J. OPEB Expense and Deferred Outflows/ (Inflows) of Resources Related to OPEB	58
10. Employee Retirement Plan	
A. Plan Description	59
B. Benefits Provided	59
C. Contributions	60
D. Pension Liabilities	60
E. Actuarial Assumptions	62
F. Discount Rate	62
G. Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate	64
H. Pension Plan Fiduciary Net Position	64
I. Payable to the Pension Plan	64
J. Change in Assumptions	64
11. Excess Expenditures over Appropriations	64

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Central County Fire Department (Department) was established in 2004 through a Joint Powers Agreement (JPA) between the City of Burlingame and the Town of Hillsborough for fire services. The JPA became a fully independent entity in 2010. The JPA currently provides fire services to the City of Burlingame, the Town of Hillsborough, and by contract to the City of Millbrae. The Department is governed by a Board of Directors consisting of two city council members from each JPA member. The Board appoints a City Manager from one of the JPA member cities to serve as Chief Administrative Officer for an alternating two-year term.

The Department is a legally separate and independent entity that is not a component unit of the City of Burlingame, the Town of Hillsborough or the City of Millbrae. Further, the Department has no component unit organizations under its control. Therefore, this annual comprehensive 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 (except for interfund services provided and used) 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 three agencies' general fund revenues.

The Statement of Activities demonstrates the degree to which the expenses are offset by program revenues which include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided and 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 and proprietary funds. The internal service self-insurance and vehicle and equipment replacement funds are included in the combining statements to the financial statements. The General Fund and Capital Fund are major individual governmental funds and are reported in separate columns.

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 and vehicle and equipment replacement funds. 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 three agencies are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, *Continued*

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

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 Department reports the following major governmental funds:

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.

The *Capital Projects Fund* is used to account for the acquisition and construction of capital assets other than those that remain with the member agencies.

The Department reports the following Proprietary funds:

The Department reports two *Internal Service Funds* with one used to account for the servicing of the self-insurance for workers' compensation programs and one used to account for funding and purchasing of vehicles, equipment and engines.

An Internal Service Fund distinguishes *operating* revenues and expenses from *nonoperating* items. Operating revenues represent premiums paid for the programs and contributions toward programs; operating expenses include claims paid and administrative expenses of the programs, and vehicle and equipment purchases. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Department follows Governmental Accounting Standards Board (GASB) in accounting the activities of the Internal Service Funds. The effect of interfund activity (excluding interfund services provided and used) 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.

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.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, and Net Position or Equity

1. Cash, Cash Equivalents, and Investments

The department pools cash resources from all funds in order to facilitate the management of cash. The balance in the pooled cash account is available to meet operating requirements. Cash in excess of current requirements is invested in an investment pool managed by the State of California entitled Local Agency Investment Fund (LAIF), which has invested a portion of the pooled funds in Structured notes and Asset-Backed Securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these Structured Notes and Asset-Backed Securities are subject to market risk as to the change in interest rates.

In accordance with GASB Statement No 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools*, highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. The Department categorizes the fair value of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Department had no investments measured using Level 3 inputs.

Cash equivalents are considered amounts in demand deposits and short-term investments with a maturity date within three months of the date acquired by the Department and are presented as "Cash and investments" in the accompanying Basic Financial Statements.

For purpose of the statement of cash flows, the Department considers all pooled cash and investments held by the Department as cash and cash equivalents, because the pool is used essentially as a demand deposit account from the standpoint of the funds.

The City of Burlingame, the Town of Hillsborough and the City of Millbrae advance 1/12 of their respective budgeted contributions to the Department every month.

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 vehicle fund contributions, which are recorded as revenues of the internal service fund and expenditures in the general fund.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, and Net Position or Equity, Continued

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 and vision claims. The Internal Service Fund is used to account for the activities of the workers' compensation program. 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, that are actuarially determined based on loss experience. The amount recorded as liability for known claims, if any, is based on the recommendations of the administrator. The accrued liability for incurred but not reported claims (IBNRs) recommended in an actuarial study has been recorded.

6. Other Postemployment Benefits (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Department's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2020 to June 30, 2022

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued

D. Assets, Liabilities, and Net Position or Equity, Continued

7. Pensions

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

E. New Accounting Pronouncements

In 2023, the Department adopted new accounting standards to conform to the following Governmental Accounting Standards Board Statements:

GASB Statement No. 96, Subscription-Based Information Technology Arrangements – This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset – an intangible asset – and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. There was no impact on net position as a result of implementation of this statement.

NOTE 2 – 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/her designee 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.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 – CASH AND INVESTMENTS

The Department maintains a cash and investment pool which includes cash and investment 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.

The Department has the following cash and investments at June 30, 2023:

Cash on hand	\$ 200
Deposits with financial institutions	9,548,282
Local Agency Investment Fund	<u>2,018,000</u>
Total cash and investments	<u><u>\$ 11,566,482</u></u>

A. Deposits

The carrying amounts of the Department's cash deposits were \$9,548,282. Bank balances before reconciling items were \$9,584,894 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 fair value of the pledged securities must equal at least 110% of the Department's cash deposits. California law also allows institutions to secure special districts 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.

B. Investments

Under the provisions of the Department's investment policy, the only authorized investment is the Local Agency Investment Fund (LAIF).

LAIF is regulated by Code Section 16429 under the oversight of the Treasurer of the State of California. The Department's investments with LAIF at June 30, 2023, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

Structured Notes – are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or have embedded forwards or options.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 3 – CASH AND INVESTMENTS, Continued

B. Investments, Continued

Asset-Backed Securities – the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgage (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2023, the Department had \$2,018,000 invested in LAIF, which had invested 2.78% of the pool investments in Structured Notes and Asset-Backed Securities as compared to 2.31% in the previous year. The LAIF fair value factor of 0.984828499 was used to calculate the fair value of the investments in LAIF.

C. Risk Disclosures

Interest Risk: Interest risk is the market value fluctuation due to overall changes in the interest rates. It is mitigated by limited by managing the average maturity of the Department's portfolio to liquid investment types. The Department's investment in LAIF is considered to be currently available and is considered to have a maturity of less than one year.

Credit Risk: Credit risk is the risk that a security or a portfolio will lose some or all its value due to a real or perceived change in the ability of an issuer to repay its debt. The Department mitigates credit risk through limiting its portfolio to LAIF, that is secured by the State of California by collateralization. The Department's investment in LAIF is currently not rated.

D. Investment Valuation

Investments are measured at fair value on a recurring basis. *Recurring* fair value measurements, are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an assets fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The Department's investment in LAIF is exempt from levelling disclosure.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 4 - CAPITAL ASSETS

Major capital assets including fire stations, and older engines and vehicles remain the assets of the member agencies and hence are not reflected in the Department's capital assets. Starting in fiscal year 2015-16, the JPA funds the replacement of vehicles, engines, and equipment. Capital asset activity for the year ended June 30, 2023 was as follows:

	Governmental Activities			Ending Balance
	Beginning Balance	Increases	Decreases	
Capital assets being depreciated:				
Buildings	\$ 201,846	\$ -	\$ -	\$ 201,846
Machinery and equipment	6,530,589	583,393	(42,564)	7,071,418
Total depreciable assets	6,732,435	583,393	(42,564)	7,273,264
Less accumulated depreciation for:				
Buildings	(36,809)	(10,092)	-	(46,901)
Machinery and equipment	(1,989,685)	(480,102)	28,376	(2,441,411)
Total accumulated depreciation	(2,026,494)	(490,194)	28,376	(2,488,312)
Governmental activities capital assets, net	<u>\$ 4,705,941</u>	<u>\$ 93,199</u>	<u>\$ (14,188)</u>	<u>\$ 4,784,952</u>

It is the Department's policy to recognize a full year's depreciation for assets acquired within the year.

NOTE 5 - OPERATING ASSISTANCE

The City of Burlingame, the Town of Hillsborough and the City of Millbrae provide the major sources of funding to the Central County Fire Department. The apportionment was \$13,534,647, \$9,023,098, and \$8,654,097 in FY 22/23, respectively, after applying anticipated program revenues to the operating and administrative budgets.

NOTE 6 - 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 10 for details of the OPEB obligation.

Net Pension Liability - Refer to Note 11 for details of the Net Pension Liability.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 6 - LONG-TERM DEBT, Continued

Long-term liability activity other than OPEB and Net Pension Liability for the year ended June 30, 2023, was as follows:

Description	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 2,877,577	\$ 1,745,162	\$ (1,557,747)	\$ 3,064,992	\$ 240,000

NOTE 7 - 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 insurance coverage through Fire Agencies Insurance Risk Authority (FAIRA), a joint powers authority. FAIRA provides liability coverage, claims management, risk management services, and legal defense to its participating members. FAIRA is governed by a board of directors of thirteen of the member agencies. Premiums are paid to FAIRA and are subject to adjustment based on the results of the actuarial studies and approval by the board of directors. FAIRA coverage includes general, management, automobile, crime, portable equipment, and umbrella liabilities. General liability coverage is up to \$10 million with no deductible. There is no deductible for general, automobile and garage liabilities. Deductibles for the remaining liabilities do not exceed \$5,000.

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 \$50 million.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 7 - RISK MANAGEMENT, Continued

There was no significant change in insurance coverage from that of the prior year, 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 workers' claims liabilities compensation for the past three years:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
2020-2021	\$ 6,176,000	\$ 1,202,606	\$ (618,606)	\$ 6,760,000	\$ 1,100,000
2021-2022	6,760,000	-	(1,686,000)	5,074,000	1,100,000
2022-2023	5,074,000	1,085,127	(644,127)	5,515,000	1,200,000

NOTE 8 - FUND BALANCES

In fund financial statements, fund balances are categorized as follows:

Nonspendable Fund Balances - Items that cannot be spent because they are either (a) not in spendable form, such as prepaid items and inventories, or (b) items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted Fund Balances - Restricted fund balances encompass the portion of fund balance subject to externally enforceable legal restrictions. This includes externally imposed restrictions by laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balances - Committed fund balances encompass the portion of fund balance, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body and that remain binding unless removed in the same manner. The Fire Board is considered the highest authority for the Department. A Board resolution is required to have fund balance committed.

Assigned Fund Balances - Assigned fund balances encompass the portion of fund balance reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making. The Fire Board is considered the highest authority for the Department. Assignments of fund balance are made by the Board through approval of transfers during the annual budget process or during the year by resolution.

Unassigned Fund Balances - This amount is for any portion of the fund balances that do not fall into one of the above categories. The general fund is the only fund that reports a positive unassigned fund balance amount. In other funds, it is not appropriate to report a positive unassigned fund balance amount. However, in funds other than general fund, if expenditures incurred for specific purposes exceed the amount that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 8 - FUND BALANCES, Continued

Fund balances for all the governmental funds as of June 30, 2023 were as follows:

Designation	General Fund	Capital Projects Fund
Assigned to certain capital projects	\$ -	\$ 394,851
Unassigned	1,602,951	-

NOTE 9 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

A. Plan Description

The Central County Fire Department Retiree Healthcare Plan (Plan) is an agent-multiple employer defined benefit healthcare plan administered by the Department. CalPERS invests the plan's assets as part of the California Employer's Retiree Benefit Trust (CERBT). 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. Employees Covered

As of the June 30, 2022 measurement date, the following current and former employees were covered by the benefit terms under the OPEB Plan:

Active employees	91
Inactive employees or beneficiaries currently receiving benefits	41
Inactive employees entitled to, but not yet receiving benefits	6
Total	<u>138</u>

C. Contributions

The OPEB Plan and its contribution requirements are established by and may be amended by the Department. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2023, the Department's cash contributions were \$769,533 in pay-as-you-go premiums, payment to the trust of \$65,467, administrative expenses of \$2,747, and an implied subsidy of \$195,000, resulting in total payments of \$1,032,747.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS, Continued

D. Net OPEB Liability

The Department's net OPEB liability was measured as of June 30, 2022, and the total OPEB liability for the Plan used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. The total OPEB liability was measured based on the following actuarial methods and assumptions:

Actuarial Assumption	June 30, 2022 Measurement Date
■ Actuarial Valuation Date	■ June 30, 2021
■ Contribution Policy	■ Department contributes full ADC
■ Discount Rate	■ 6.25% at June 30, 2022
	■ 6.25% at June 30, 2021
	■ Expected Department contributions projected to keep sufficient plan assets to pay all benefits from trust.
■ General Inflation	■ 2.50% per annum
■ Mortality, Retirement, Disability, Termination	■ CalPERS 1997-15 Experience Study
■ Mortality Improvement	■ Post-retirement mortality projected fully generational with Scale MP-2021
■ Salary Increases	■ Aggregate - 2.75% annually
	■ Merit - 1997-15 CalPERS Experience Study
■ Medical Trend	■ Non-Medicare - 6.5% for 2023, decreasing to an ultimate rate of 3.75% in 2076
	■ Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076
	■ Medicare (Kaiser) - 4.6% for 2023, decreasing to an ultimate rate of 3.75% in 2076
■ Healthcare Participation	■ Tier 1: 100%
	■ Tier 2: 60%
■ Healthcare Participation for Future Retirees	■ Future Miscellaneous retirees: Pre 65: Anthem Traditional 30%, Health Net SmartCare 10%, Kaiser 40%, PERSCheck 10%, PERSCare 10% Post 65: Anthem Traditional 30%, Kaiser 50%, PERSCheck 10%, PERSCare 10% ■ Future Safety retirees: Pre 65: Anthem Select 5%, Kaiser 35%, PERSCare 10%, PORAC 50% Post 65: Kaiser 50%, PERSCheck 25%, PORAC 25% ■ Retirees Pre-65: Same as current election Post 65: Post 65 assumptions for actives

