



ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED JUNE 30, 2021

**SANTA CLARA COUNTY CENTRAL FIRE
PROTECTION DISTRICT**

**(A Component Unit of the County of Santa
Clara)**

14700 Winchester Boulevard, Los Gatos, California
95032

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2021

Prepared by the Business Services Division

**Veronica Niebla
Director of Business Services**

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**Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Annual Comprehensive Financial Report
June 30, 2021**

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(A Component Unit of the County of Santa Clara)
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INTRODUCTORY SECTION

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SANTA CLARA COUNTY FIRE DEPARTMENT

14700 Winchester Blvd., Los Gatos, CA 95032 | (408) 378-4010 | www.sccfd.org

December 6, 2021

Board of Directors
Santa Clara County Central Fire Protection District
14700 Winchester Boulevard
Los Gatos, CA 95032

Honorable Members of the Board:

We are pleased to present the SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT (A Component Unit of the County of Santa Clara) Annual Comprehensive Financial Report (ACFR) for the year ended June 30, 2021.

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

Maze & Associates, Certified Public Accountants, have issued an unmodified (“clean”) opinion on the SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT’S financial statements for the year ended June 30, 2021. The independent auditor’s report is located at the front of the financial section of this report.

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

District Profile

The Santa Clara County Central Fire Protection District (“District”) is a full-service fire department that has evolved through fire consolidations and contracts. In 1947, the Cottage Grove and the Oakmead Farms fire districts consolidated to form the Santa Clara County Central Fire Protection District (a.k.a. Santa Clara County Fire Department). This consolidation was the result of the California Division of Forestry (a.k.a. CAL FIRE) withdrawing from the valley floor when its contract with Santa Clara County was terminated in 1947.

In 1977, the District contracted with four local cities to provide service to portions of the district known as “Service Zone 1,” which were not contiguous to the core district service area and could be better served by adjoining agencies. The City of San Jose provides fire services for a vast majority of unincorporated areas in the eastern part of the county. Five fire stations plus assigned personnel were ultimately transferred to the City of San Jose. The “Service Zone 2” designation currently remains as the intrinsic service area for the District.

In 1987, the fire chief was appointed to serve in the position of County Fire Marshal, and the district began providing fire marshal services to county facilities and unincorporated county areas. During the 1990s the District entered into contracts with the cities of Campbell, Morgan Hill, Los Altos, and the Los Altos Hills County Fire District to provide fire and emergency medical services. The merger of personnel, facilities, and equipment into the District made it the second-largest fire agency in Santa Clara County.

In 1997, for its 50-year service anniversary, the District adopted the also known as (a.k.a.) name of Santa Clara County Fire Department. The name was changed to more accurately reflect the area served and to avoid confusion between agencies with similar names in adjacent counties.

In 2008, following a three-year administrative management agreement, the Saratoga Fire District entered into a full-service fire, rescue, and emergency medical agreement with the District.

In September 2010, the District annexed 32,000 acres of underserved area along the western edge of Santa Clara County into the District.

In 2011, the City of Morgan Hill solicited bids from various local agencies to provide fire and emergency medical services in the city. The District decided not to participate in this process and, on January 3, 2013, the agreement between the city and the District was allowed to expire. As part of the termination process, the District sold the two fire stations located in the city of Morgan Hill back to the city.

In 2013, Santa Clara County contracted with the District to provide executive leadership at the Office of Emergency Services, now known as the Office of Emergency Management (OEM).

In October 2017, Santa Clara County contracted with the District to provide administration to Santa Clara County 9-1-1 Communications to strengthen interagency cooperation and regional service delivery that is essential for dispatch service delivery. The District works in collaboration with law enforcement and emergency medical response partners throughout the county, many of which receive 9-1-1 dispatch services through County Communications.

Today the District provides fire protection services to one of the most economic and diverse areas in the state. Challenges range from high life risk occupancy hazards such as downtown commercial areas, large retail malls, sprawling senior living complexes, high-rise buildings, and large residential populations in the vast wildland-urban interface and intermix areas to industrial business centers and semi-conductor manufacturing with related hazardous materials and hi-tech systems. Services have evolved to include fire prevention, fire investigation contracted and

performed by local law enforcement, community risk reduction and community education, hazardous materials response, technical rescue, and advanced life support.

Since 1947, the State Fire Protection District Law has been rewritten several times. The district's authority is granted by the California Health and Safety Code, Div. 12, Part 2.7, and the Fire Protection District Law of 1987, also known as the Bergeson Fire District Law. The District is governed by the Santa Clara County Board of Supervisors sitting as its Board of Directors. As such, the District is classified as a *dependent* district. The fire chief is appointed by the Board of Supervisors, and is responsible for the proper administration of all District affairs.

The fire chief consults with city/town managers to assure local matters are addressed. Great pride is taken in the District's ability to be responsive to local issues and priorities. Fire codes and regulations are typically adopted at the local governmental level.

Local Economy

The District is situated in the heart of Silicon Valley, known for its significant concentration of technology and electronics research, development, and manufacturing. Silicon Valley, like the nation and world, continues to be affected by the COVID-19 pandemic and the impact of public health restrictions on the local economy. While the vaccines have aided in the ease of health restrictions, the horizon and larger reaching impact on the economy is still unknown.

Patent registrations and venture capital investment in Silicon Valley tend to be at higher levels than anywhere else in the country, and robotics and artificial intelligence are expected to fuel business growth in the future. Innovation and entrepreneurship are the driving forces behind the Silicon Valley economy. The area also supports a wide variety of retail, office, and personal service industries.

Because of the huge presence of technology companies in the region, unemployment figures tend to rise and fall with the health of the tech sector. However, COVID disproportionately affected community infrastructure and service jobs, low-income residents, and Black and Hispanic workers. The Silicon Valley's tech sector increased employment levels, but was not completely immune to COVID impacts. The unemployment rate for the region fell by 8.9% between 2019, representing a year-over-year decline great than that of the 2001 during the dot.com bust. The unemployment rate was 5.1% in November 2020, under the national average of 6.4%. In comparison: the November 2021 unemployment rate was 3.7%, still under the state and national average of 6.1% and 4.3%, respectively.

The 2021 Silicon Valley Index Report, published by Joint Venture Silicon Valley, reports that income and wages in the region remain significantly higher than in the state or nation as a whole. Per capita income for the region is largely affected by the highest wage earners, who were less likely to have experienced job losses during the pandemic in the region. The region's per capita personal income in 2019 was \$121,149, (compared to \$66,619 in California and \$56,490 in the United States.)

Median income in Silicon Valley is, on average, relatively high compared with other parts of the state, country, and world. The percentage of Silicon Valley households living below the federal

poverty limit is relatively low (6% in Silicon Valley, 11.8% in the state, and 12.3% in the nation). However, despite the low poverty levels, the income inequality divide in Silicon Valley has increased twice as quickly as the state or nation as a whole since 2010. Nearly 30% of all Silicon Valley households do not earn enough money to meet their basic needs without public or private assistance. Unfortunately, the valley still struggles to solve issues associated with extremely high housing costs, transportation, and disparities in income and employment opportunities.

In 2020, the median sale price of a Silicon Valley single family detached home was \$1.2 million, compared to \$526,000 in California overall, and \$269,000 nationwide. The percentage of first-time homebuyers that can afford to purchase a median-priced home in Santa Clara County is 37% compared to 49% California first-time homebuyers.

Pre-COVID, the 2019 Santa Clara County Homeless Census and Survey reported 9,706 persons experiencing homelessness. More than half (82%) of the homeless population was unsheltered, with one-third (34%) of the respondents reported currently living outdoors, either on the streets, in parks or in encampment areas. During the pandemic, various regional programs mobilized to house and provide services to the homeless population through various funding sources. Many of the homeless are uninsured or without a source of care, which can lead them to rely on and seek emergency medical services for care.

Services provided within the District's boundaries are funded from the district's share of the 1% ad-valorem property tax assessed under the provisions of State Proposition 13 and service contracts, currently representing roughly 70% and 30% of annual funding, respectively.

While the 2021 annual report by the Santa Clara County Assessor's Office reports the property tax base for the county is still growing, there are still indicators that the economy started to slow before the January 1, 2020 property valuation. The District budgeted a conservative 1.0% growth for secured property taxes and negative 0.69% growth aggregate (secured, unsecured, supplemental, etc.) net of the County Controller-Treasurer's Office administrative fees in the coming fiscal year based on projected amounts from the County Controller-Treasurer's Office. However, the District is optimistically anticipating a 1.0% – 2.5% growth. Impacts of the pandemic on the local economy are projected to follow previous local economy changes, in which changes in property tax revenues tend to lag behind the local economy by one to two years.

The District utilizes contracts for services as an alternative revenue source; this has reduced the impact of property tax fluctuations, as the contracts include annual cost-of-living increases ranging between 2% – 6.5%. Factors of the annual increase typically include percentage changes in the following areas:

- the San Francisco-Oakland-San Jose Consumer Price Index;
- total employee compensation of the services provided; and
- total local assessed property values for the applicable service area.

Long-term financial planning and major initiatives

The District's unrestricted fund balance (the total of committed, assigned, and unassigned components of the fund balance) in the general fund at year-end was 53% of total General Fund expenditures. The District's general fund unassigned fund balance was 22% of general fund expenditures of \$132,936,068. These amount exceeds the 10 – 15% corridor that the District has set for budgetary and planning purposes.

On November 5, 2021 and November 8, 2021, the District reached a tentative four-year labor agreement with IAFF, Local 1165 General Membership Unit and Battalion Chief Unit, respectively, with an effective date of November 29, 2021. The tentative agreements will be considered by the Board of Directors on December 7, 2021 with final adoption on December 14, 2021 if approved. The tentative labor agreements provide for a general wage increase of 5% in the first contact year, a 3% increase in the second contact year, 3% increase in the third contact year and a 2.5% wage increase in the fourth contact year. Additionally, the tentative agreement includes realignment increases for certain classifications.

To address the District's long-term concerns over higher costs associated with salaries and benefits, the District has taken the following steps:

- In June 2012, the District established an irrevocable trust to account for funds being set aside for future retiree health care expenses, and a 10-year funding plan was adopted to bring annual contributions up to the actuarially determined amount. In February 2014, the District's employees agreed to contribute 1% of base pay to the OPEB Trust to help ensure long-term financial viability of the Retiree Medical Plan. The tentative labor agreements include an additional employee contribution of 1% of base pay on November 13, 2023 and 0.5% of base pay on November 11, 2024. The employee contribution amounts are subject to maximum employee limits and the existence of a Net OPEB Liability.
- In March 2018, the District transitioned from the previous self-insured plan to a fully-insured medical plan.
- District classic employees agreed to contribute 1% of base pay to the employer-required contribution to the California Public Employees' Retirement Plan (CalPERS) if the estimated total employer contribution percentage of project payroll for the classic safety and miscellaneous employees exceeds 55% and 43% of pensionable compensation, respectively. Beginning Fiscal Year 2021, the classic miscellaneous plan exceeded the 43%, and employees began contributing to the employer contribution. In Fiscal Year 2022, the classic safety plan exceed the 55%, and the employees began contributing to the employer contribution.
- In April 2021, the District contacted with a specialized licensed health care provider to perform annual onsite industry specific occupational health, wellness, and fitness evaluations based on the National Fire Protection Association (NFPA) medical standards. This program supports the District's Healthy-in/Healthy-out initiative and commitment to an employee's

comprehensive health and creates a process that reduces occupational illness and injury allowing highly trained employees to remain on the line for a full career and into retirement.

In November 2020, the District established the Pre-Fire Management and Wildfire Resilience Program and added the Battalion Chief – Pre-fire Management and Resiliency position as the first step in creating a dedicated wildfire program within the District that is focused on building wildfire resiliency within the communities served by the District. Program goals include partnership with federal, state and local agencies to develop data to support pre-fire analysis, vegetation management and control techniques. In June 2021, the District collaborated with the Los Altos Hills County Fire District and the City of Palo Alto to work in partnership and each contribute resources to staff a vacant station to improve the wildland firefighting capabilities of the fire agencies and bolster regional mutual aid.

The District is committed to investing in critical infrastructure and technology to ensure the ability and resources are in place to provide superior service to the district's diverse communities. Commitment to this initiative will require a significant investment of the District's resources to address the accumulated repair and replacement needs. Major infrastructure and technology activity for the current fiscal year include:

- The construction in progress for the replacement of the Redwood Fire Station and the continued build-out of the new headquarters to meet the District's needs
- The placement into service of the District's first tractor-drawn aerial "tiller truck", two Mobile Operations Satellite Emergency Systems (MOSES), the replacement Hazardous Materials Unit, the District's portable communications radios, and kitchens at two fire stations.
- Purchase of the property located under the current Winchester Fire Station and maintenance shop, to meet the District's long-term goal of building a modern fire station capable of housing critical resources for the District's residents and creating gender-neutral restrooms and dormitories.
- Disposal of surplus property located at Driftwood Drive in San Jose, California to fund future infrastructure/technology projects.
- Replacement and updates to fleet and facilities support vehicles that provide apparatus and facilities maintenance and repairs, including two rescue apparatus and the Breathing Support Unit.
- Continued design and programming costs for replacement of the Quito Fire Station, which is beyond its useful life.

Future infrastructure and technology investments beyond June 30, 2021 include:

- Delivery and in service placement of two replacement rescues, a replacement truck apparatus and the Breathing Support Unit.
- Construction completion of the Redwood Fire Station and new headquarters to meet the District's needs.
- Deferred facilities maintenance costs of approximately \$36.9 million based on a May 2021

Facilities Condition Assessment performed by an external consultant. The deferred maintenance cost includes items such as electrical systems, HVAC systems, and interior construction/conveyance needs.

- Purchase of an additional water tender.
- Replacement of:
 - three engines;
 - the Urban Search and Rescue Unit;
 - information technology servers/hardware; the records management system and the payroll/human resources management application; and
 - 34 cardiac monitors/defibrillators to ensure the highest level of cardio respiratory care is delivered in the field to the patients suffering from cardiac arrest and all other cardio respiratory ailments (including COVID-19).
- Rebuild and replacement of the Quito Fire Station and the Winchester Fire Station.

Relevant financial policies

The District has informally adopted a set of financial policies that are used to provide guidance and direction in dealing with budget and long-term financial planning issues. The District has a policy that requires the adoption of a balanced annual operating budget (i.e., estimated revenues equal to or in excess of appropriations). The District's FY 2021 adopted budget includes \$20.8 million for capital projects (\$6.1 million in the General Fund and \$14.7 million in the Capital Projects Fund). This unusually large appropriation for capital assets includes \$8.9 million for the replacement of the Redwood Fire Station and \$5.7 million for the continued build-out of the new headquarters to meet the District's. The budgeted amount of \$5.7 million for the new headquarters represents the remaining Lease Revenue Bond proceeds that were funded over 30 years through a long-term lease agreement with the County of Santa Clara and Santa Clara Financing Authority through the issuance of Lease Revenue Bonds in fiscal year 2020. It is the goal of the District to meet its funding obligations on a long-term basis without having to rely on the use of its fund balance.

In addition, the District has a policy that non-recurring (i.e., "one-time") resource inflows will not be used to fund ongoing operations, but will be used to purchase major capital assets, to meet temporary funding shortfalls or to fund other unique one-time events. In June 2014, the District obtained approval from its governing board of directors to commit \$10 million of its fund balance for the future replacement of District facilities and \$2.5 million of the fund balance for future replacement of fire apparatus. In June 2016, the board of directors approved the commitment of an additional \$12 million for future replacement of District facilities. To further support the District's commitment to investing in critical infrastructure and technology to ensure that resources are in place to provide superior service to the communities served, the board of directors approval an additional commitment of \$17 million to the major facility replacement, repair or maintenance reserve. The total of these approvals to the major facility replacement, repair or maintenance reserve is \$39 million.

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 District for its annual comprehensive financial report, formally known as the comprehensive annual financial report, for the year ended June 30, 2020. This is the seventh time the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The District is also committed to a formal continuous self-evaluation and self-improvement process under the Commission on Fire Accreditation International (CFAI) model. As part of this process, an objective review of achievements and gaps occurs juxtaposed against the District's goals and objectives, as driven by internal and external stakeholders. Validation and verification of the evaluation process occurs from independent peer assessors that critically review information from a 500-page Self-Assessment Manual (SAM), a 280-page Community Risk Assessment-Standards of Cover (CRA-SOC), and the current 2020-2022 Strategic Plan. On January 21, 2021, the District was unanimously awarded reaccreditation status through March 2026. The District is one of 291 fire agencies in the world and one of the 21 fire agencies in California that have earned the prestigious status of CFAI accreditation.

The preparation of this report would not have been possible without the skill, effort and dedication of the entire staff of the Business Services Division. We wish to thank all government agencies for their assistance in providing the data necessary to prepare this report. Credit is also due to the District's Board of Directors for its unfailing support of maintaining the highest standards of professionalism in the management of the Santa Clara County Central Fire Protection District.

Respectfully submitted,

Brian A. Glass

Brian A. Glass
Acting Fire Chief



Veronica Niebla
Director of Business Services

Signature: 
Brian Glass (Dec 6, 2021 15:35 EST)

Email: brian.glass@sccfd.org



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**Santa Clara County Central Fire Protection District
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO



SANTA CLARA COUNTY FIRE DEPARTMENT

ANNUAL COMPREHENSIVE FINANCIAL REPORT

DIRECTORY OF OFFICIALS



BOARD OF DIRECTORS

Mike Wasserman, President
District 1

Cindy Chavez
District 2

Otto Lee
District 3

Susan Ellenberg, Vice President
District 4

Joseph Simitian
District 5

PRINCIPAL STAFF

Tony Bowden
Fire Chief

Brian Glass
Assistant Fire Chief

Mark Shumate
Deputy Chief

Jason Falarski
Deputy Chief

Suwanna Kerdkaew
Deputy Chief

Stephen Prziborowski
Deputy Chief

Dana Reed
Director of Emergency Mgmt.

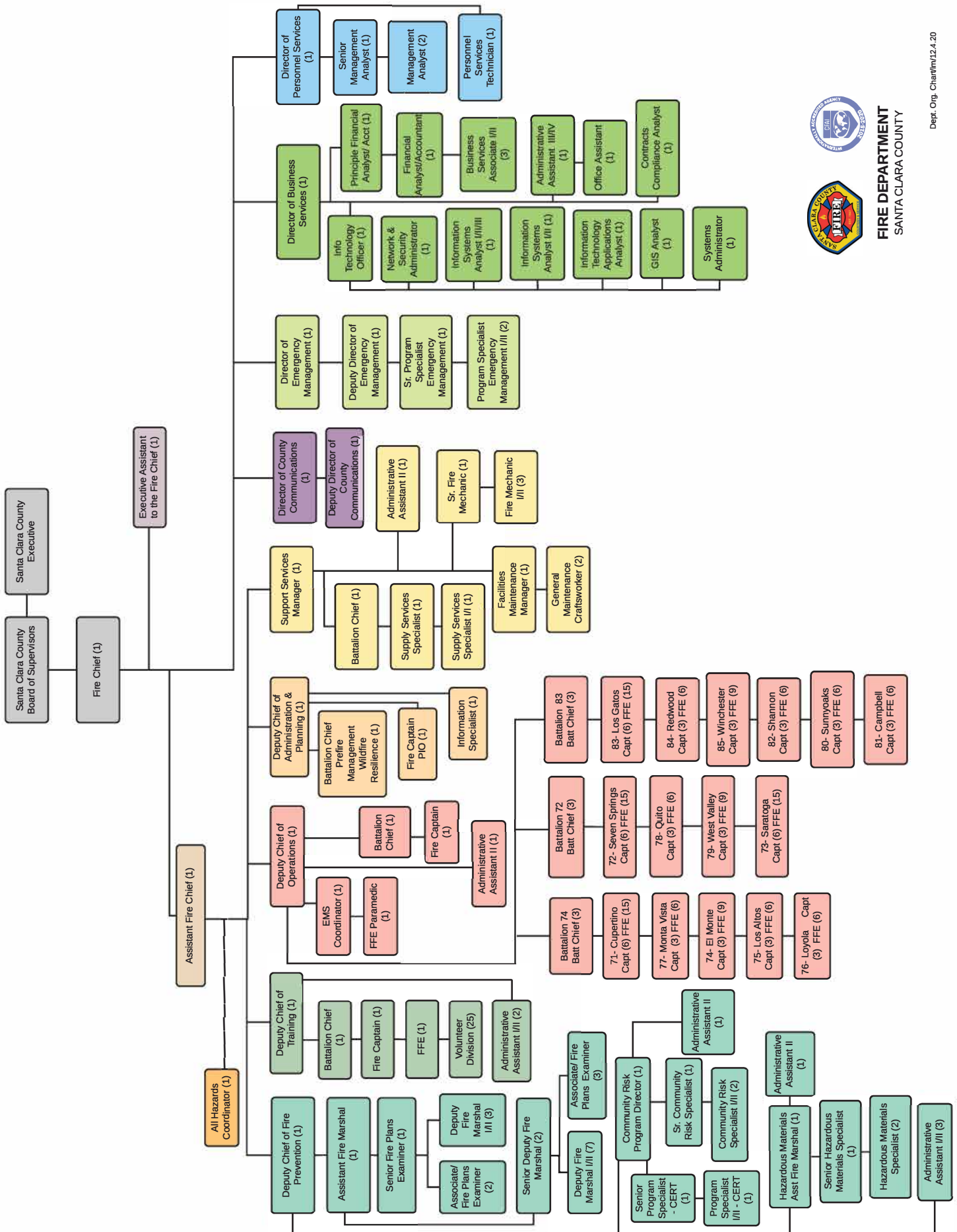
Hector Estrada
Deputy Chief of Fire Prevention