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS, Continued

D. Net OPEB Liability, Continued

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<i>Investment Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
<i>Global Equity</i>	49%	4.56%
<i>Fixed Income</i>	23%	1.56%
<i>Treasury Inflation-Protected Securities (TIPS)</i>	5%	(0.08)%
<i>Commodities</i>	3%	1.22%
<i>Real Estate Investment Trusts</i>	20%	4.06%
<i>TOTAL</i>	100.00%	

E. Discount Rate

The discount rate used to measure the total OPEB liability was 6.25 percent. The projection of cash flows used to determine the discount rate assumed that Department contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS, Continued

F. Changes in the OPEB Liability

The changes in the net OPEB liability for the OPEB Plan are as follows:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
■ Balance at 6/30/22 (6/30/21 measurement date)	\$ 19,834,505	\$ 11,789,255	\$ 8,045,250
■ Changes for the year			
• Service Cost	411,981	-	411,981
• Interest	1,235,383	-	1,235,383
• Benefit changes	-	-	-
• Actual vs. expected experience	-	-	-
• Assumption changes	-	-	-
• Contributions - employer*	-	1,366,074	(1,366,074)
• Contributions - employee	-	-	-
• Net investment income	-	(1,579,013)	1,579,013
• Benefit payments	(960,750)	(960,750)	-
• Administrative expenses	-	(5,060)	5,060
■ Net Changes	686,614	(1,178,749)	1,865,363
■ Balance at 6/30/23 (6/30/22 measurement date)	\$ 20,521,119	\$ 10,610,506	\$ 9,910,613

G. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Department if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	Discount Rate		
	1% Decrease (5.25%)	Current Rate (6.25%)	1% Increase (7.25%)
■ Net OPEB Liability	\$ 12,403,557	\$ 9,910,613	\$ 7,837,849

H. Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the Department if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	Healthcare Trend Rate		
	1% Decrease	Current Trend	1% Increase
■ Net OPEB Liability	\$ 7,466,889	\$ 9,910,613	\$ 12,886,282

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS, Continued

I. Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on OPEB plan investments	5 years
All other amounts	Expected average remaining service lifetime (EARSL) (varies based on measurement period)

J. OPEB Expense and Deferred Outflows/(Inflows) of Resources Related to OPEB

For the fiscal year ended June 30, 2023, the Department recognized OPEB expense of \$631,476. For the fiscal year ended June 30, 2023, the Department reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 2,409,244
Changes in assumptions	391,000	466,853
Net difference between projected and actual earnings on plan investments	851,457	-
Employer contributions made subsequent to the measurement date	1,032,747	-
Total	\$ 2,275,204	\$ 2,876,097

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS, Continued

J. OPEB Expense and Deferred Outflows/(Inflows) of Resources Related to OPEB, Continued

The \$1,032,747 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2022 measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

FYE June 30	Deferred Outflows/(Inflows) of Resources
2024	\$ (270,213)
2025	(277,213)
2026	(326,494)
2027	42,405
2028	(400,743)
Thereafter	(401,382)

NOTE 10 – EMPLOYEE RETIREMENT PLAN

A. Plan Description

All qualified permanent and probationary employees are eligible to participate in the Department's, cost-sharing multiple employer defined benefit pension plan (plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and miscellaneous risk pool (all other). The Department sponsors four rate plans (two miscellaneous and two safety). Benefit provisions under the Plan are established by State statute and the Department's resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

B. Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 – EMPLOYEE RETIREMENT PLAN, Continued

B. Benefits Provided, Continued

The Plan's provisions and benefits in effect at June 30, 2023, are summarized as follows:

	<u>Safety-Classic</u>	<u>Miscellaneous-Classic</u>
Hire date	Prior to January 1, 2013	Prior to January 1, 2013
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50	50
Monthly benefits , as a % of eligible compensation	2.4% to 3%	2% to 2.7%
Required employee contribution rates	9.00%	8.00%
Required employer contribution rates	23.68%	13.02%
Required employer dollar UAL payment(Annual)	\$4,090,590	\$41,667
	<u>Safety-PEPRA</u>	<u>Miscellaneous-PEPRA</u>
Hire date	On or after January 1, 2013	On or after January 1, 2013
Benefit vesting schedule	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50	50
Monthly benefits , as a % of eligible compensation	1% to 2.5%	2% to 2.7%
Required employee contribution rates	13.75%	7.25%
Required employer contribution rates	13.66%	7.76%
Required employer dollar UAL payment (Annual)	\$21,172	\$5,660

C. Contributions

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

For the year ended June 30, 2023, the Department's contributions to the Plan for the measurement period ended June 30, 2022 were \$6,256,611.

D. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2023, the Department reported net pension liability for its proportionate share of the net pension liability of the Plan of \$58,610,256.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 – EMPLOYEE RETIREMENT PLAN, Continued

D. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

The Department's net pension liability for the Plan is measured as the proportionate share of the net pension liability of the CalPERS pooled plans. The net pension liability of the Plan is measured as of June 30, 2022, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures. The Department's proportion of the net pension liability was based on the Department's plan liability and asset-related information where available, and proportional allocations of individual plan amounts as of the valuation date where not available.

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

Proportion - June 30, 2021	0.56347%
Proportion - June 30, 2022	<u>0.50741%</u>
Change - Increase (Decrease)	-0.05606%

For the year ended June 30, 2023, the Department recognized pension expense of \$2,891,046. At June 30, 2023, the Department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 6,891,540	\$ -
Changes in assumptions	5,910,749	-
Changes in employer's proportion	4,391,234	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-	4,049,633
Difference between expected and actual experience	2,411,892	638,137
Net differences between projected and actual earnings on plan investments	<u>9,271,709</u>	<u>-</u>
Total	<u>\$ 28,877,124</u>	<u>\$ 4,687,770</u>

\$6,891,540 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2024.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 – EMPLOYEE RETIREMENT PLAN, Continued

D. Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions, Continued

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

Year Ended	
June 30	
2024	\$ 5,087,177
2025	4,183,329
2026	2,371,255
2027	5,656,053

E. Actuarial Assumptions

The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions:

Actuarial Cost Method	Entry-Age Normal in accordance with the requirements of GASB 68
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Projected Salary Increase	Varies by entry age and service
Mortality Rate Table	Derived by CalPERS membership data for all funds
Post Retirement Benefit Increase	Contract COLA up to 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2021 valuation was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

F. Discount Rate

The discount rate used to measure the total pension liability was 6.90% for the Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for the Plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 6.90 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 - EMPLOYEE RETIREMENT PLAN, Continued

F. Discount Rate, Continued

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, and combined with risk estimates, are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return.

The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return ⁽¹⁾⁽²⁾
Global Equity - Cap-weighted	30.0%	4.45%
Global Equity Non-Cap-weighted	12.0%	3.84%
Private Equity	13.0%	7.28%
Treasury	5.0%	0.27%
Mortgage-backed Securities	5.0%	0.50%
Investment Grade Corporates	10.0%	1.56%
High Yield	5.0%	2.27%
Emerging Market Debt	5.0%	2.48%
Private Debt	5.0%	3.57%
Real Assets	15.0%	3.21%
Leverage	-5.0%	-0.59%
Total	100%	

(1) An expected inflation of 2.30% used for this period.

(2) Figures are based on the 2021-22 Asset Liability Management study

**CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2023**

NOTE 10 – EMPLOYEE RETIREMENT PLAN, Continued

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

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

1% Decrease	5.90%
Net Pension Liability	\$ 86,308,502
Current Discount Rate	6.90%
Net Pension Liability	\$ 58,610,256
1% Increase	7.90%
Net Pension Liability	\$ 35,970,243

H. Pension Plan Fiduciary Net Position

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

I. Payable to the Pension Plan

At June 30, 2023, the Department reported a payable of \$245,015 for the outstanding amount of contributions to the pension plan required for the year ended June 30, 2023.

J. Change in Assumptions

For measurement period ended June 30, 2022, the discount rate was lowered to 6.90%.

NOTE 11 – EXCESS EXPENDITURES OVER APPROPRIATIONS

The General Fund had excess expenditures over appropriations of \$8,784 primarily due to unanticipated overtime primarily due to staffing coverage for strike team backfill.

REQUIRED SUPPLEMENTARY INFORMATION

**CENTRAL COUNTY FIRE DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

SCHEDULE OF THE DEPARTMENT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - LAST
10 Years*

	2023	2022	2021
Measurement date	6/30/2022	6/30/2021	6/30/2020
Proportionate share of the net pension liability	\$ 58,610,256	\$ 30,474,046	\$ 49,966,510
Proportion of the net pension liability	0.51%	0.56%	0.46%
Covered payroll	\$ 13,603,820	\$ 12,893,421	\$ 12,468,586
Proportionate share of the net pension liability as percentage of covered payroll	430.84%	236.35%	400.74%
Plan fiduciary net position as a percentage of the total pension liability	76.68%	88.29%	75.10%

Notes to Schedule

*Fiscal year 2015 was the 1st year of implementation, therefore only nine years are shown.

The CalPERS discount rate was increased from 7.5% to 7.65% in fiscal year 2016, and then decreased from 7.65%

to 7.15% in fiscal year 2018. The discount rate was decreased to 6.90% in fiscal year 2023.

The CalPERS mortality assumptions were adjusted in fiscal year 2019.

**CENTRAL COUNTY FIRE DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

2020	2019	2018	2017	2016	2015
6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
\$ 45,230,293	\$ 41,454,645	\$ 40,922,503	\$ 35,390,244	\$ 26,117,750	\$ 25,683,151
0.44%	0.43%	0.41%	0.41%	0.38%	0.42%
\$ 12,089,224	\$ 11,921,316	\$ 11,654,613	\$ 10,455,688	\$ 8,769,835	\$ 8,122,978
374.14%	347.74%	351.13%	338.48%	297.81%	316.18%
75.26%	75.26%	73.31%	74.06%	78.40%	79.82%

**CENTRAL COUNTY FIRE DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

SCHEDULE OF CONTRIBUTIONS - LAST 10 YEARS*

	2023	2022	2021	2020
Contractually required contribution (actuarially determined)	\$ 6,891,540	\$ 6,256,611	\$ 5,676,437	\$ 4,975,245
Contribution in relation to the actuarially determined contributions	(6,891,540)	(6,256,611)	(5,676,437)	(4,975,245)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 14,507,512	\$ 13,603,820	\$ 12,893,421	\$ 12,468,586
Contributions as a percentage of covered payroll	47.50%	45.99%	44.03%	39.90%

Notes to Schedule

*Fiscal year 2015 was the 1st year of implementation, therefore only nine years are shown.

Methods and assumptions used to determine contribution rates:

Valuation date :	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Actuarial cost method:	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method:	(1)	(1)	(1)	(1)
Assets valuation method:	Fair Value	Fair Value	Fair Value	Fair Value

Inflation:	2.50%	2.50%	2.50%	2.63%
Salary increases:	(2)	(2)	(2)	(2)
Investment rate of return:	7.00%	7.00%	7.00%	7.25%
Retirement age:	(3)	(3)	(3)	(3)
Mortality:	(4)	(4)	(4)	(4)

(1) Level percentage of payroll, closed

(2) Depending on age, service, and type of employment

(3) 50 for all plans, with the exception of 52 for Miscellaneous
PEPRA 2%@62

(4) Mortality assumptions are based on mortality rates resulting from the
most recent CalPERS Experience Study adopted by the CalPERS Board.