Heather Tannerhill-Plamondon
Dir. of County Communications

Doug Baker
Director of Personnel Services

Veronica Niebla
Director of Business Services

David Snow
Support Services Manager



FIRE DEPARTMENT
SANTA CLARA COUNTY

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Santa Clara County Central Fire Protection District
Los Gatos, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund and remaining fund information of the Santa Clara County Central Fire Protection District (District), a component unit of the County of Santa Clara, California, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with accounting standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and remaining fund information of the District as of June 30, 2021, 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.

Change in Accounting Principles

Management early adopted the provisions of Governmental Accounting Standards Board Statement No. 98 – *The Annual Comprehensive Financial Report* which changes the name of the Comprehensive Annual Financial Report to Annual Comprehensive Financial Report.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Introductory Section and Statistical Section listed in the Table of Contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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



Pleasant Hill, California
December 5, 2021

Management's Discussion and Analysis
(Required Supplementary Information)

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SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

This section of the Santa Clara County Central Fire Protection District (the "District"), a component unit of the County of Santa Clara, annual financial report presents a discussion and analysis of the District's financial performance during the fiscal year ended June 30, 2021. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosure following this section.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of resources of the District exceeded the assets and deferred outflows of resources at the close of the 2020-2021 fiscal year by \$74,154,278 (net position). Of this negative amount, negative \$111,856,914 (unrestricted net position) represents the District's current inability to meet its long-term obligation to fund the cost of its pension and retiree medical programs, and \$37,702,636 is net investment in capital assets.
- The District's total net position increased by \$7,921,341 compared to the prior year net position increase of \$3,280,451. The current year increase is mainly due to the increase in governmental fund revenue and decrease in the Net OPEB liability, off-set by interest expense for the new headquarters long-term lease and increase in Net Pension liability.
- As of June 30, 2021, the District's governmental funds reported combined ending fund balances of \$85,126,929, an increase of \$9,963,719 in comparison with the prior year. Of this amount \$39.0 million is committed for major facility replacement, repair or maintenance; \$2.5 million is committed for fire apparatus replacement; \$14.2 million is assigned to the Capital Project Fund; and the remaining \$29.4 million is available to meet the District's current and future needs (*unassigned fund balance*).
- In the current year, the District reported an increase in the fund balance of \$9,963,719 compared to last year's increase in the fund balance of \$6,619,373 due to a continued growth in property tax revenues and Intergovernmental Revenues, partially offset by higher salary and benefit expenses.
- At the end of the fiscal year, unassigned fund balance for the general fund was \$29,415,339, or 22% of total general fund expenditures.
- The District's total long-term debt increased by \$14.2 million mainly due to an increase in the Net Pension liability.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: (1) **Government-wide** financial statements, (2) **Fund** financial statements, and (3) **Notes** to the basic financial statements. Required Supplementary Information is included in addition to the basic financial statements.

Government-wide Financial Statements

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

The *statement of net position* presents information on all District assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position 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, such as revenues pertaining to uncollected taxes and expenses pertaining to earned but unused vacation and sick leave.

Both of these government-wide financial statements distinguish functions of the District that are principally supported by property taxes and assessments, and charges for services (*governmental activities*). The only governmental activity of the District is public protection. The District does not have any business-type activities.

Fund Financial Statements

The fund financial statements are designed to report information about groupings of related accounts, which are used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements—i.e. most of the District's basic services are reported in governmental funds. These statements, however, focus on (1) how cash and other financial assets can readily be converted to available resources and (2) the balances left at year-end that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the District's programs.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

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

The District maintains a governmental fund, the general fund and the capital fund. Information for the general and capital fund are presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general fund, which is considered to be a major fund.

Proprietary funds are generally used to account for services for which the District charges customers—either outside customers, or internal units or departments of the District. Proprietary funds provide the same type of information as shown in the government-wide financial statements, only in more detail. The District maintains proprietary funds: the health benefit and workers compensation funds which are internal service funds.

Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for its health benefit and workers compensation functions. Because these services predominantly benefit governmental rather than business-type functions, it has been included within governmental activities in the government-wide financial statements. The internal service funds are presented in the proprietary fund financial statements.

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds except for agency funds. The District has no fiduciary fund.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

The required supplementary information is presented concerning the District's budgetary comparison schedule. The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The District's net position at the close of the current fiscal year is negative \$74,154,278.

Net Position

	<u>Governmental Activities</u>		Increase/ (Decrease)
	<u>2021</u>	<u>2020</u>	
Assets:			
Current assets	\$ 107,416,476	\$ 99,679,323	8%
Capital assets, net	66,617,636	62,717,103	6%
Total assets	174,034,112	162,396,426	7%
Deferred Outflows of Resources			
Pension plan	34,678,419	33,399,040	4%
OPEB	6,503,156	6,189,681	5%
Total Deferred Outflows of Resources	41,181,575	39,588,721	4%
Liabilities:			
Current liabilities	6,943,596	9,161,956	(24%)
Long-term liabilities	278,515,572	264,280,546	5%
Total liabilities	285,459,168	273,442,502	4%
Deferred Inflows of Resources			
Pension plan	1,643,794	7,827,103	(79%)
OPEB	2,267,003	2,791,161	(19%)
Total Deferred Inflows of Resources	3,910,797	10,618,264	(63%)
Net position:			
Net investment in capital assets	37,702,636	62,717,103	(40%)
Unrestricted net position	(111,856,914)	(144,792,722)	23%
Total net position	<u>\$ (74,154,278)</u>	<u>\$ (82,075,619)</u>	(10%)

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

Analysis of Net Position

The larger portion of the District's net position, \$37,702,636, reflects its net investment in capital assets (e.g., land, buildings, improvements, vehicles, machinery, equipment, and furnishings). The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

The remaining balance of unrestricted net position is a negative \$111,856,914 which means the District is not currently able to meet its long-term obligation to fund its pension and retiree medical programs.

At the end of the current fiscal year, the District reported a positive balance in one of the two categories of net position.

Changes in Net Position

	<u>Governmental Activities</u>		
	<u>2021</u>	<u>2020</u>	Increase/ (Decrease)
Revenues:			
Program Revenues:			
Charge for Services	\$ 35,833,782	\$ 34,534,313	4%
Operating Grants and Contributions	8,166,044	6,331,302	29%
General Revenues:			
Property Taxes and Assessments	95,366,392	90,765,085	5%
Interest and Investment Income	635,233	1,034,119	(39%)
Gain on sale of property	769,394		
Miscellaneous	1,725,951	1,486,374	16%
Total Revenues	142,496,796	134,151,193	6%
Expenses:			
Public Protection	133,806,332	130,870,742	2%
Interest	769,123		
Total Expenses	134,575,455	130,870,742	3%
Changes in Net Position	7,921,341	3,280,451	141%
Net Position, Beginning	(82,075,619)	(85,356,070)	(4%)
Net Position, Ending	<u>\$ (74,154,278)</u>	<u>\$ (82,075,619)</u>	(10%)

Analysis of Changes in Net Position

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
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Management's Discussion and Analysis
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Governmental activities increased the District's net position by \$7,921,341 thereby accounting for 100% of the total increase in net position of the District. In comparison to the prior year, this is a growth in the District's net position.

Key elements of this change are as follows:

- Property taxes increased \$4,601,307 or 5% due to a continuing improvement in residential and commercial property values.
- Charges for services increased \$1,299,469 or 4% due to increased fire protection contract revenue.
- Operating Grants and Contributions increased \$1,834,742 or 29% due to mutual aid reimbursement from the State.
- Public protection expense increased by \$2,935,587 or 2% primarily due to the increase in the net pension liability.

While the key elements noted above account for the year-to-year changes in major revenue and expense categories, the main reason for the \$7.9 million increase in net position is attributable to the increase in property taxes, charge for services and net pension liability.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The types of governmental funds reported by the District are the General Fund and Capital Project Fund.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

At June 30, 2021, the District's governmental funds reported an ending fund balance of \$85,126,929, an increase of \$9,963,719 in comparison with the prior year. Of this fund balance, \$39 million is committed for major facility replacement, repair or maintenance; \$2.5 million is committed for fire apparatus replacement; \$14.2 million is assigned to the Capital Project Fund; and \$29.4 million is unassigned fund balance which is available to meet the District's current and future needs.

The general fund is the chief operating fund governmental fund of the District. The Capital Project Fund represents the District's major capital project funds. The general fund and capital fund represent the total governmental funds. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The general fund's unassigned and total fund balance both represents 22% and 53%, respectively, of general fund expenditures of \$132,936,068.

Revenues for governmental functions totaled \$142,130,393 in fiscal year 2020-2021, which represents an increase of \$8,006,718 or 6% from the previous fiscal year. Expenditures for governmental functions, totaling \$133,435,361, decreased by \$19,452,280 or 13% from the previous fiscal year. In fiscal year 2020-2021, there was an excess of revenues over expenditures for governmental functions of \$8,695,032.

The following table presents the amount of revenues from various sources as well as increases or decreases from the prior year.

Revenues Classified by Source
Governmental Funds

<u>Revenues by Source</u>	<u>FY 2021</u>		<u>FY 2020</u>		<u>Increase/(Decrease)</u>	
	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Change</u>
Property Taxes and Assessments	\$ 95,366,392	68%	\$ 90,765,085	68%	\$ 4,601,307	5%
Licenses and Permits	572,920	0%	616,852	0%	(43,932)	-7%
Intergovernmental Revenues	8,166,044	6%	6,331,302	5%	1,834,742	29%
Use of Money and Property	635,233	0%	1,034,119	1%	(398,886)	-39%
Charges for Services	35,663,853	25%	33,889,943	25%	1,773,910	5%
Miscellaneous Revenues	<u>1,725,951</u>	1%	<u>1,486,374</u>	1%	<u>239,577</u>	16%
Total	<u>\$ 142,130,393</u>	100%	<u>\$ 134,123,675</u>	100%	<u>\$ 8,006,718</u>	6%

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

The following provides an explanation of revenues by source that changed significantly over the prior year.

- Property taxes and assessments – Increased due to continued growth in residential and commercial property values.
- Licenses and permits – Decreased due to a lower level of construction activity in the District.
- Intergovernmental revenues – Increased due to a mutual aid deployment State reimbursement.
- Use of money and property– Decreased due to a decrease in the amount of money under investment and a lower rate of return on pooled investments.
- Charges for services – Increased due to cost-of-living adjustments included in service contracts with local agencies.

The following table presents expenditures by function compared to prior year amounts.

Expenditures by Function Governmental Funds				
	<u>FY 2021</u>		<u>FY2020</u>	
<u>Expenditures by Function</u>	<u>Amount</u>	<u>% of</u> <u>Total</u>	<u>Amount</u>	<u>% of</u> <u>Total</u>
Public Protection	\$ 126,080,534	95%	\$ 119,863,883	78%
Capital Outlay	5,915,704	4%	33,023,758	22%
Debt Service	1,439,123	1%	0	0%
	<hr/>		<hr/>	
Total	<u>\$ 133,435,361</u>	100%	<u>\$ 152,887,641</u>	100%

The following provides an explanation of expenditures by function that changed significantly over the prior year.

- Public protection – Increased due to higher costs associated with salaries and benefits, including a 3% cost of living adjustment for all employees in November 2020, and higher pension costs.
- Capital outlay – Decreased over the prior year that included the one-time capital purchase of a new headquarters building.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

The current year change in fund balance is presented below:

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds

	<u>Major Fund</u> General <u>Fund</u>
Revenues	\$ 142,130,393
Expenditures	(133,435,361)
Net other financing sources (uses)	<u>1,268,687</u>
 Net change in fund balances	 9,963,719
 Fund balance, beginning	 <u>75,163,210</u>
 Fund balance, ending	 <u>\$ 85,126,929</u>

The fund balance of the District's Governmental Funds, inclusive of the General Fund and Capital Project Fund, increased by \$9,963,719 during the fiscal year. The increase is mainly due to the continued growth in residential and commercial property values. As noted above, the District's general fund public protection expenditures increased by 5% due mainly to a 3% wage increase in November 2020 and increased retirement costs. Overall, the general fund's performance resulted in a net increase in fund balance for the fiscal year ended June 30, 2021 of \$9,963,719, an increase of 13% over the prior year's net increase in fund balance of \$6,619,373.

Proprietary Funds – Internal Service

The District's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail.

The Workers Compensation fund had unrestricted net position of \$1,225,388 at June 30, 2021. The total decrease in net position for the Workers Compensation fund was (\$402,991) due to normal fluctuations in the timing and extent of payments in the District's self-funded workers' compensation plan.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

The following table shows actual revenues, expenses and results of operations for the current fiscal year and in comparison, to the prior year:

		<u>2021</u>	<u>2020</u>	<u>% of Change</u>
Operating revenues	\$	3,162,218	\$ 4,276,146	-26%
Operating expenses		(3,565,209)	(4,248,628)	-16%
Change in net position	\$	<u>(402,991)</u>	<u>\$ 27,518</u>	-1564%

GENERAL FUND BUDGETARY HIGHLIGHTS

There was an increase of \$10,777,883 in the resource inflows from the original budget to the final budget. The increase represented \$5 million in mutual aid revenue from the State of California for activity relating to an unprecedented 2020 wildfire season within the county and state and \$5.8 million in transfer in long-term lease proceeds from the County of Santa Clara to purchase and improve a new headquarters building.

During the year, actual revenues were more than budgetary estimates by \$3,829,187. The main components of the positive variance are as follows:

- Property Taxes had a positive variance of \$5,057,972 due to higher than anticipated property tax growth.
- Intergovernmental revenues had a positive variance of \$2,566,044 due to the high number of unanticipated mutual aid responses that were reimbursed by State and federal governmental agencies.
- Transfer in long-term lease proceeds from the County of Santa Clara were limited to the reimbursement of actual expenditures resulting in a negative variance of \$5,278,590.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
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Management's Discussion and Analysis
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There was an increase of \$16,377,752 to the charge outflows from the original budget to the final budget. The increase represented \$8.9 million for the replacement of the Redwood Fire Station and \$5 million for salary overtime expense for activity related to in mutual aid requests and fire season demands from the State of California for an unprecedented 2020 wildfire season within the county to state.

Actual expenditures were lower than budgetary estimates by \$5,435,522. The main components of the positive variance are as follows:

- Capital outlays were delayed and the budgeted amounts were rolled forward to fiscal year 2022.
- Service and supplies and other charges were \$3.4 million less than anticipated.
- Salary and Benefits were \$1.4 million less than budgeted.

Overall, the net effect of under realization of revenues and under-utilization of expenditures versus budgeted amounts resulted in a favorable variance of \$1,606,335. The General Fund budgetary comparison schedule starts on page 64 of this report.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's capital assets for its governmental activities as of June 30, 2021, amounted to \$37,702,636 (net of accumulated depreciation and related lease revenue bond liability). These capital assets include land, buildings, improvements, vehicles, machinery, equipment, and furnishings. The total decrease in the District's capital assets for the current period was (40%).

Major capital asset events during the current fiscal year included the following:

- The construction in progress for the replacement of the Redwood Fire Station.
- The placement in service of:
 - two Mobile Operations Satellite Emergency Systems (MOSES);
 - the replacement Hazardous Materials Unit;
 - the District's first tractor-drawn aerial "tiller truck"; and
 - the Fire District's portable communications radios.
- The initial expenses for construction in process for design and replacement of the Quito Fire Station.
- Purchase of the property located under the current Winchester Fire Station and maintenance shop.
- Disposal of surplus property located at Driftwood Drive in San Jose, California.
- The replacement of kitchens and bathrooms at several fire stations

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

For government-wide financial statement presentation, depreciation is not taken in the year acquisition, but a full year of depreciation is taken in the year of disposal. Fund financial statements record capital asset purchases as expenditures.

Capital assets for the governmental activities are presented below to illustrate changes from the prior year:

	<u>Governmental Activities</u>		<u>Increase/ (Decrease) % of Change</u>
	<u>2021</u>	<u>2020</u>	
Land	\$ 6,816,766	\$ 5,662,937	20%
Construction in progress	30,605,388	37,163,559	-18%
Buildings	15,182,098	15,270,896	-1%
Vehicles, machinery, equipment, and furnishings	38,788,995	27,838,195	39%
Total cost	<u>91,393,247</u>	<u>85,935,587</u>	6%
Less: accumulated depreciation	(24,775,609)	(23,218,483)	7%
lease revenue bond liability	(28,915,000)		
Capital assets, net	<u>\$ 37,702,636</u>	<u>\$ 62,717,104</u>	(40%)

Additional information on the Santa Clara County Central Fire Protection District's capital assets can be found in Note 4 on page 42 of this report.

Long-term debt

At June 30, 2021, the District had total long-term debt outstanding of \$278,515,572 as compared to \$264,280,546 in the prior year. This amount was comprised of \$8,542,511 for compensated absences; \$12,538,000 for insurance claims payable (worker's comp); \$19,914,600 for net OPEB obligations; \$209,170,461 for net pension liability; and \$28,350,000 for long-term lease liability. Compensated absences increased by \$296,629; insurance claims payable increased by \$868,000; a decrease of (\$3,015,200) in net OPEB obligation was recognized; an increase of \$16,650,597 in net pension liability was recognized; and a decrease of (\$565,000) in long-term lease liability was also recognized.

Additional information on the Santa Clara County Central Fire Protection District's long-term debt can be found in Note 6 on pages 43 to 44 of this report.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Management's Discussion and Analysis
Year Ended June 30, 2021

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The following economic factors currently affect the District and were considered in developing the 2021-22 fiscal year budget.

- The District's four-year labor agreements with its represented bargaining units expire on November 14, 2021. The District's 2022 adopted budget includes conservative estimates of salary increases for the successor labor agreements.
- Medical Premiums costs are projected to increase by at least 10% due to rising medial premium renewal rates and experience.
- Retirement costs for safety members are projected to increase from 56.0% to 58.2% of payroll from fiscal year 2022 to 2027.
- The District is forecasting growth in property tax revenues of 1.0% for secured property taxes and negative 0.69% aggregate (secured, unsecured, supplemental, ect.) net of the County Controller-Treasurer's Office administrative fees in the coming fiscal year based on the County Controller-Treasurer's Office projected amounts.
- Revenues from contract agencies are expected to grow by 2% to 4% in the coming year.

All of these factors were considered in preparing the District's budget for fiscal year 2022.

During the current fiscal year, the total fund balance in the general fund increased to approximately \$71.9 million. Unassigned fund balance increased to approximately \$29.4 million due to the continued strong growth in property tax revenues.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Santa Clara County Central Fire Protection District, 14700 Winchester Boulevard, Los Gatos, California, 95032.