**CENTRAL COUNTY FIRE DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

2019	2018	2017	2016	2015
\$ 4,356,126	\$ 3,820,501	\$ 3,436,496	\$ 2,537,375	\$ 2,151,120
(4,356,126)	(3,820,501)	(3,436,496)	(2,537,375)	(2,151,120)
\$ -	\$ -	\$ -	\$ -	\$ -
\$ 12,089,224	\$ 11,921,316	\$ 11,654,613	\$ 10,455,688	\$ 8,769,835
36.03%	32.05%	29.49%	24.27%	24.53%

6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
(1)	(1)	(1)	(1)	(1)
Fair Value	Fair Value	Fair Value	Fair Value	15 Year Smoothed Fair Value Method
2.75%	2.75%	2.75%	2.75%	2.75%
(2)	(2)	(2)	(2)	(2)
7.375%	7.50%	7.50%	7.50%	7.50%
(3)	(3)	(3)	(3)	(3)
(4)	(4)	(4)	(4)	(4)

**CENTRAL COUNTY FIRE DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**SCHEDULE OF CHANGES IN THE NET OPEB
LIABILITY AND RELATED RATIOS - LAST TEN FISCAL YEARS ***

	2023	2022	2021
Measurement Date	6/30/2022	6/30/2021	6/30/2020
Total OPEB Liability			
Service Cost	\$ 411,981	\$ 500,702	\$ 492,434
Interest on the total OPEB liability	1,235,383	1,401,175	1,354,855
Differences between expected and actual experience	-	(1,562,422)	-
Changes of assumptions	-	(319,108)	(333,528)
Benefit payments, including refunds of employee contributions	(960,750)	(886,603)	(785,000)
Net change in total OPEB liability	686,614	(866,256)	728,761
Total OPEB Liability - beginning	19,834,505	20,700,761	19,972,000
Total OPEB Liability - ending (a)	\$ 20,521,119	\$ 19,834,505	\$ 20,700,761
Plan Fiduciary Net Position			
Contributions - employer	\$ 1,366,074	\$ 1,345,945	\$ 1,529,000
Net investment income	(1,579,013)	2,444,514	284,555
Benefit payments, including refunds of employee contributions	(960,750)	(886,603)	(785,000)
Administrative expense	(5,060)	(5,310)	(5,846)
Net change in plan fiduciary net position	(1,178,749)	2,898,546	1,022,709
Plan fiduciary net position - beginning	11,789,255	8,890,709	7,868,000
Plan fiduciary net position - ending (b)	\$ 10,610,506	\$ 11,789,255	\$ 8,890,709
Net OPEB liability/(asset) - ending (a) - (b)	\$ 9,910,613	\$ 8,045,250	\$ 11,810,052
Plan fiduciary net position as a percentage of the total OPEB liability	51.7%	59.4%	42.9%
Covered-employee payroll**	\$ 13,671,124	\$ 12,948,727	\$ 15,432,138
Net OPEB liability as a percentage of covered-employee payroll	72.49%	62.13%	76.53%

Notes to Schedule

* Fiscal year 2018 was the first year of implementation.

** Covered-employee payroll is used as contributions are not based on employee earnings.

For measurement date June 30, 2020, the Affordable Care Act Excise tax of 2% cash load was removed.

For measurement date June 30, 2021, the the discount rate was reduced to 6.25%, general inflation decreased from 2.75% to 2.50%, decrease in medical trend rate, medical plan election at retirement, current retirees post-65 medical plan election, and mortality improvement scale was updated to Scale MP-2021.

**CENTRAL COUNTY FIRE DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

2020	2019	2018
6/30/2019	6/30/2018	6/30/2017
\$ 562,000	\$ 546,000	\$ 530,000
1,376,000	1,288,000	1,202,000
(2,194,000)	-	-
711,000	-	-
(602,000)	(503,000)	(425,000)
(147,000)	1,331,000	1,307,000
20,119,000	18,788,000	17,481,000
<u>\$ 19,972,000</u>	<u>\$ 20,119,000</u>	<u>\$ 18,788,000</u>
\$ 1,508,000	\$ 1,425,000	\$ 1,397,000
415,000	416,000	406,000
(602,000)	(503,000)	(425,000)
(3,000)	(10,000)	(2,000)
1,318,000	1,328,000	1,376,000
6,550,000	5,222,000	3,846,000
<u>\$ 7,868,000</u>	<u>\$ 6,550,000</u>	<u>\$ 5,222,000</u>
\$ 12,104,000	\$ 13,569,000	\$ 13,566,000
39.4%	32.6%	27.8%
\$ 14,809,319	\$ 14,977,965	\$ 11,655,000
81.73%	90.59%	116.40%

**CENTRAL COUNTY FIRE DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

SCHEDULE OF OPEB CONTRIBUTIONS LAST TEN FISCAL YEARS *

Fiscal Year Ended June 30,	2023	2022	2021	2020
Actuarially Determined Contribution (ADC)	\$ 1,030,000	\$ 1,364,000	\$ 1,344,000	\$ 1,528,000
Contributions in relation to the ADC	(1,032,747)	(1,366,074)	(1,345,945)	(1,529,000)
Contribution deficiency (excess)	<u>\$ (2,747)</u>	<u>\$ (2,074)</u>	<u>\$ (1,945)</u>	<u>\$ (1,000)</u>
Covered-employee payroll**	\$ 14,556,517	\$ 13,671,124	\$ 12,948,727	\$ 15,432,138
Contributions as a percentage of covered-employee payroll	7.1%	10.0%	10.4%	9.9%

Notes to Schedule

* Fiscal year 2018 was the first year of implementation.

** Covered-employee payroll is used as contributions are not based on employee earnings.

Methods and assumptions used to determine contribution rates:

Valuation date (for actuarially determined contribution):	6/30/2021	6/30/2019	6/30/2019	6/30/2017
Actuarial cost method:	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method:	(1)	(1)	(1)	(1)
Amortization period:	21.8 years	20.7 years	21.7 years	21.4 years
Assets valuation method:	(2)	(2)	(2)	(2)
Inflation:	2.50%	2.75%	2.75%	2.75%
Discount rate:	6.25%	6.75%	6.75%	6.75%
Medical trend:	3.75% - 6.50%	4.00% - 7.25%	4.00% - 7.25%	4.00% - 7.50%
Mortality:	(3)	(3)	(3)	(3)
Mortality improvement:	(4)	(5)	(5)	(6)

⁽¹⁾ Level percentage of pay

⁽²⁾ Investment gains and losses spread over 5-year rolling period

⁽³⁾ CalPERS 1997-2015 experience study

⁽⁴⁾ Mortality projected fully generational with Scale MP-2021

⁽⁵⁾ Mortality projected fully generational with Scale MP-2019

⁽⁶⁾ Mortality projected fully generational with Scale MP-2017

⁽⁷⁾ CalPERS 1997-2011 experience study

⁽⁸⁾ Mortality projected fully generational with Scale MP-2014, modified to converge to ultimate improvement rates in 2022

**CENTRAL COUNTY FIRE DEPARTMENT
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

2019	2018
\$ 1,508,000	\$ 1,425,000
(1,508,000)	(1,425,000)
<u>\$ -</u>	<u>\$ -</u>
\$ 14,809,319	\$ 14,977,965
10.2%	9.5%

6/30/2017	6/30/2015
Entry Age	Entry Age
(1)	(1)
22.4 years	23.7 years
(2)	(2)
2.75%	3.00%
6.75%	7.25%
4.00% - 7.50%	5.00% - 7.00%
(3)	(7)
(6)	(8)

**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, 2023**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES:				
Burlingame	\$ 13,534,647	\$ 13,534,647	\$ 13,534,647	\$ -
Hillsborough	9,023,098	9,023,098	9,023,098	-
Millbrae	8,654,097	8,654,097	8,654,097	-
Grants	228,202	228,202	444,699	216,497
Service charges	1,237,733	1,237,733	1,850,056	612,323
Interest income	299	299	11,329	11,030
Total Revenues	<u>32,678,076</u>	<u>32,678,076</u>	<u>33,517,926</u>	<u>839,850</u>
EXPENDITURES:				
Current:				
Personnel costs	29,337,671	29,337,671	29,509,277	(171,606)
Materials and services	3,240,405	3,240,405	3,077,583	162,822
Total Expenditures	<u>32,578,076</u>	<u>32,578,076</u>	<u>32,586,860</u>	<u>(8,784)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	100,000	100,000	931,066	831,066
OTHER FINANCING SOURCES (USES):				
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	-
Total Other Financing Sources (Uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	-
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	831,066	<u>\$ 831,066</u>
BEGINNING FUND BALANCES			771,885	
ENDING FUND BALANCES			<u>\$ 1,602,951</u>	

CENTRAL COUNTY FIRE DEPARTMENT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2023

Pension and Other Postemployment Benefits Liabilities and Contributions

These schedules represent information that shows the Department's proportionate share of the pension liability in the cost sharing pools, actuarial information, and contributions. The proportionate share information is useful in determining the Department's liability in relation to all other entities in the pool.

These schedules also report information on the changes to the net OPEB liability and contributions. This information is useful in understanding the impacts and changes to the net liability.

Notes to Budgetary Information

The Department adopts annual budgets on a basis consistent with generally accepted accounting principles for all governmental funds except the capital projects fund, which adopts 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, 2023.

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 are presented as required supplementary information. The General Fund revenue and expenditure variances are largely driven by reimbursements (grants) and costs (personnel) for participation in strike teams.

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SUPPLEMENTARY INFORMATION

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**CENTRAL COUNTY FIRE DEPARTMENT
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2023**

	Vehicle and Equipment Replacement Fund	Self-insurance Fund	Total Internal Service Funds
ASSETS			
Current:			
Cash and investments	\$ 2,123,409	\$ 6,698,069	\$ 8,821,478
Interest receivable	-	16,088	16,088
Noncurrent:			
Capital assets net of depreciation	4,477,652	-	4,477,652
Total assets	<u>6,601,061</u>	<u>6,714,157</u>	<u>13,315,218</u>
LIABILITIES			
Current:			
Accounts payable	35,860	5,951	41,811
Workers' compensation claims	-	1,200,000	1,200,000
Total current liabilities	<u>35,860</u>	<u>1,205,951</u>	<u>1,241,811</u>
Noncurrent:			
Workers' compensation claims	-	4,315,000	4,315,000
Total liabilities	<u>35,860</u>	<u>5,520,951</u>	<u>5,556,811</u>
NET POSITION			
Net investment in capital assets	4,477,652	-	4,477,652
Unrestricted	2,087,549	1,193,206	3,280,755
Total net position	<u>\$ 6,565,201</u>	<u>\$ 1,193,206</u>	<u>\$ 7,758,407</u>

CENTRAL COUNTY FIRE DEPARTMENT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

	Vehicle and Equipment Replacement Fund	Self-insurance Fund	Total Internal Service Funds
REVENUES:			
Workers' compensation premiums	\$ -	\$ 1,900,000	\$ 1,900,000
Charges for services	1,075,000	-	1,075,000
Strike team reimbursements	35,774	-	35,774
Total operating revenues	<u>1,110,774</u>	<u>1,900,000</u>	<u>3,010,774</u>
OPERATING EXPENSES:			
Workers' compensation claims	-	1,085,127	1,085,127
Materials and services	55,582	358,655	414,237
Depreciation	461,248	-	461,248
Total operating expenses	<u>516,830</u>	<u>1,443,782</u>	<u>1,960,612</u>
Operating income (loss)	<u>593,944</u>	<u>456,218</u>	<u>1,050,162</u>
NONOPERATING REVENUES (EXPENSES):			
Interest income (loss)	-	42,094	42,094
Loss on sale of capital assets	(14,188)	-	(14,188)
Total nonoperating revenues (expenses)	<u>(14,188)</u>	<u>42,094</u>	<u>27,906</u>
Change in net position	579,756	498,312	1,078,068
NET POSITION - BEGINNING	<u>5,985,445</u>	<u>694,894</u>	<u>6,680,339</u>
NET POSITION - ENDING (DEFICIT)	<u>\$ 6,565,201</u>	<u>\$ 1,193,206</u>	<u>\$ 7,758,407</u>

**CENTRAL COUNTY FIRE DEPARTMENT
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

	Vehicle and Equipment Replacement Fund	Self-insurance Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts for services provided	\$ 1,228,929	\$ 1,900,000	\$ 3,128,929
Payment to employees	-	(644,127)	(644,127)
Payment to vendors	(51,812)	(355,579)	(407,391)
Net cash provided (used) by operating activities	<u>1,177,117</u>	<u>900,294</u>	<u>2,077,411</u>
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:			
Acquisition and construction of capital assets	(574,981)	-	(574,981)
Net cash used in capital financing activities	<u>(574,981)</u>	<u>-</u>	<u>(574,981)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest income (loss)	-	29,777	29,777
Net increase (decrease) in cash and cash equivalents	602,136	930,071	1,532,207
Cash and cash equivalents - beginning	1,521,273	5,767,998	7,289,271
Cash and cash equivalents - ending	<u>\$ 2,123,409</u>	<u>\$ 6,698,069</u>	<u>\$ 8,821,478</u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 593,944	\$ 456,218	\$ 1,050,162
Increase (decrease) in accounts payable			
Depreciation Expense	461,248	-	461,248
Decrease (increase) in accounts receivable	118,155	-	118,155
Increase (decrease) in accrued workers' compensation claims	-	441,000	441,000
Increase (decrease) in accounts payable (non-capital)	3,770	3,076	6,846
Net cash and cash equivalents provided (used) by operating activities	<u>\$ 1,177,117</u>	<u>\$ 900,294</u>	<u>\$ 2,077,411</u>

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STATISTICAL SECTION

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Statistical Section

This part of the Central County Fire Department's annual comprehensive 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.

CONTENTS	PAGES
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<i>Financial Trends</i>	
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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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	86-97
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<i>Revenue Capacity</i>	
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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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	98-103
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<i>Demographic and Economic Information</i>	
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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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	104
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<i>Operating Information</i>	
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These schedules contain information to help the reader understand how the information in the financial reports relate to the services the Department provides and activities it performs.	
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	105-118
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Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

**CENTRAL COUNTY FIRE DEPARTMENT
NET POSITION BY COMPONENT
(accrual basis of accounting)
LAST TEN YEARS**

	<u>2014</u>		<u>2015</u>		<u>2016</u>		<u>2017</u>		<u>2018</u>
Governmental Activities:									
Net investment in capital assets	\$ 97,291	\$	215,847	\$	1,940,399	\$	2,676,102	\$	2,715,576
Restricted	-		-		-		-		-
Unrestricted	(4,115,972)		(35,290,613)		(36,567,312)		(33,871,093)		(44,389,427)
Total governmental activities net position	\$ (4,018,681)	\$	(35,074,766)	\$	(34,626,913)	\$	(31,194,991)	\$	(41,673,851)

The fiscal year ended June 30, 2023 net position decrease of \$6.1 million is due to changes and timing of pension and OPEB related liabilities.