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Basic Financial Statements
Government-Wide Financial Statements

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SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
STATEMENT OF NET POSITION
As of June 30, 2021

	Governmental Activities
Assets	
Cash and investments	
Unrestricted	\$ 96,299,050
Restricted	560,236
Accounts receivable	4,748,957
Interest receivable	171,648
Due from other Governmental agencies	5,636,585
Capital assets:	
Land	6,816,766
Construction in progress	30,605,388
Depreciable capital assets, net	29,195,482
Total Assets	<u>174,034,112</u>
Deferred Outflows of Resources	
Pension plan	34,678,419
OPEB	6,503,156
Total Deferred Outflows of Resources	<u>41,181,575</u>
Liabilities	
Accounts payable	335,316
Accrued salaries and benefits	628,384
Unearned revenue	56,464
Other accrued Liabilities	2,405
Insurance claims payable, due within one year	3,640,000
Compensated absences, due within one year	1,716,027
Long-Term Lease Debt, due within one year	565,000
Insurance claims payable, due beyond one year	12,538,000
Compensated absences, due beyond one year	8,542,511
Long-Term Lease Debt, due beyond one year	28,350,000
Net OPEB Liability, due beyond one year	19,914,600
Net Pension Liability, due beyond one year	209,170,461
Total Liabilities	<u>285,459,168</u>
Deferred Inflows of Resources	
Pension Plan	1,643,794
OPEB	2,267,003
Total Deferred Inflows of Resources	<u>3,910,797</u>
Net Position	
Net investment in capital assets	37,702,636
Unrestricted	(111,856,914)
Total Net Position	<u>\$ (74,154,278)</u>

See accompanying notes to financial statements

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
STATEMENTS OF ACTIVITIES
For the Year Ended June 30, 2021

		Program Revenues	Net (Expenses) Revenues and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions
Functions/Programs			Governmental Activities Operations
Governmental Activities			
Public protection	\$ 133,806,332	\$ 35,833,782	\$ 8,166,044
Interest	769,123	-	-
Total Governmental Activities	<u>\$ 134,575,455</u>	<u>\$ 35,833,782</u>	<u>\$ 8,166,044</u>
General Revenues			
Property taxes			95,366,392
Interest and investment income			635,233
Gain on sale of property			769,394
Miscellaneous			<u>1,725,951</u>
Total General Revenues			<u>98,496,970</u>
Change in Net Position			7,921,341
Net Position, Beginning			<u>(82,075,619)</u>
Net Position, Ending			<u>\$ (74,154,278)</u>

See accompanying notes to financial statements

Basic Financial Statements

Fund Financial Statements

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SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Balance Sheet - Governmental Fund
June 30, 2021

	General Fund	Capital Project Fund	Total Governmental Funds
ASSETS			
Cash and Investments			
Unrestricted	\$ 64,709,698	\$ 14,211,590	\$ 78,921,288
Restricted	560,236	-	560,236
Accounts receivable	885,367	-	885,367
Interest receivable	146,022	-	146,022
Due from other governmental agencies	5,636,585	-	5,636,585
	<u>5,636,585</u>	<u>-</u>	<u>5,636,585</u>
 Total Assets	 <u>\$ 71,937,908</u>	 <u>\$ 14,211,590</u>	 <u>\$ 86,149,498</u>
LIABILITIES			
Accounts payable	\$ 335,316	\$ -	\$ 335,316
Accrued salaries and benefits	628,384	-	628,384
Other accrued liabilities	2,405	-	2,405
Insurance claims payable	-	-	-
Unearned revenue	56,464	-	56,464
	<u>56,464</u>	<u>-</u>	<u>56,464</u>
 Total Liabilities	 <u>1,022,569</u>	 <u>-</u>	 <u>1,022,569</u>
FUND BALANCES			
Committed			
Major facility replacement, repair or maintenance	41,500,000	-	41,500,000
Fire Apparatus replacement	-	-	-
Assigned	-	14,211,590	14,211,590
Unassigned	29,415,339	-	29,415,339
	<u>29,415,339</u>	<u>-</u>	<u>29,415,339</u>
 Total Fund Balance	 <u>70,915,339</u>	 <u>14,211,590</u>	 <u>85,126,929</u>
 Total Liabilities and Fund Balances	 <u>\$ 71,937,908</u>	 <u>\$ 14,211,590</u>	 <u>\$ 86,149,498</u>

See accompanying notes to financial statements

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position - Governmental Activities
June 30, 2021

Fund Balances - Total Governmental Funds		\$ 85,126,929
Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:		
Capital assets used in Governmental Activities are not financial resources and, therefore, are not reported in the Governmental Funds.		66,617,636
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities are included in governmental activities in the statement of net position		1,225,388
Deferred outflow of resources from pension plan		34,678,419
Deferred outflow of resources from OPEB		6,503,156
Deferred inflow of resources from pension plan		(1,643,794)
Deferred inflow of resources from OPEB		(2,267,003)
Accounts receivable		3,863,590
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.		
Long-Term Lease Debt	\$ (28,915,000)	
Compensated absences	(10,258,538)	
Net OPEB Obligation	(19,914,600)	
Net Pension Liability	(209,170,461)	(268,258,599)
Net Position of Governmental Activities		<u>\$ (74,154,278)</u>

See accompanying notes to basic financial statements

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unity of the County of Santa Clara)
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended June 30, 2021

	General Fund	Capital Project Fund	Total Governmental Funds
REVENUES:			
Property taxes	\$ 95,366,392	\$ -	\$ 95,366,392
Licenses and permits	572,920	-	572,920
Intergovernmental revenues	8,166,044	-	8,166,044
Use of money and property	635,233	-	635,233
Charges for services	35,663,853	-	35,663,853
Miscellaneous revenues	1,725,951	-	1,725,951
Total Revenues	<u>142,130,393</u>	<u>-</u>	<u>142,130,393</u>
EXPENDITURES:			
Public Protection			
Salaries and benefits	107,039,441	-	107,039,441
Services and supplies	9,961,611	-	9,961,611
City provided services	8,161,900	-	8,161,900
Other charges	917,582	-	917,582
Capital outlay	5,416,411	499,293	5,915,704
Debt service:			
Principal	670,000	-	670,000
Interest	769,123	-	769,123
Total Expenditures	<u>132,936,068</u>	<u>499,293</u>	<u>133,435,361</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>9,194,325</u>	<u>(499,293)</u>	<u>8,695,032</u>
OTHER FINANCING SOURCES (Uses)			
Sales of capital assets	769,394	-	769,394
Lease revenue from the county	499,293	-	499,293
Transfers in	-	8,933,000	8,933,000
Transfers out	(8,933,000)	-	(8,933,000)
Net Other Financing Sources (Uses)	<u>(7,664,313)</u>	<u>8,933,000</u>	<u>1,268,687</u>
NET CHANGE IN FUND BALANCES	1,530,012	8,433,707	9,963,719
Fund Balance, Beginning	69,385,327	5,777,883	75,163,210
Fund Balance, Ending	<u>\$ 70,915,339</u>	<u>\$ 14,211,590</u>	<u>\$ 85,126,929</u>

See accompanying notes to basic financial statements

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Reconciliation of the Governmental Fund Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Government-wide Statement of Activities
Governmental Activities
For the Year Ended June 30, 2021

Net Change in Fund Balances - Total Governmental Funds	\$	9,963,719
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Amounts reported for governmental activities in the Statement of Activities
are different because of the following:

Governmental Funds report capital outlays as expenditures. However, in the
statement of activities, the cost of those assets is allocated over their
estimated useful lives and reported as depreciation expense. This is the
amount by which capital outlays exceeded depreciation in the current period.

Expenditures for general capital assets, infrastructure, and other related capital assets adjustment	\$ 5,915,704	
Less: current year depreciation	(1,927,664)	
Less: loss on disposal	<u>(87,507)</u>	3,900,533

Debt principal payments are added back to fund balance	670,000
--	---------

The amounts below included in the Statement of Activities do not provide the use of current
financial resources and therefore are not reported as revenue in governmental funds:

Lease revenue from the county	(499,293)
-------------------------------	-----------

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expenses) of certain activities of the internal service funds is reported with governmental activities.	(402,991)
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Some expenses reported in the statement of activities do not require the use
of current financial resources and, therefore, are not reported as expenditures
in governmental funds.

Change in net OPEB obligation	3,852,833	
Pension expense	(9,187,909)	
Change in compensated absences	<u>(375,551)</u>	<u>(5,710,627)</u>

Change in Net Position of Governmental Activities	\$	<u>7,921,341</u>
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See accompanying notes to basic financial statements

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Statement of Net Position - Proprietary Fund - Internal Service
Workers' Compensation
As of June 30, 2021

	<u>Governmental Activities</u>
Assets	
Current Assets	
Cash and investments	
Unrestricted	\$ 17,377,762
Accounts receivable	<u>25,626</u>
Total Assets	<u>17,403,388</u>
Liabilities	
Current Liabilities	
Insurance claims payable	<u>3,640,000</u>
Noncurrent Liabilities	
Insurance claims payable	<u>12,538,000</u>
Total Liabilities	<u>16,178,000</u>
Net Position	
Unrestricted	<u>1,225,388</u>
Total Net Position	<u><u>\$ 1,225,388</u></u>

See accompanying notes to financial statements

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Statement of Revenues, Expenses and Changes in Net Position -
Proprietary Fund - Internal Service
Workers' Compensation
For the Year Ended June 30, 2021

	Governmental Activities
Operating Revenues	
Plan Contributions	\$ 3,000,000
Interest and investment income	162,218
Total Operating Revenues	<u>3,162,218</u>
Operating Expenses	
Claims Expenses	<u>3,565,209</u>
Total Operating Expenses	<u>3,565,209</u>
Change in Net Position	(402,991)
Net Position, Beginning	<u>1,628,379</u>
Net Position, Ending	<u><u>\$ 1,225,388</u></u>

See accompanying notes to financial statements

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Statement of Cash Flows - Proprietary Fund - Internal Service
Workers' Compensation
For the Year Ended June 30, 2021

	Governmental Activities
Cash Flows from Operating Activities	
Cash Receipts from interfund services provided - contributions to the plan	\$ 3,187,436
Cash payment for interfund services used - paid claims	<u>(2,417,209)</u>
Net increase in cash and investments	<u>770,227</u>
Cash and Investments, Beginning	<u>16,607,535</u>
Cash and Investments, Ending	<u><u>\$ 17,377,762</u></u>
Reconciliation of change in net position to net cash provided (used) by operating activities	
Change in Net Position	\$ (402,991)
Adjustment to reconcile change in net position to net cash provided (used) by operating activities	
Decrease (increase) in assets	
Interest receivable	25,218
Increase (decrease) in liabilities	
Insurance claims payable	<u>1,148,000</u>
Net cash provided by operating activities	<u><u>\$ 770,227</u></u>

See accompanying notes to financial statements

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Basic Financial Statements –
Notes to Basic Financial Statements

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SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The most significant of the District's accounting policies are described below:

A. Reporting Entity

The Santa Clara County Central Fire Protection District (the "District") is a dependent special district formed under the California Health and Safety Code. The District serves the areas of Santa Clara County not protected by other fire departments, districts, or the State Division of Forestry.

The Fire District is reported as a blended component unit in the County of Santa Clara's annual financial report because the County Board of Supervisors sits as the Board of Directors for the Fire District.

B. Basis of Presentation

Government-wide Financial Statements

The statement of net position and statement of activities display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal service fund activities; however, there is an exception for interfund services provided and used, where the elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods or services offered by the programs. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

When both restricted and unrestricted net positions are available, restricted resources are used only after the unrestricted resources are depleted.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

Fund financial statements of the District are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental and enterprise funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. The District does not have nonmajor governmental funds. The internal service funds are presented in the proprietary fund financial statements.

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

Governmental Funds

The District reports two major governmental funds:

- The General Fund is the primary operating fund of the District and is always classified as a major fund. It is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the District that are not accounted for through other funds. For the District, the General Fund's primary activity is public protection.
- The Capital Project Fund is used to account for the revenues and expenditures related to constructions and improvement of the new District headquarters.

Proprietary Fund

The District reports the following proprietary fund:

Internal Service accounts for the financing goods or services provided by one department or agency to other departments or agencies of the District, or to other governments, on a cost reimbursement basis. The District has the following Internal Service fund:

- *Workers' Compensation* Fund is used to account for assets held by the District to meet present and future workers' compensation claims liabilities.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

The government-wide and proprietary fund financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This differs from the manner in which governmental fund financial statements are prepared. Therefore, governmental fund financial statements include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The accounting objectives of the economic resources measurement focus are the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Fund equity is classified as net position.

Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes. On an accrual basis, revenue from property taxes, the District's major revenue source, is recognized in the fiscal year for which the taxes are levied.

The governmental fund financial statements are prepared using the current financial resources measurement focus and the modified accrual basis of accounting.

Property taxes, licenses and permits, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues for the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of the year end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

In the current financial resources measurement focus, only current financial assets and liabilities are generally included on the balance sheets. The operating statements present sources and uses of available spendable financial resources during a given period. The fund balance is used as the measure of available spendable financial resources at the end of the period.

Under the modified accrual basis of accounting, revenues are recognized when measurable and available. Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year end. Expenditures (including capital outlay) are recorded when the related liability is incurred, except for debt service expenditures (principal and interest), as well as expenditures related to compensated absences which are reported when due.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgets and Budgetary Accounting

The District, as per California Health and Safety Code Section 13895, adopts final annual operating and capital projects budgets before October 1. From the effective date of the budget, which is adopted by the Board of Directors after public hearings, the proposed expenditures become appropriations. The Fire Chief generally may transfer appropriations among programs. Unencumbered and unexpended appropriations lapse at fiscal year-end.

Budgeted revenues and expenditures in the financial statements represent the original budget modified by authorized adjustments during the year. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year that were contingent upon new or additional revenue sources and reappropriated amounts for prior year encumbrances. Expenditures may not legally exceed budgeted appropriations at the object category level.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary accounting in the General Fund.

E. Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the internal service fund considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

F. Capital Assets

In the government-wide financial statements, capital assets (with a value of \$5,000 or more) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Position. Depreciation expense is provided over the assets' estimated useful lives using the straight-line method of depreciation. The estimated useful lives, by type of asset, are as follows:

Buildings	50 years
Vehicles, machinery, equipment, and furnishings	5 to 20 years

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Upon sale of capital assets, the proceeds from sale of capital assets are included in the results of operations as other financing sources.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

H. Long-term Liabilities

All long-term debt to be paid from governmental resources is reported as liabilities in the government-wide statements. The long-term debt consists primarily of compensated absences, insurance claims payable, lease debt, net OPEB liability and net pension liability.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures.

I. Compensated Absences

The District's employees earn vacation which may either be taken or accumulated, up to certain amounts, until paid upon retirement or termination. There is no accrual limit on sick leave; however, there are various restrictions and limitations on the sick leave pay-off upon termination depending on the employee group and retirement factors. For all funds, this liability reflects amounts attributable to employee service already rendered, cumulative, probable for payment and reasonably estimated.

The District accrues accumulated unpaid compensated absences when earned (or estimated to be earned) by the employee. The liability for these compensated absences is recorded as long-term debt in the government-wide statements. In the fund financial statements, governmental funds report the compensated absence liabilities payable from expendable available financial resources, only if they have matured.

J. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GASB Standard No. 68 requires 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 (VD)	June 30, 2019
Measurement Date-(MD)	June 30, 2020
Measurement Period (MP)	July 1, 2019 to June 30, 2020

K. Equity Classifications

In the government-wide and proprietary fund financial statements, equity is classified as net position and divided into three components:

- *Net Investment In Capital Assets* This category groups all capital assets into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* This category represents net position of the District, not restricted for any project or other purpose.

Governmental funds report fund balances in classifications based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. Fund balance for governmental funds can consist of the following:

- *Nonspendable Fund Balance* includes amounts that are (a) not in spendable form – such as inventory, prepaid amounts or long-term notes receivable, or (b) legally or contractually required to be maintained intact-such as a trust that must be retained in perpetuity. The "not in spendable form" criterion includes items that are expected to be converted to cash.
- *Restricted Fund Balance* constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Restriction may effectively be changed or lifted only with the consent of resource providers.
- *Committed Fund Balance* amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority, the Board. Commitments may be changed or lifted by the District taking the same formal action that imposed the constraint originally. The formal action that is required to be taken by the Board to establish, modify, or rescind a commitment is through a board resolution.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- *Assigned Fund Balance* comprises amounts intended to be used by the District for specific purposes that are neither restricted nor committed. Intent is expressed by (a) the District's Board or (b) a body (e.g., a budget or finance committee) or official to which the District's Board has delegated the authority to assign, modify, rescind amounts to be used for specific purposes. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.
- *Unassigned Fund Balance* the residual classification for the General Fund. It is also used to report negative fund balance in other governmental funds.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

L. Other Post Employment Benefits (OPEB)

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

M. Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 2 – PROPERTY TAX

The reported lien date is January 1 for secured and unsecured property taxes.

In accordance with Government Code Section 29100, on or before September 1, the Board of Supervisors shall adopt the rates of taxes on the secured roll. The Tax Collector then completes the tax bill processing by the end of September. The Revenue and Taxation Code specifies that the Tax Collector shall issue secured tax bills by November 1.

The due dates and delinquency dates for secured taxes are as follows:

Due date for the first installment is Nov. 1, delinquent after Dec. 10. Due date for the second installment is Feb. 1, delinquent after April 10.

On July 19, 1993, the County Board of Supervisors, adopted the Alternative Method of Tax Apportionment "Teeter Plan". Under this plan the District receives annually the full amount of its share of property taxes on the secured rolls. In return, the County receives all future delinquent tax payments otherwise due to the District.

NOTE 3 – CASH AND INVESTMENTS

The cash balance of the District's General Fund and the Workers Compensation Fund are pooled and invested by the County's Treasurer in the pooled cash investment program ("Pool") for the purpose of increasing earnings through investment activities. The County's pooled deposits and investments are regulated by the California Government Code and by a County investment policy approved annually by the County Treasury Oversight Committee and the Board. At fiscal year-end, the County provides the participants', the pooled investments' fair value, based on quoted market prices. The County allocates interest to the District based on the District's average daily cash balance relative to the entire Pool. The value of the participants' pool shares that may be withdrawn is determined on an amortized basis, which is different than the fair value of the participants' positions in the pool. In addition, the County's investment pool is not rated by any of the credit rating agencies. The County's comingled pool consists of cash in bank, U.S. government and agency securities, corporate bonds, negotiable certificates of deposit, commercial paper, and deposits in the State's Local Agency Investment Fund. Additional information regarding the County's investment policy and cash and investments, including interest rate risk, credit risk, custodial credit risk categories, and maturities the different categories of investments, can be found in the County's notes to the basic financial statements.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 3 – CASH AND INVESTMENTS (Continued)

Cash and investments on June 30, 2021 consist of the following:

	Carrying Amount	Fair Value
Cash and Investments with the County		
Treasury common pool:		
General Fund	\$ 64,707,598	\$ 64,966,428
General Fund - Payroll (Restricted)	560,236	562,477
Capital Project Fund	14,211,590	14,268,436
Proprietary - Workers' Compensation	17,377,762	17,541,113
Petty Cash	2,100	2,100
Total	<u>\$ 96,859,286</u>	<u>\$ 97,340,554</u>

Governmental Accounting Standards Board, Statement No. 31, "Accounting and Financial Reporting for Certain Investment and for External Investment Pools" establishes accounting and financial reporting standards for all investments held by governmental external investment pools. The statement requires governmental entities to report investments at fair value.

Based on the County's calculations, the application of GASB, Statement No. 31, would increase the District's cash balance and interest and investment income (use of money and property, in the fund financials) by \$317,917 for the General Fund and increase by \$163,351 for Worker's Compensation. Since the effect of the application of GASB 31, in this instance, is not material, the District's cash and investments account is stated at cost.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 4 – CAPITAL ASSETS

The capital asset activity for the year ended June 30, 2021 is as follows:

	Balance June 30, 2020	Additions	Dispositions	Transfers	Balance June 30, 2021
Nondepreciable capital assets:					
Land	\$ 5,662,937	\$ 1,151,829	\$ (48,000)	\$ 50,000	\$ 6,816,766
Construction in progress	37,163,559	3,028,315	-	(9,586,486)	30,605,388
Total capital assets not being depreciated	42,826,496	4,180,144	(48,000)	(9,536,486)	37,422,154
Capital assets being depreciated:					
Buildings	15,270,896	-	(88,798)		15,182,098
Vehicles, Machinery, Equipment, and Furnishings	27,838,194	1,735,560	(321,247)	9,536,486	38,788,993
Total capital assets being depreciated	43,109,090	1,735,560	(410,045)	9,536,486	53,971,091
Less accumulated depreciation for:					
Buildings and building improvements	(7,270,007)	(390,053)	49,291	-	(7,610,769)
Vehicles, Machinery, Equipment, and Furnishings	(15,948,476)	(1,537,611)	321,247	-	(17,164,840)
Total accumulated depreciation	(23,218,483)	(1,927,664)	370,538	-	(24,775,609)
Total capital assets being depreciated, net	19,890,607	(192,104)	(39,507)	9,536,486	29,195,482
Governmental activity capital assets, net	\$ 62,717,103	\$ 3,988,040	\$ (87,507)	\$ -	\$ 66,617,636

For the year ended June 30, 2021, depreciation expense charged to public protection under governmental activities was \$1,927,664.