The fiscal year ended June 30, 2020 net position decrease of \$5.6 million is primarily attributable to an increase in net pension liability and workers' compensation accrued liability. The net pension liability increase is attributable to differences between actual and expected experience and the workers compensation change is attributable to a new actuarial valuation based on claim experience.

The fiscal year ended June 30, 2018 net position decrease of \$10.5 million is primarily attributable to the implementation of GASB 75, which reflects to Other Post Employment Benefits (OPEB) liability and deferred inflow/outflow related to (OPEB) on the Statement of Net Position.

The fiscal year ended June 30, 2015 net position change over the prior year is primarily attributable to the implementation of GASB 68, which reflects pension liability and deferred outflows/inflows related to pensions on the Statement of Net Position.

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

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 3,465,069	\$ 3,385,002	\$ 4,311,130	\$ 4,705,941	\$ 4,784,952
-	152,213	157,270	-	-
(45,364,136)	(51,096,175)	(53,919,077)	(48,834,370)	(42,718,843)
<hr/>				
\$ (41,899,067)	\$ (47,558,960)	\$ (49,450,677)	\$ (44,128,429)	\$ (37,933,891)
<hr/>				

**CENTRAL COUNTY FIRE DEPARTMENT
CHANGES IN NET POSITION
(accrual basis of accounting)
LAST TEN YEARS**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses:					
Governmental Activities:					
Public safety:					
Personnel	\$ 15,450,212	\$ 17,225,010	\$ 19,986,633	\$ 19,491,839	\$ 23,808,883
Materials and services	1,672,064	1,576,509	2,158,896	2,173,142	2,378,414
Depreciation expense	19,003	46,039	52,962	234,494	273,158
Loss on sale of capital assets	-	-	-	-	-
General and administrative	-	3,082	-	-	-
Total Governmental Activities Expenses	17,141,279	18,850,640	22,198,491	21,899,475	26,460,455
Program Revenues:					
Governmental Activities:					
Charges for services	1,890,887	1,553,099	1,586,409	2,100,740	2,438,884
Total Governmental Activities Program Revenues	1,890,887	1,553,099	1,586,409	2,100,740	2,438,884
Governmental Activities Net (Expenses)/Revenue	(15,250,392)	(17,297,541)	(20,612,082)	(19,798,735)	(24,021,571)
General Revenues:					
Governmental Activities:					
Intergovernmental - Burlingame	9,072,983	9,735,724	9,947,519	10,112,833	9,973,599
Intergovernmental - Hillsborough	6,048,655	6,490,483	6,631,679	6,741,889	6,649,066
Intergovernmental - Millbrae	-	2,076,725	5,486,051	6,063,304	6,326,189
Grants	-	89,310	366,391	312,157	954,239
Interest income	287	416	818	474	1,300
Total Governmental Activities General Revenues	15,121,925	18,392,658	22,432,458	23,230,657	23,904,393

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

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 25,653,628	\$ 29,937,605	\$ 30,258,050	\$ 24,793,700	\$ 25,735,927
2,485,705	3,958,052	1,708,037	1,474,453	1,118,853
318,924	392,829	371,792	452,648	490,194
-	-	25,974	-	14,188
22,176	-	-	-	-
28,480,433	34,288,486	32,363,853	26,720,801	27,359,162
1,923,490	2,116,628	1,613,444	1,828,748	1,850,056
1,923,490	2,116,628	1,613,444	1,828,748	1,850,056
(26,556,943)	(32,171,858)	(30,750,409)	(24,892,053)	(25,509,106)
10,789,979	11,482,359	11,892,420	12,501,368	13,534,647
7,193,306	7,654,908	7,928,280	8,334,250	9,023,098
6,891,612	7,337,244	7,604,472	7,993,416	8,654,097
764,160	36,941	1,433,093	1,384,721	480,473
611	513	427	546	11329
25,639,668	26,511,965	28,858,692	30,214,301	31,703,644

**CENTRAL COUNTY FIRE DEPARTMENT
CHANGES IN NET POSITION
(accrual basis of accounting)
LAST TEN YEARS**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Governmental Activities Changes in Net Position	\$ (128,467)	\$ 1,095,117	\$ 1,820,376	\$ 3,431,922	\$ (117,178)

The overall change in net position of \$6.1 million improves the negative net position of the Department, and is primarily attributable to changes in pension and OPEB related liabilities. Explanations for line items fluctuations are included in the Management Discussion & Analysis section of this report.

General revenues are comprised of contributions from the cities based on adopted budget amounts. Grant revenue is primarily for reimbursements for overtime for CCFD participation in statewide fires and national disaster events.

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

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ (917,275)	\$ (5,659,893)	\$ (1,891,717)	\$ 5,322,248	\$ 6,194,538

**CENTRAL COUNTY FIRE DEPARTMENT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS**

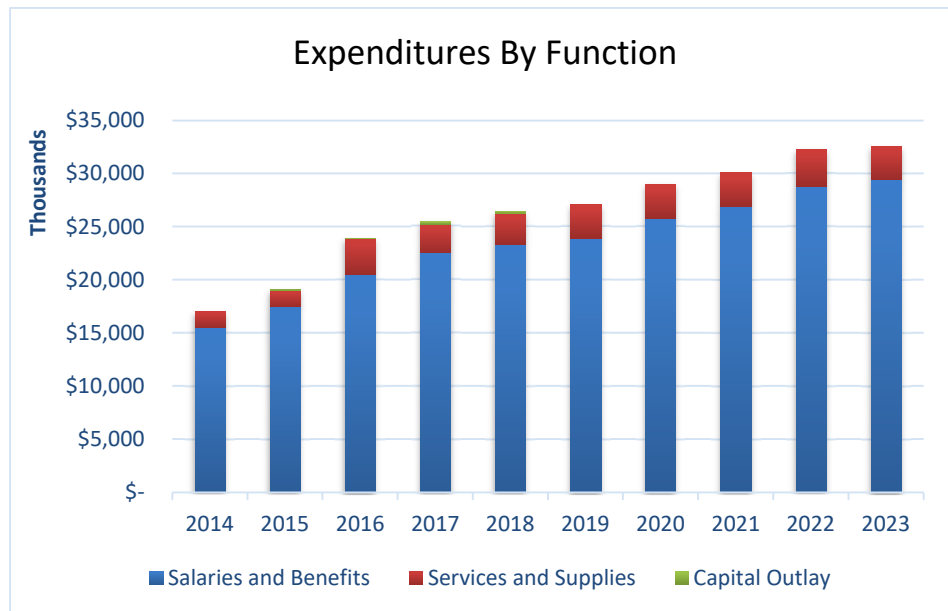
	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues:					
Intergovernmental:					
Burlingame	\$ 9,072,983	\$ 9,735,724	\$ 9,947,519	\$ 10,112,833	\$ 9,973,599
Hillsborough	6,048,655	6,490,483	6,631,679	6,741,889	6,649,066
Millbrae	-	2,076,725	5,486,051	6,063,304	6,326,189
Grants	-	89,310	366,391	312,157	954,239
Service Charges	1,890,887	1,553,099	1,586,409	2,100,740	2,438,884
Interest Income	287	416	817	474	1,300
Total Revenues	17,012,812	19,945,757	24,018,866	25,331,397	26,343,277
Expenditures:					
Current:					
Personnel costs	15,526,314	17,495,521	20,567,509	22,579,944	23,389,694
Materials and services	1,548,680	1,574,672	3,339,454	2,657,250	2,937,588
Capital Outlay	-	7,428	10,514	246,246	94,104
General and administrative/Other	-	3,083	-	-	-
Total Expenditures	17,074,994	19,080,704	23,917,477	25,483,440	26,421,386
Other Sources of Financing Transfers	-	(799,000)	-	-	-
Net Change in Fund Balances	(62,182)	66,053	101,389	(152,043)	(78,109)
Beginning Fund Balances, as restated	602,830	540,648	606,701	708,090	556,047
Ending Fund Balances	\$ 540,648	\$ 606,701	\$ 708,090	\$ 556,047	\$ 477,938
General Fund:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Unassigned	-	6	6	8	6
Total General Fund	\$ -	\$ 6	\$ 6	\$ 8	\$ 6
All Other Governmental Funds:					
Restricted	\$ -	\$ -	\$ -	\$ -	\$ -
Assigned	540,648	606,695	708,084	-	477,932
Total All Other Governmental Funds	\$ 540,648	\$ 606,695	\$ 708,084	\$ -	\$ 477,932

Personnel expenditures increased in 2023 due to increases in salaries for cost of living and step increases, contractual CalPERS retirement contribution, overtime for participation in Statewide fires (reimbursable).

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

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 10,789,979	\$ 11,482,359	\$ 11,892,420	\$ 12,501,368	\$ 13,534,647
7,193,306	7,654,908	7,928,280	8,334,250	9,023,098
6,891,612	7,337,244	7,604,472	7,993,416	8,654,097
764,160	36,941	1,157,543	1,314,026	444,699
1,923,490	2,116,628	1,613,444	1,828,748	1,850,056
611	513	427	546	11,329
27,563,158	28,628,593	30,196,586	31,972,354	33,517,926
<hr/>				
23,944,158	25,833,252	26,920,827	28,851,861	29,509,277
3,150,934	3,179,168	3,158,799	3,424,953	3,077,583
-	-	-	-	-
-	-	-	-	-
27,095,092	29,012,420	30,079,626	32,276,814	32,586,860
<hr/>				
-	-	-	-	-
<hr/>				
468,066	(383,827)	116,960	(304,460)	931,066
1,169,997	1,638,063	1,254,236	1,371,196	1,066,736
\$ 1,638,063	\$ 1,254,236	\$ 1,371,196	\$ 1,066,736	\$ 1,997,802
<hr/>				
\$ -	\$ 148,321	\$ -	\$ -	\$ -
1,203,793	584,911	905,389	771,885	1,602,951
\$ 1,203,793	\$ 733,232	\$ 905,389	\$ 771,885	\$ 1,602,951
<hr/>				
\$ -	\$ 152,213	\$ 157,270	\$ -	\$ -
434,270	368,791	308,537	294,851	394,851
<hr/>				
\$ 434,270	\$ 521,004	\$ 465,807	\$ 294,851	\$ 394,851
<hr/>				

**CENTRAL COUNTY FIRE DEPARTMENT
GOVERNMENTAL FUNDS EXPENDITURES BY FUNCTION
(modified accrual basis of accounting)
LAST TEN YEARS**



	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Salaries and Benefits	\$ 15,526,314	\$ 17,495,521	\$ 20,567,509	\$ 22,579,944	\$ 23,389,694
Services and Supplies	1,548,680	1,577,755	3,339,454	2,657,250	2,937,588
Capital Outlay	-	7,428	10,514	246,246	94,104
Total	<u>\$ 17,074,994</u>	<u>\$ 19,080,704</u>	<u>\$ 23,917,477</u>	<u>\$ 25,483,440</u>	<u>\$ 26,421,386</u>

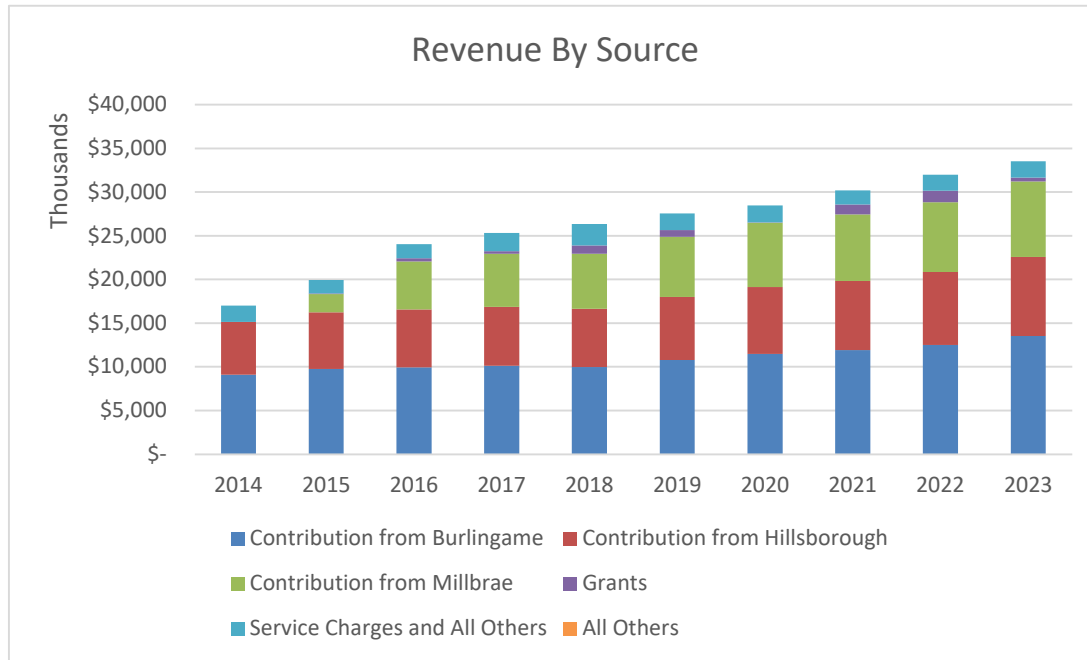
Salaries and benefits is the largest cost for the Department. Increase in 2023 is attributable to salary increases, contractual CalPERS retirement contribution, and overtime costs.