NOTE 5 – WORKERS COMPENSATION

As of July 1, 1979, the District began self-insuring workers compensation claims. The District Workers Compensation Program is administered by the County of Santa Clara. The District's policy is to accrue a liability for anticipated losses as claims are received based upon the probability of payout against each claim, as measured by the actuarial report and the County Workers Compensation Department (ESA).

The changes in the balances of the insurance claims payable for each of the two most recent fiscal periods are as follows:

	2020/2021	2019/2020
Liability - July 1	\$ 15,030,000	\$ 13,296,000
Incurred claims and changes in estimate	4,713,209	5,982,628
Claims payments	(3,565,209)	(4,248,628)
Liability - June 30	\$ 16,178,000	\$ 15,030,000
Current portion	\$ 3,640,000	\$ 3,360,000

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 6 – LONG-TERM OBLIGATIONS

A. Changes in Long-term Liabilities

The following is a summary of changes in long-term debt for the year ended June 30, 2021:

	Balance July 1, 2020	Additions	Deductions	Balance June 30, 2021	Due within one year	Due beyond one year
Compensated Absences	\$ 9,882,987	\$ 4,407,871	\$ (4,032,320)	\$ 10,258,538	\$ 1,716,027	\$ 8,542,511
Insurance Claims Payable (see Note 5)	15,030,000	4,713,209	(3,565,209)	16,178,000	3,640,000	12,538,000
Net OPEB Liability (see Note 8)	22,929,800	6,632,727	(9,647,927)	19,914,600	-	19,914,600
Net Pension Liability (see Note 7)	192,519,864	16,650,597	-	209,170,461	-	209,170,461
Lease debt	29,585,000	-	(670,000)	28,915,000	565,000	28,350,000
Totals	<u>\$ 269,947,651</u>	<u>\$32,404,404</u>	<u>\$ (17,915,456)</u>	<u>\$ 284,436,599</u>	<u>\$ 5,921,027</u>	<u>\$ 278,515,572</u>

Some of the District's obligations are in the form of a long-term lease between the District and the County of Santa Clara (County) and the Santa Clara County Financing Authority (Authority). Under these arrangements, the District enters into legal agreements with the Authority and County to lease a specified District property to the County for an up-front, lump-sum lease payment. The District uses the lease proceeds to fund to purchase real property at 1315 Dell Avenue in Campbell and related project expenditures. The District furthermore continues to make use of the leased facility, and in return for that uses agrees to pay the County regular sublease lease payments. The County leases the facility to the Authority. The Authority, in turn, sells shares of the District's lease payments to investors. The shares are called Lease Revenue Bonds (Bonds). The District's sublease payments are made to the certificate holders through the Trustee over the term of the agreement. The cost of the assets securing these leases and the balance of the debt evidenced by these Bonds have been included in the District's financial statements, as these leases are in essence financing arrangements with ownership of the financed assets reverting to the District at the conclusion of the lease term.

2020 Lease Revenue Bonds Series A

The Santa Clara County Financing Authority (Authority) issued 2020 lease revenue bonds in June 2020 for \$29,585,000. The Authority issued lease revenue bonds entitled Santa Clara County Financing Authority Lease Revenue Bonds (Fire District Facilities) 2020 Series A for the purpose of financing the District's major facilities project, pursuant to a Trust Agreement, dated as of June 1, 2020 between the Authority and U.S. Bank Trust National Association. The District entered into a District Site Lease by and between the District and County of Santa Clara (County) to lease the property to the County, dated June 1, 2020. The County leased the leased asset to the Authority in the Site Lease Agreement, dated June 1, 2020. The Authority leased the leased asset back to the County in the Facilities Lease, dated June 1, 2020. The County subleased the asset back to the District in the Sublease Agreement, dated June 1, 2020. The bonds were issued to provide funds to finance or refinance the acquisition of a building in Campbell, California, to be occupied by and used as the headquarters of the Santa Clara County Central Fire Protection District, to finance or refinance the costs of certain capital improvements, and for costs of issuance of the bonds. The principal balance outstanding as of June 30, 2021, is \$28,915,000.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
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NOTE 6 – LONG-TERM OBLIGATIONS (Continued)

Principal payments are due annually on May 1 and interest payments are due semi-annually on May 1 and November 1. Interest rates range from 2.00% to 5.00%. Payments began in fiscal year 2020-21.

The annual debt service requirements for the 2020 Lease Revenue Bonds are shown below:

For the Year Ending June 30	2020 Lease Revenue Bonds		
	Principal	Interest	Total
2022	\$ 565,000	\$ 871,350	\$ 1,436,350
2023	595,000	843,100	1,438,100
2024	625,000	813,350	1,438,350
2025	655,000	782,100	1,437,100
2026	690,000	749,350	1,439,350
2027-2031	3,985,000	3,195,000	7,180,000
2032-2036	4,875,000	2,302,650	7,177,650
2037-2041	5,450,000	1,733,262	7,183,262
2042-2046	6,070,000	1,113,616	7,183,616
2047-2050	5,405,000	342,002	5,747,002
Total	<u>\$ 28,915,000</u>	<u>\$ 12,745,780</u>	<u>\$ 41,660,780</u>

NOTE 7 – PENSION PLAN

A. Plan Description

All eligible Fire District employees participate in the California Public Employees Retirement System (CalPERS). The Fire District participates in two plans (Miscellaneous and Safety) with CalPERS. CalPERS provide retirement, disability, and death benefits based on the employees' years of service, age and final compensation. The provisions and all other requirements are established by State Statute and Fire District resolutions. Copies of the CalPERS' annual financial report may be obtained from their executive office at 400 Q Street, Sacramento, California 95811. Separate reports for the Fire District's plans in CalPERS are not available.

The Safety Plan is an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). As of June 30, 2019, the Safety Plan had 235 active members, 61 inactive members entitled to, but not yet receiving benefits and 450 inactive members currently receiving benefits. The Miscellaneous Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information for both Plans is listed in the June 30, 2014 Annual Actuarial Valuation Report. Details of the benefits provided for both Plans can be obtained in Appendix B of the June 30, 2014 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
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NOTE 7 – PENSION PLAN (Continued)

Effective with the June 30, 2003 valuation, CalPERS converted the Fire District's miscellaneous employees' defined benefit retirement plan from an agent multiple-employer to a cost sharing multiple-employer. The Fire District's miscellaneous employees' retirement plan is under the CalPERS Miscellaneous 2.7% at 55 Risk Pool. The Fire District's Safety plan is an agent multiple-employer defined benefit retirement plan. CalPERS act as a common investment and administrative agent for various local and state governmental agencies within the state.

Below is a summary of the deferred outflows of resources, net pension liabilities, deferred inflows of resources and pension expense by Plan for the year ended June 30, 2021.

	Deferred Outflows of Resources	Net Pension Liability/ Proportionate Share of Net Pension Liability	Deferred Inflows of Resources	Pension Expense
Safety	\$ 30,398,002	\$ 192,166,170	\$ (1,207,751)	\$ 8,894,050
Miscellaneous	4,280,417	17,004,291	(436,043)	293,859
Total	<u>\$ 34,678,419</u>	<u>\$ 209,170,461</u>	<u>\$ (1,643,794)</u>	<u>\$ 9,187,909</u>

B. Pension Plan Benefits

1. Classic Plan

Benefits for employees in the Miscellaneous and Safety Plans vest after five years of CalPERS credited service. The retirement benefits under both plans are based on the retirees age, years of CalPERS credited service, and a benefit factor of 2.7% at 55 for Miscellaneous Plan members and 3% at 50 for Safety Plan members. These plans included a pre-retirement Option 2W Death Benefit.

2. Miscellaneous Plan

Participants in this plan are eligible for service retirement and receive graduated benefits upon attaining the age of 50 and with at least five years of credited service with a CalPERS employer. The service retirement benefit is a monthly allowance equal to the product of the benefit factor (2.7% at 55), years of service, and the final compensation (monthly average of the members highest 12 consecutive months' full time equivalent pay). The services retirement for this group is not capped.

3. Safety Plan

Participants in this plan are eligible for service retirement upon attaining the age of 50 and with at least five years of credited service with a CalPERS employer. The service retirement benefit is a monthly allowance equal to the product of the benefit factor (3.0% at 50), years of service, and the final compensation (monthly average of the members highest 12 consecutive months' full time equivalent pay). The services retirement for the Safety Plan is capped at 90% of final compensation.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
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Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

4. PEPRA Plan

The Public Employee' Pension Reform Act of 2013 (PEPRA) required that all state, school, and local government employers offer a reduced benefit formula with increased retirement ages to new public employees, who first became CalPERS members on or after January 1, 2013. The new defined benefit formula is 2% at age 62 for newly hired miscellaneous employees and 2.7% at age 57 for newly hired Safety employees.

PEPRA also imposes the following changes to both Miscellaneous and Safety Plans for new members:

- A pensionable compensation cap of \$153,671 for agencies that do not participate in social security (the Fire District does not participate). Future adjustments to the cap will be based on changes to the CPI All Urban Consumers index.
- The employee contribution rate will be at least 50% of the total normal cost rate.
- Final compensation will be based on the highest average annual pensionable compensation earned by a member during a period of a least 36 consecutive months.

C. Funding Policy

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. 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 Fire District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. The Fire District does not pay any portion of the employees' share of the required contribution.