Services are provided by contract to the City of Millbrae and commenced mid-year 2014-15. FY 2015-16 reflects the full year cost of the staffing increase to support the services.

Source: Central County Fire Department audited financial statements

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 23,944,158	\$ 25,833,252	\$ 26,920,827	\$ 28,851,861	\$ 29,509,277
3,150,934	3,179,168	3,158,799	3,424,953	3,077,583
-	-	-	-	-
\$ 27,095,092	\$ 29,012,420	\$ 30,079,626	\$ 32,276,814	\$ 32,586,860

**CENTRAL COUNTY FIRE DEPARTMENT
GOVERNMENTAL FUNDS REVENUES BY SOURCES
(modified accrual basis of accounting)
LAST TEN YEARS**



	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Contribution from Burlingame	\$ 9,072,983	\$ 9,735,724	\$ 9,947,519	\$ 10,112,833
Contribution from Hillsborough	6,048,655	6,490,483	6,631,679	6,741,889
Contribution from Millbrae	-	2,076,725	5,486,051	6,063,304
Grants	-	89,310	366,391	312,157
Service Charges and All Others	1,891,174	1,553,515	1,587,226	2,101,214
Total	<u>\$ 17,012,812</u>	<u>\$ 19,945,757</u>	<u>\$ 24,018,866</u>	<u>\$ 25,331,397</u>

The Department's primary source of funding is contributions from the three cities - Burlingame, Hillsborough, and Millbrae. Services are provided by contract to the City of Millbrae.

The contract with Millbrae commenced mid-year 2014-15.

Grants are primarily reimbursement from Cal-OES or FEMA for participation in statewide fires or national disasters.

Source: Central County Fire Department audited financial statements

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$	9,973,599	\$ 10,789,979	\$ 11,482,359	\$ 11,892,420	\$ 12,501,368	\$ 13,534,647
	6,649,066	7,193,306	7,654,908	7,928,280	8,334,250	9,023,098
	6,326,189	6,891,612	7,337,244	7,604,472	7,993,416	8,654,097
	954,239	764,160	36,941	1,157,543	1,314,026	444,699
	2,440,184	1,924,101	1,956,935	1,613,871	1,829,294	1,861,385
\$	26,343,277	\$ 27,563,158	\$ 28,468,387	\$ 30,196,586	\$ 31,972,354	\$ 33,517,926

**CENTRAL COUNTY FIRE DEPARTMENT
CITY OF BURLINGAME/TOWN OF HILLSBOROUGH/CITY OF MILLBRAE
GENERAL FUND TAX REVENUES BY SOURCE
LAST TEN YEARS (amounts expressed in thousands)**

Fiscal Year	Property Tax	Public Safety Special Tax	Sales Tax	Transient Occupancy Tax	Other Taxes⁽¹⁾
CITY OF BURLINGAME					
2013	15,539		9,199	18,244	3,284
2014	15,497		10,196	21,357	4,595
2015	16,667		11,101	23,968	4,697
2016	17,645		12,828	26,092	4,589
2017	18,933		12,089	26,263	4,407
2018	20,335		12,820	27,936	4,869
2019	21,956		17,820	29,384	5,214
2020	23,304		14,803	20,417	5,503
2021	24,224		15,666	5,739	5,282
2022	27,723		17,577	12,377	6,252
TOWN OF HILLSBOROUGH					
2012	10,431	2,236	82		1,397
2013	10,943	2,234	209		1,714
2014	11,780	2,451	14		1,845
2015	12,629	2,240	65		1,744
2016	13,783	2,242	74		1,702
2017	14,872	2,242	99		1,783
2018	15,785	2,243	100		1,806
2019	16,681	2,243	128		1,769
2020	17,414	2,244	208		1,605
2021	18,456	2,246	144		2,331
2022	19,324	2,247	171		2,277
CITY OF MILLBRAE					
2012	10,900		2,200	3,900	1,700
2013	9,200		2,200	5,000	1,500
2014	10,100		2,300	6,100	1,900
2015	10,800		2,700	7,500	1,900
2016	10,798		2,804	8,210	1,811
2017	11,378		2,779	8,032	1,924
2018	11,887		3,093	8,483	2,017
2019	12,750		3,312	8,811	1,926
2020	13,932		2,913	6,369	1,834
2021	12,676		2,621	2,278	1,729
2022	13,228		3,384	4,893	2,101

(1) Includes Property Transfer Tax, Business License Tax, Franchise Fee

Note: Information is the latest available at the time of this report.

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

**CENTRAL COUNTY FIRE DEPARTMENT
CITY OF BURLINGAME/TOWN OF HILLSBOROUGH/CITY OF MILLBRAE
ASSESSED VALUES OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

<u>CITY OF BURLINGAME</u>				
Fiscal	Net			% of
Year	Secured	Unsecured	Total	Chg
2013	7,154,664,973	275,840,943	7,430,505,916	4.5%
2014	7,636,495,631	302,712,785	7,939,208,416	6.8%
2015	8,135,613,312	307,284,506	8,442,897,818	6.3%
2016	8,690,688,613	324,903,282	9,015,591,895	6.8%
2017	9,378,077,970	329,134,973	9,707,212,943	7.7%
2018	10,015,772,431	338,411,794	10,354,184,225	6.7%
2019	10,621,963,371	344,682,252	10,966,645,623	5.9%
2020	10,422,244,929	360,169,404	10,782,414,333	-1.7%
2021	12,750,425,547	351,494,932	13,101,920,479	21.5%
2022	13,404,096,385	359,345,840	13,763,442,225	5.0%

<u>TOWN OF HILLSBOROUGH</u>				
Fiscal	Net			% of
Year	Secured	Unsecured	Total	Chg
2013	6,920,302,922	5,149,053	6,925,451,975	4.0%
2014	7,377,527,987	4,556,205	7,382,084,192	6.6%
2015	7,833,939,940	5,908,200	7,839,848,140	6.2%
2016	8,460,687,856	8,612,367	8,469,300,223	8.0%
2017	9,121,371,245	6,096,108	9,127,467,353	7.8%
2018	9,673,123,078	5,220,467	9,678,343,545	6.0%
2019	10,210,348,568	5,112,653	10,215,461,221	5.5%
2020	10,757,039,454	5,454,728	10,762,494,182	5.4%
2021	11,331,663,036	7,428,937	11,339,091,973	5.4%
2022	11,821,444,062	8,820,787	11,830,264,849	4.3%

Source: Audited financial statements of the City of Burlingame,
Town of Hillsborough and City of Millbrae.
Information is the latest available for use in this report.

CITY OF MILLBRAE

Fiscal	Net			% of
Year	Secured	Unsecured	Total	Chg
2013	3,785,529,814	59,066,096	3,844,595,910	3.8%
2014	4,009,441,534	64,752,022	4,074,193,556	6.0%
2015	4,306,198,921	68,073,302	4,374,272,223	7.4%
2016	4,605,554,827	82,815,102	4,688,369,929	7.2%
2017	4,897,662,651	70,504,021	4,968,166,672	6.0%
2018	5,195,464,549	72,447,955	5,267,912,504	6.0%
2019	5,515,945,282	78,659,325	5,594,604,607	6.2%
2020	5,916,462,384	74,534,247	5,990,996,631	7.1%
2021	6,267,344,101	62,516,676	6,329,860,777	5.7%
2022	6,475,208,511	53,685,149	6,528,893,660	3.1%

GRAND TOTAL

Fiscal	Net			% of
Year	Secured	Unsecured	Total	Chg
2013	17,860,497,709	340,056,092	18,200,553,801	4.2%
2014	19,023,465,152	372,021,012	19,395,486,164	6.6%
2015	20,275,752,173	381,266,008	20,657,018,181	6.5%
2016	21,756,931,296	416,330,751	22,173,262,047	7.3%
2017	23,397,111,866	405,735,102	23,802,846,968	7.3%
2018	24,884,360,058	416,080,216	25,300,440,274	6.3%
2019	26,348,257,221	428,454,230	26,776,711,451	5.8%
2020	27,095,746,767	440,158,379	27,535,905,146	2.8%
2021	30,349,432,684	421,440,545	30,770,873,229	11.7%
2022	31,700,748,958	421,851,776	32,122,600,734	4.4%

**CENTRAL COUNTY FIRE DEPARTMENT
CITY OF BURLINGAME/TOWN OF HILLSBOROUGH/CITY OF MILLBRAE
PRINCIPAL PROPERTY TAX PAYERS**

<u>Taxpayer</u>	<u>2021-22</u>			<u>2012-13</u>		
	<u>Taxable</u>	<u>% of Total</u>	<u>Rank</u>	<u>Taxable</u>	<u>% of Total</u>	<u>Rank</u>
	<u>Assessed</u>	<u>Assessed</u>		<u>Assessed</u>	<u>Assessed</u>	
	<u>Value</u>	<u>Value</u>		<u>Value</u>	<u>Value</u>	
CITY OF BURLINGAME:						
Burlingame Point LLC	\$ 682,426,000	1	4.96%			
HMC Burlingame Hotels LLC	230,008,000	2	1.67%	88,570,000	2	1.19%
Shac Carolan Apartments LLC	225,047,000	3	1.63%			
EQR-North Park LP	131,829,000	4	0.96%	112,200,000	1	1.51%
Inland American Lodging Burlingame LLC	120,798,000	5	0.88%	79,570,000	3	1.07%
Pur Skyline MMC II LLC	115,228,000	6	0.84%			
EW PG Airport Owner LLC	105,351,000	7	0.77%			
DCT Rollins Road LLC	79,233,000	8	0.58%	35,150,000	9	0.47%
WDI One Bay Owner SFP LLC	76,080,000	9	0.55%			
Felcor CSS Holdings LLC	59,851,000	10	0.43%	44,110,000	6	0.59%
Mills-Peninsula Health Services				61,087,000	4	0.82%
Bay Park Plaza Associates				53,405,000	5	0.72%
EQR-Skyline Terrace LP				43,451,000	7	0.58%
One Bay Plaza Associates LLC				38,420,000	8	0.52%
Harbor View Hotels Inc.				28,570,000	10	0.38%
	<u>\$ 1,825,851,000</u>		<u>13.27%</u>	<u>\$ 584,533,000</u>		<u>7.85%</u>
TOWN OF HILLSBOROUGH:						
Carolands Foundation	\$ 147,917,402	1	1.25%			
Alpha Yield Holdings Limited	34,185,761	2	0.29%			
2120 Rahllc	27,982,530	3	0.24%			
Theodore H Kruttschnitt	26,003,715	4	0.22%	16,746,556	4	0.24%
Delight Wise Investments Limited	25,315,390	5	0.21%			
Gatsby 2 0 LLC	25,050,926	6	0.21%			
Peter Spiro Stamos Trust	21,109,877	7	0.18%	13,500,000	6	0.20%
899 Sharon Avenue LLC	18,848,550	8	0.16%			
123 New Place LLC	18,563,570	9	0.16%			
August Moon 1971 LLC	18,346,631	10	0.16%			
James G B III De Martini Trust				22,650,000	1	0.33%
Val E Vaden Trust				18,546,862	2	0.27%
Christopher R Redlich Jr Trust				16,996,701	3	0.25%
Hsu Family Trust				13,979,316	5	0.20%
Patrick C Tai Trust				11,963,537	7	0.17%
Deb Dipanjan Trust				11,510,022	8	0.17%
Otto J Miller				11,081,196	9	0.16%
Frank Nong Wang-Lu Trust				10,994,637	10	0.16%
	<u>\$ 363,324,352</u>		<u>3.08%</u>	<u>\$ 147,968,827</u>		<u>2.15%</u>

Source: City of Burlingame, Town of Hillsborough and City of Millbare audited financial statements.
Information is the latest available for this report.

	2021-22			2012-13		
CITY OF MILLBRAE						
SFO Bayshore LLC	162,033,198	1	2.50%			
Gateway Millbrae Office LLC	59,235,436	2	0.91%			
OR Property Holdings LLC Et Al	40,459,002	3	0.62%	34,738,320	2	0.91%
RAC Investment Group LLC	37,707,272	4	0.58%			
Magnolia of Millbrae Inc	31,781,788	5	0.49%	28,013,871	3	0.73%
Green Banker LLC	31,581,885	6	0.49%			
1201 Broadway-Owner LLC	29,680,335	7	0.46%			
PUR Skyline MMC Li LLC	21,546,935	8	0.33%			
RHC Associates	18,788,359	9	0.29%			
FFF Friendship LLC	17,330,875	10	0.27%			
Westin Bay Hotel Company				46,132,106	1	1.21%
Marymount Greenhills LLC				21,805,693	4	0.57%
Starwood S F Clarion Realty LLC				17,300,000	5	0.45%
Simeon SPVEF LLC				15,398,829	6	0.40%
Friend Friend & Friend				14,935,242	7	0.39%
Millbrae Paradise LLC				14,445,532	8	0.38%
Wilson Plaza LLC				12,064,559	9	0.32%
Real Property Storage LLC				11,652,454	10	0.31%
	<u>\$ 450,145,085</u>		<u>6.94%</u>	<u>\$ 216,486,606</u>		<u>5.67%</u>

**CENTRAL COUNTY FIRE DEPARTMENT
COUNTY OF SAN MATEO AND NEIGHBORING CITIES
LARGEST EMPLOYERS ON THE PENINSULA**

<u>Employer Name</u>	<u>Location</u>	<u>Industry</u>
Bart Daly City Station	Daly City	Transit Lines
Box Inc	Redwood City	Prepackaged Software
Electric Charging Station	Menlo Park	Research Service
Electronic Arts Inc	Redwood City	Game Designers (mfrs)
Fisher Investments	Woodside	Investment Management
Fisher Investments	San Mateo	Investment Management
Forced Dump Debris Box Svc	Burlingame	Garbage Collection
Franklin Resources Inc	San Mateo	Asset Management
Genentech Inc	South San Francisco	Biotechnology Products & Services
Gilead Sciences Inc	Foster City	Biological Products (mfrs)
Kaiser Permanente Redwood City	Redwood City	Hospitals
Kaiser Permanente South Sn	South San Francisco	Hospitals
Lsa Global	Redwood City	Training Consultants
Meta Platforms Inc	Menlo Park	Social Media
Mills-Peninsula Medical Ctr	Burlingame	Hospitals
Palo Alto VA Hosp Med Ctr	Menlo Park	Government-Specialty Hosp Ex Psychiatric
Plateau Systems	San Mateo	Computer Software
San Francisco Intl Airport-Sfo	San Francisco	Airports
San Mateo County Behavior	San Mateo	Government Offices-County
San Mateo County Tax Collector	Redwood City	Tax Return Preparation & Filing
San Mateo Medical Ctr	San Mateo	Hospitals
Sciex LLC	Redwood City	Scientific Apparatus & Instruments-Mfrs
SRI International	Menlo Park	Engineers-Research
Visa Inc	Foster City	Credit Card & Other Credit Plans
Youtube LLC	San Bruno	Online Services

Sources: California Employment Development Department

(1) This list of major employers was extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2022 1st Edition

**CENTRAL COUNTY FIRE DEPARTMENT
CITY OF BURLINGAME/TOWN OF HILLSBOROUGH/CITY OF MILLBRAE
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Per Capita Personal Income	Unemployment Rate
CITY OF BURLINGAME			
2013	29,426	51,002	3.7%
2014	29,685	49,882	3.0%
2015	29,700	56,148	3.3%
2016	29,724	60,844	2.6%
2017	30,148	61,592	2.3%
2018	30,294	64,150	2.2%
2019	30,317	69,594	2.2%
2020	30,118	71,317	1.9%
2021	29,746	76,031	5.8%
2022	30,283	78,434	4.0%
TOWN OF HILLSBOROUGH⁽¹⁾			
2013	11,115	117,329	2.2%
2014	11,260	118,252	1.8%
2015	11,266	116,208	3.6%
2016	11,687	121,970	2.9%
2017	11,753	116,395	2.6%
2018	11,545	113,839	2.6%
2019	11,769	118,144	2.3%
2020	11,418	139,538	2.1%
2021	11,391	141,535	5.6%
2022	11,018	163,277	4.0%
CITY OF MILLBRAE			
2013	22,228	39,735	2.6%
2014	22,605	39,530	2.2%
2015	22,617	40,647	3.6%
2016	23,136	41,713	2.9%
2017	23,168	43,019	2.6%
2018	22,796	45,089	2.6%
2019	22,854	47,958	2.0%
2020	23,154	51,880	1.8%
2021	22,832	53,958	10.8%
2022	22,512	66,898	1.8%

Source: City of Burlingame, Town of Hillsborough and City of Millbrae audited financial statements.
Information is latest available for this report.



Engine 32 | Pierce Dash model year 2016
Carries 680 gallons of water and 20 gallons of universal foam



Engine 33 | Pierce Dash model year 2003
Carries 500 gallons of water and 20 gallons each of Class A and Class B foam



Engine 34 | Pierce Dash model year 2019
Carries 680 gallons of water and 20 gallons of universal biodegradable foam



Engine 35 | Pierce Dash model year 2016
Carries 680 gallons of water and 20 gallons of universal biodegradable foam



Engine 37 | Pierce Dash model year 2016
Carries 680 gallons of water and 20 gallons of universal biodegradable foam



Engine 38 | Pierce Dash model year 2017
Carries 680 gallons of water and 20 gallons each of universal biodegradable foam



Truck 34 | 2021 Pierce Dash Cab 105" Aerial Ladder



US&R 133 | Type I Heavy Rescue model year 2008



Engine 2608 | 2020 Ford HME/Ahrens-Fox
CA Office of Emergency Services Type 6 Apparatus



Fire Station 32
330 Ascot Road
Hillsborough, CA 94010



Fire Station 33
835 Chateau Drive
Hillsborough, CA 94010



Fire Station 34
799 California Drive
Burlingame, CA 94010



Fire Station 35
2832 Hillside Drive
Burlingame, CA 94010



Fire Station 37
511 Magnolia Avenue
Millbrae, CA 94030

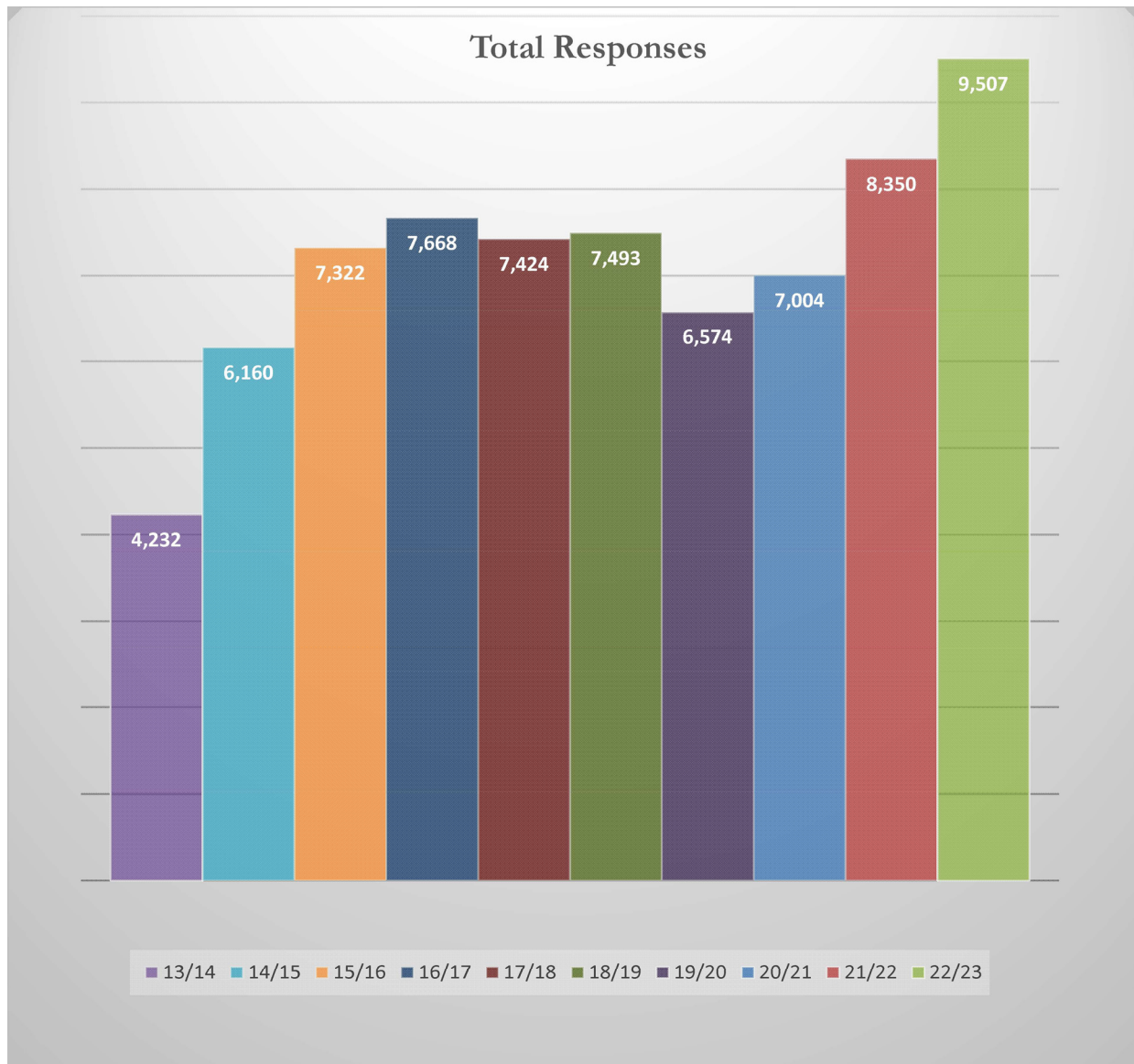


Fire Station 38
785 Crestview Drive
Millbrae, CA 94030



Fire Administration
1399 Rollins Road
Burlingame, CA 94010

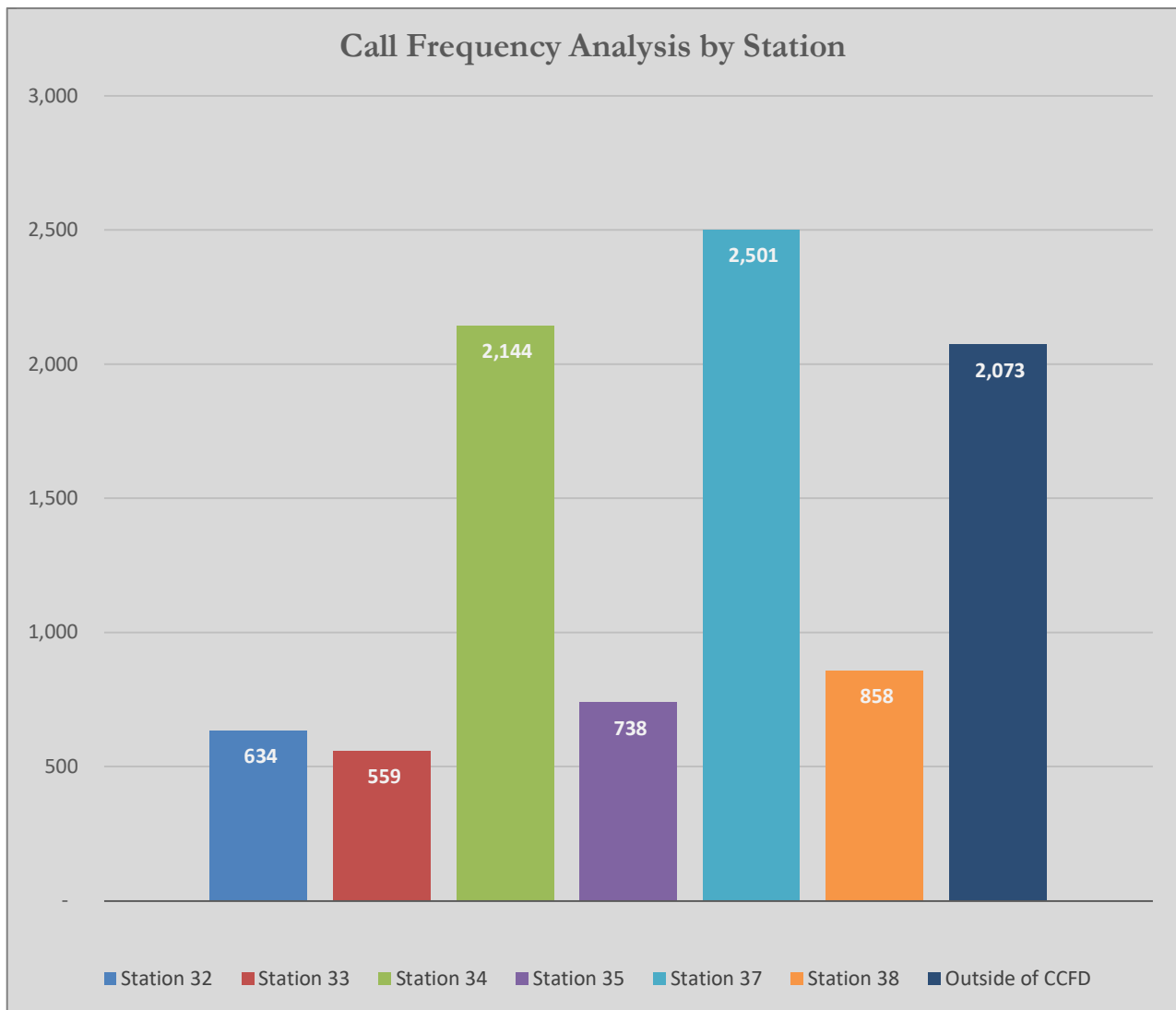
**CENTRAL COUNTY FIRE DEPARTMENT
COMPARATIVE ANNUAL GRAPH BY FISCAL YEAR - TOTAL RESPONSES
LAST TEN YEARS**



<u>Fiscal Year</u>	<u>Total Calls</u>
13/14	4,232
14/15	6,160
15/16	7,322
16/17	7,668
17/18	7,424
18/19	7,493
19/20	6,574
20/21	7,004
21/22	8,350
22/23	9,507

Source: Department's Records Management Systems

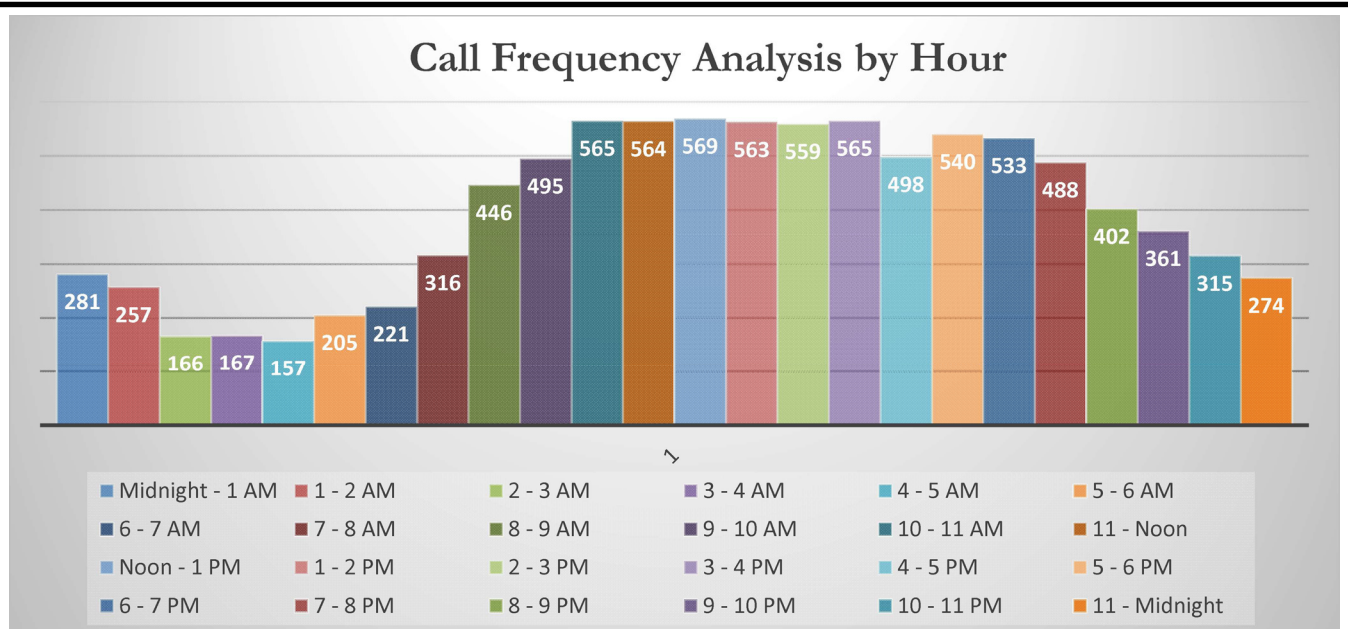
**CENTRAL COUNTY FIRE DEPARTMENT
CALL FREQUENCY ANALYSIS BY STATION
FISCAL YEAR 2022-2023**



Station Location	Total Calls	% to Totals
Station 32	634	7.60%
Station 33	559	6.70%
Station 34	2,144	25.67%
Station 35	738	8.83%
Station 37	2,501	29.95%
Station 38	858	10.27%
Outside of CCFD	2,073	10.98%
Total	9,507	100.00%

Source: Department's Records Management Systems (includes addition of Millbrae)

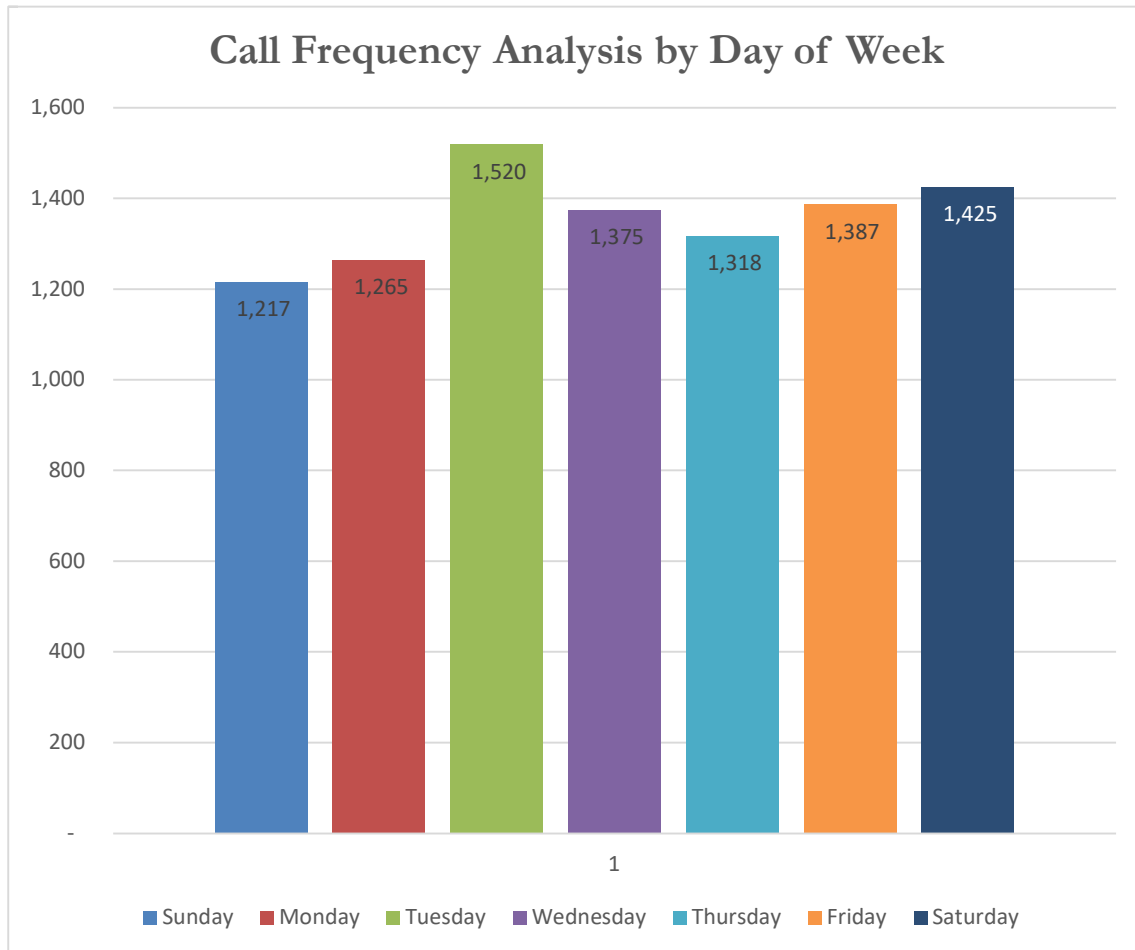
**CENTRAL COUNTY FIRE DEPARTMENT
CALL FREQUENCY ANALYSIS BY HOUR
FISCAL YEAR 2022-2023**



Hour	Total Calls	% to Totals
Midnight - 1 AM	281	2.82%
1 - 2 AM	257	2.58%
2 - 3 AM	166	1.93%
3 - 4 AM	167	1.97%
4 - 5 AM	157	1.63%
5 - 6 AM	205	2.01%
6 - 7 AM	221	2.52%
7 - 8 AM	316	3.26%
8 - 9 AM	446	4.72%
9 - 10 AM	495	5.53%
10 - 11 AM	565	5.70%
11 - Noon	564	5.66%
Noon - 1 PM	569	6.16%
1 - 2 PM	563	5.88%
2 - 3 PM	559	5.54%
3 - 4 PM	565	6.16%
4 - 5 PM	498	5.53%
5 - 6 PM	540	4.97%
6 - 7 PM	533	5.05%
7 - 8 PM	488	4.98%
8 - 9 PM	402	4.68%
9 - 10 PM	361	3.68%
10 - 11 PM	315	3.78%
11 - Midnight	274	3.18%
Total	9,507	100.00%

Source: Department's Records Management Systems (includes addition of Millbrae)

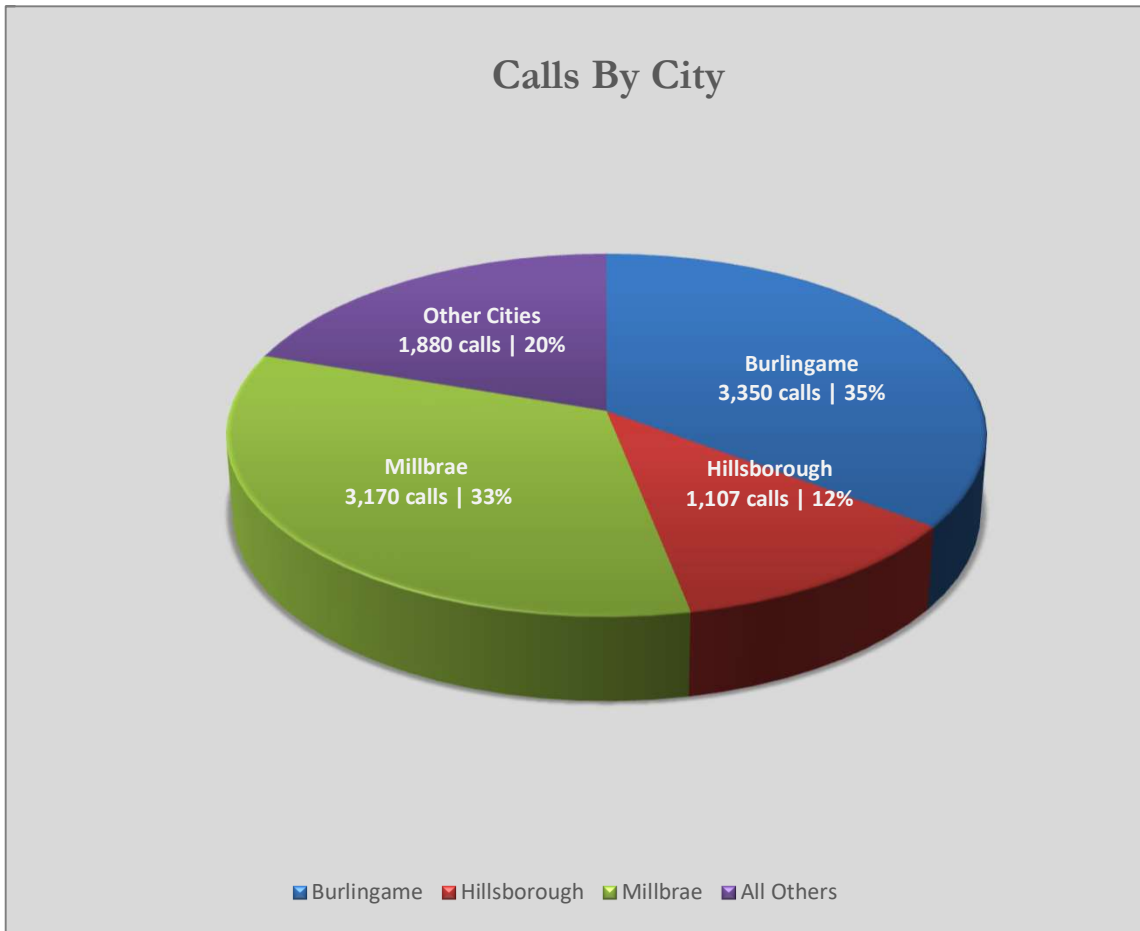
**CENTRAL COUNTY FIRE DEPARTMENT
CALL FREQUENCY ANALYSIS BY WEEK
FISCAL YEAR 2022-2023**



<u>Day of Week</u>	<u>Total Calls</u>	<u>% to Totals</u>
Sunday	1,217	15.31%
Monday	1,265	15.00%
Tuesday	1,520	14.20%
Wednesday	1,375	14.22%
Thursday	1,318	13.95%
Friday	1,387	13.88%
Saturday	1,425	13.44%
Total	9,507	100.00%

Source: Department's Records Management Systems (includes addition of Millbrae)

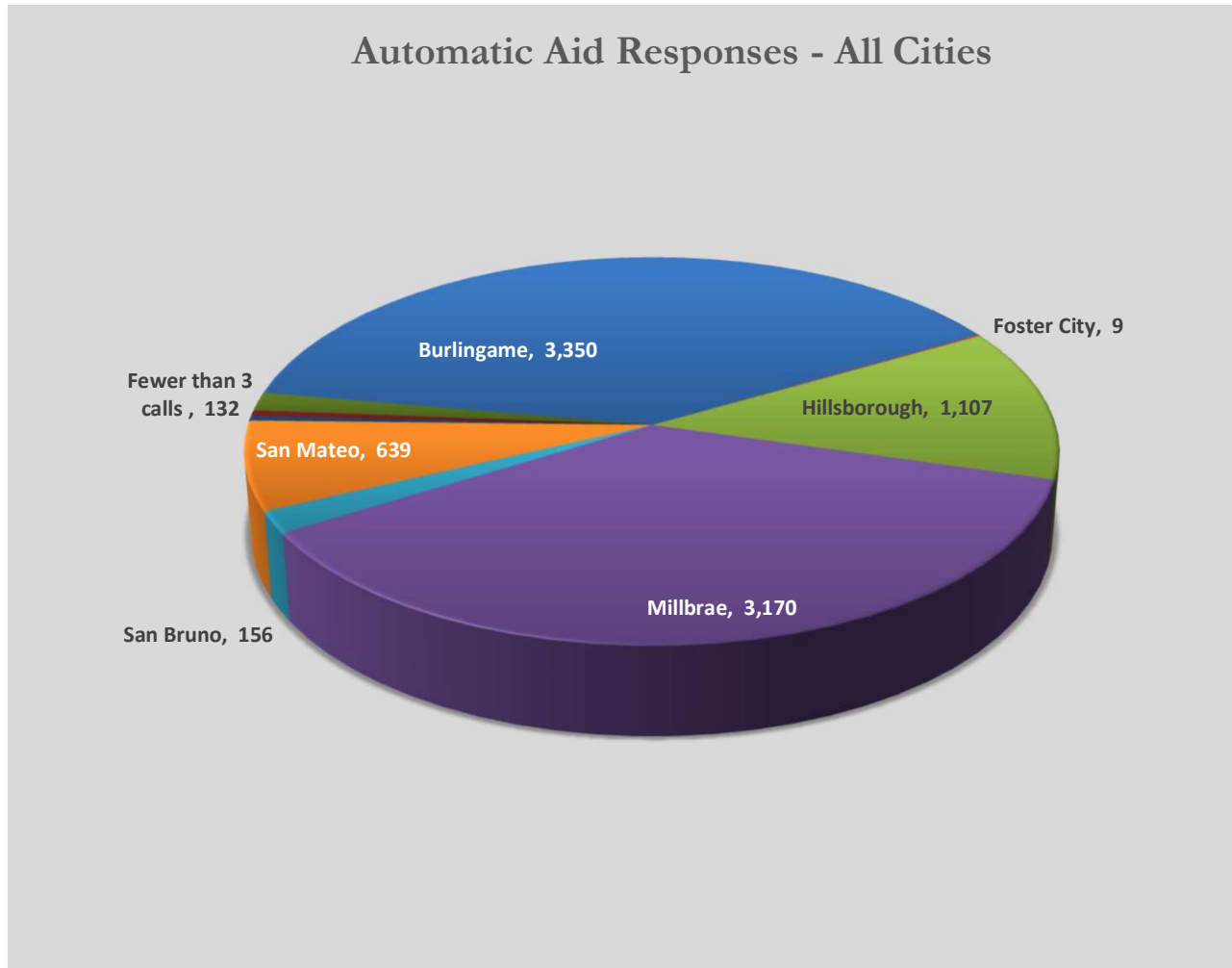
**CENTRAL COUNTY FIRE DEPARTMENT
AUTOMATIC AID RESPONSES RECEIVED AND GIVEN
FISCAL YEAR 2022-23**



<u>City</u>	<u>Calls</u>	<u>% of Total</u>
Burlingame	3,350	35.00%
Hillsborough	1,107	12.00%
Millbrae	3,170	33.00%
All Others	1,880	20.00%
Total	9,507	100%

Source: Department's Records Management Systems (includes addition of Millbrae)

**CENTRAL COUNTY FIRE DEPARTMENT
AUTOMATIC AID RESPONSES RECEIVED AND GIVEN - ALL CITIES
FISCAL YEAR 2022-2023**

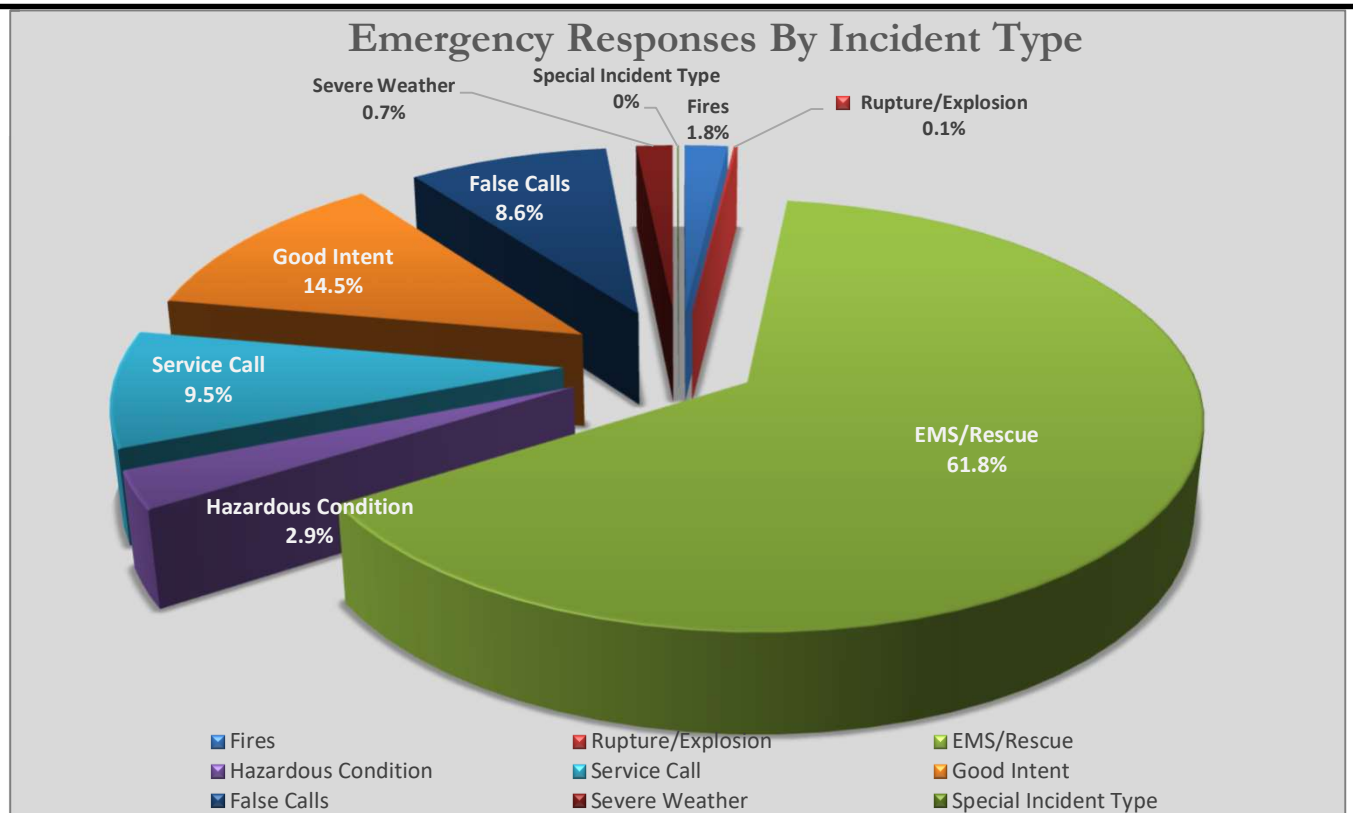


<u>City</u>	<u>Calls</u>	<u>% of Total</u>
Broadmoor	868	9.10%
Burlingame	3,350	35.24%
Foster City	9	0.08%
Hillsborough	1,107	11.64%
Millbrae	3,170	33.34%
San Bruno	156	1.33%
San Mateo	639	6.15%
SFO	35	0.36%
South San Francisco	41	0.43%
Fewer than 3 calls	132	1.92%
Total	9,507	100%

Source: Department's Records Management Systems (includes addition of Millbrae)

Three or Fewer Calls: Belmont, Brisbane, Daly City and Pacifica

**CENTRAL COUNTY FIRE DEPARTMENT
EMERGENCY RESPONSES BY INCIDENT TYPE
FISCAL YEAR 2022-2023**

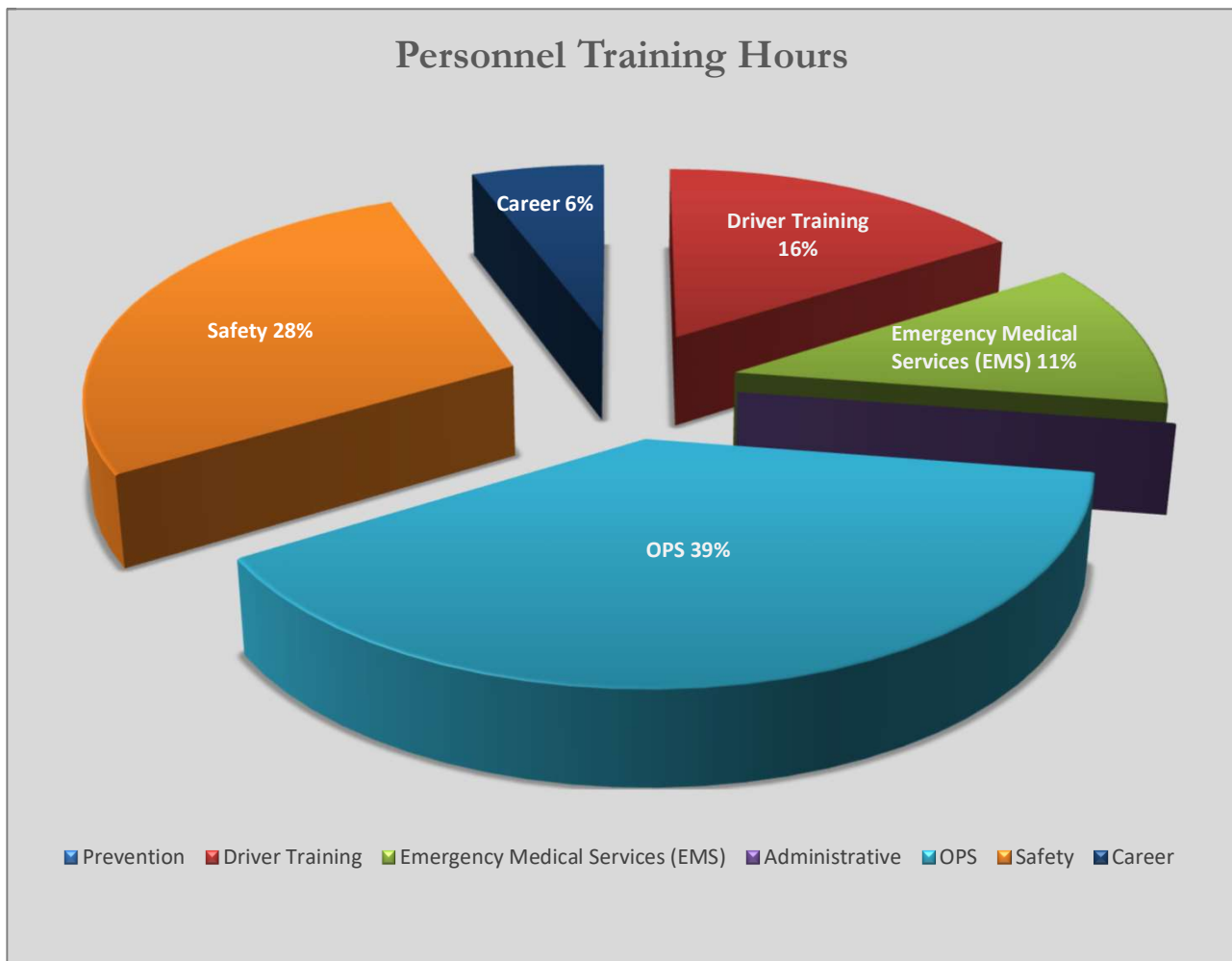


<u>Incident Type</u>	<u>Total Responses</u>	
Fires	176	1.8%
Rupture/Explosion	14	0.1%
EMS/Rescue	6,092	61.8%
Hazardous Condition	273	2.9%
Service Call	845	9.5%
Good Intent	1,142	14.5%
False Calls	812	8.6%
Severe Weather	148	0.7%
Special Incident Type	5	0.0%
Total	9,507	100.0%

* Rupture/Explosion, Severe Weather and Other account for less than 1% of total calls

Source: Department's Records Management Systems (includes addition of Millbrae)

**CENTRAL COUNTY FIRE DEPARTMENT
PERSONNEL TRAINING HOURS BY FUNCTION
FISCAL YEAR 2022-2023**



Personnel Training Hours

<u>Description</u>	<u>Training</u>
Prevention	-
Driver Training	2,770
Emergency Medical Services (EMS)	1,999
Administrative	-
OPS	6,780
Safety	4,850
Career	1,000
Total Training Hours	<u>17,399</u>

* increase in OPS training hours is due to probationary firefighter training

Source: Department's Records Management Systems and Target Solutions (includes the addition of Millbrae)