For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The Fire District is required to contribute the difference between the actuarially determined rate and the contribution rate of its employees. The Fire District does not pay any portion of the employees' share of the required contribution.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
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Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

Below is a summary of the employee contribution rates and employer contributions rates for fiscal year 2020-2021:

Plan		Employee Contribution Rate	Employer Contribution Rate	Employer Contributions
Classic	Miscellaneous	8.000%	43.345%	\$ 2,235,273
	Safety	9.000%	52.006%	\$ 18,465,413
PEPRA	Miscellaneous	7.250%	10.017%	\$ 439,719
	Safety	11.000%	52.006%	\$ 1,459,768
Total				\$ 22,600,173

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2020 (the measurement date), the total pension liability was determined based on the following actuarial methods and assumptions:

Actuarial cost Method	Entry Age Normal in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds (1)
Post Retirement Benefit Increase	Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

- (1) The mortality table used was developed based on CalPERS' specific data. The tables includes 15 years of mortality improvements using the 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.

All other actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

D. Safety - Agent Multiple-Employer Plan (as prepared by CalPERS)

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each 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 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

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 both short-term and long-term market return expectations as well as the expected pension fund (Public Employees' Retirement Fund) cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

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

Asset Class ¹	Assumed Asset Allocation	Real Return Years 1 - 10 ²	Real Return Years 11+ ³
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0	1.00	2.62
Inflation Assets	0.0	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Assets	13.0	3.75	4.93
Liquidity	1.0	0.00	(0.92)

(1) In the CalPERS Comprehensive Annual Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(2) An expected inflation of 2.00% used for this period

(3) An expected inflation of 2.92% used for this period

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period.

		Increase (Decrease)	
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at: 6/30/2019 (MD)	\$ 600,275,547	\$ 423,875,182	\$ 176,400,365
Changes Recognized for the Measurement Period:			
Service Cost	\$ 11,002,576	\$ -	\$ 11,002,576
Interest on Total Pension Liability	42,574,250	-	42,574,250
Changes of Benefit Terms	-	-	-
Changes of Assumptions	-	-	-
Differences between Expected and Actual Experience	5,846,700	-	5,846,700
Net Plan to Plan Resource Movement	-	(490,122)	490,122
Contributions - Employer	-	19,550,772	(19,550,772)
Contributions - Employees	-	3,768,630	(3,768,630)
Net Investment Income	-	21,425,891	(21,425,891)
Benefit Payments, including Refunds of Employee Contributions	(32,358,959)	(32,358,959)	-
Administrative Expense	-	(597,450)	597,450
Other Miscellaneous Income	-	-	-
Net Changes during 2019-20	\$ 27,064,567	\$ 11,298,762	\$ 15,765,805
Balance at: 6/30/2020 (MD)	\$ 627,340,114	\$ 435,173,944	\$ 192,166,170

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

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

The following table presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability/(Asset)	\$ 273,808,098	\$ 192,166,170	\$ 124,665,076

Recognition of Gains and Losses

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired).

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

The EARSLS for the Plan for the measurement period ending June 30, 2020 is 4.1 years, which was obtained by dividing the total service years of 2,956 (the sum of remaining service lifetimes of the active employees) by 721 (the total number of participants: active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the measurement period ending June 30, 2020 (the measurement date), the Fire District incurred a pension expense/(income) of \$8,894,050 for the Plan.

As of June 30, 2021, the Santa Clara County Central Fire Protection District has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	\$ -	\$ (373,107)
Differences between Expected and Actual Experience	7,531,487	(834,644)
Pension Contribution Subsequent to the Measurement Date	19,925,181	-
Net Difference between Projected and Actual Earnings on Pension Plan	2,941,334	-
Total	\$ 30,398,002	\$ (1,207,751)

\$19,925,181 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ended June 30:	Annual Amortization
2021	\$ (439,206)
2022	3,788,236
2023	4,070,442
2024	1,845,598
Total	\$ 9,265,070

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

E. Miscellaneous - Cost-Sharing Multiple-Employer Plan (as prepared by CalPERS)

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each 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 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 7.15 percent is applied to all plans in the Public Employees Retirement Fund. The stress test results are presented in a detailed report called "GASB Crossover Testing Report" that can be obtained at CalPERS' website under the GASB 68 section.

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 both short-term and long-term market return expectations as well as the expected pension fund (Public Employees' Retirement Fund) cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

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

Asset Class ¹	Assumed Asset Allocation	Real Return Years 1 - 10 ²	Real Return Years 11+ ³
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0	1.00	2.62
Inflation Assets	0.0	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Assets	13.0	3.75	4.93
Liquidity	1.0	0.00	(0.92)

(1) In the CalPERS Comprehensive Annual Financial Report, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(2) An expected inflation of 2.00% used for this period

(3) An expected inflation of 2.92% used for this period

The following table shows the Plan's proportionate share of the risk pool collective net pension liability over the measurement period. At the end of the measurement period, Fire District's portion of the plan's net pension liability was 0.0040 percent, a decrease of 0 percent over the prior year amount of 0.0040 percent.

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

	Total Pension Liability (a)	Increase (Decrease)	
		Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at: 6/30/19 (MD)	\$ 59,114,027	\$ 42,994,528	\$ 16,119,499
Balance at: 6/30/20 (MD)	62,299,325	45,295,034	17,004,291
Net Changes during 2019-20	\$ (3,185,298)	\$ (2,300,506)	\$ (884,792)

The following presents the net pension liability/(asset) of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability/(asset) would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate + 1% (8.15%)
Plan's Net Pension Liability/(Asset)	\$ 27,154,469	\$ 17,004,291	\$ 8,617,516

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
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Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

Recognition of Gains and Losses

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net Difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of participants (active, inactive and retired) in PERF C.

The EARSL for the measurement period ending June 30, 2020 is 3.8 years, which was obtained by dividing the total service years 548,581 (the sum of remaining service lifetimes of the active employees) by 145,663 (the total number of participants: active, inactive, and retired). Note that inactive employees and retirees have remaining service lifetimes equal to 0. Also, note that total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Pension Expense and Deferred Outflows and Deferred Inflows

For the measurement period ended June 30, 2020 (the measurement date), the Fire District incurred a pension expense/ (income) of \$293,859 for the Plan.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

As of June 30, 2021, Fire District reports other amounts for the Plan as deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contribution subsequent to measurement date	\$ 2,674,992	\$ -
Differences between Expected and Actual Experience	876,282	-
Changes of Assumptions	-	(121,281)
Net Difference between Projected and Actual Earnings on Pension Plan Investments	505,139	-
Changes in employers Proportions	19,581	(164,112)
Difference in actual and proportionated contributions	204,423	(150,650)
Total	\$ 4,280,417	\$ (436,043)

In addition to the figures shown in the table above, the Fire District is required to recognize an employer-specific expense item and a deferred outflow or deferred inflow of resources derived from the difference between actual contributions made by the employer and the employer's proportionate share of the risk pool's total contributions (as defined in Paragraph 55 of GASB 68).

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
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Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 7 – PENSION PLAN (Continued)

\$2,674,992 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ended June 30:	Annual Amortization
2021	\$ 132,779
2022	466,750
2023	327,533
2024	242,320
Total	<u>\$ 1,169,382</u>

The deferred outflows and deferred inflows and schedules of future amortizations for the Risk Pool in aggregate are summarized in Appendix A of the Fire District's Accounting Valuation Report. Copies of the reports may be obtained by contacting the District's Business Services Office.

NOTE 8 – HEALTH BENEFIT

A. Plan Description

The District's other post-employment benefit (OPEB) provides for lifetime medical coverage to retirees who meet certain eligibility requirements. Currently, employees who retire directly from the District, have accrued seven years of service and were hired between January 1, 1995 and December 31, 2006, inclusive, or retire directly from the District, have accrued 10 years of service and were hired after December 31, 2006 are eligible.

The District began prefunding with the California Employers' Retiree Benefit Trust Fund (CERBT), an agent multiple-employer plan, in June of 2012. The CERBT is an IRS Section 115 trust maintained by CalPERS as a retiree welfare prefunding vehicle for any California public sector employer.

B. Benefits Provided

The District pays the cost of postemployment health care benefits for a retiree (and his/her spouse if the retiree retired on or before January 1, 1978). The District will pay for the spouse's coverage so long as the retiree maintains eligibility. An employee who retires after January 1, 1978 may include his/her eligible dependent on the plan by self-paying the additional cost for that dependent.

As part of the current labor agreement, adopted on January 9, 2018, Plan members contribute 1% of base pay to the CERBT Trust to prefund future District retiree welfare benefits payments. Contributions from non-represented employees have a maximum annual contribution limit of \$1,500.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
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NOTE 8 – HEALTH BENEFIT (Continued)

For the year ended June 30, 2021, the District's contributions to the Plan were \$3,526,500.

Employees Covered by Benefit Terms – Membership in the plan consisted of the following at the reporting date of June 30, 2020:

Active employees	306
Inactive employees or beneficiaries currently receiving benefit payments	269
Inactive employees entitled to but not yet receiving benefit payments	-
Total	<u>575</u>

C. Net OPEB Liability

Actuarial Methods and Assumptions – The results of a June 30, 2019 actuarial valuation were projected for two years to produce the Total OPEB Liability as of measurement date June 30, 2020. That was offset by June 30, 2020 OPEB assets to produce the Net OPEB Liability as of measurement date June 30, 2020, which is being used for reporting date June 30, 2021. Calculations are based on the following actuarial methods and assumptions:

	Actuarial Assumptions
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of payroll over a closed 30 year period beginning 2011/2012
Actuarial Assumptions:	
Asset valuation method	Market Value of Assets
Discount Rate	7.59%
Inflation	2.75%
Payroll Growth	2.75%
Initial Healthcare Trend Rate	5.75%
Ultimate Healthcare cost trend rate	4.00%

The underlying mortality assumptions and all other actuarial assumptions used on June 30, 2019 were based on the results of a CalPERS study of Firefighter and of Miscellaneous Public Agency experience for the eighteen years ending June 30, 2015.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 8 – HEALTH BENEFIT (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 allocations for each major asset class are summarized in the following table:

Asset Class	Target Allocation
Global Equity	59.0%
Global Debt Securities	25.0%
Inflation Assets	5.0%
REITs	8.0%
Commodities	3.0%
Total	<u>100.0%</u>

Discount Rate – The discount rate used to measure the total OPEB liability was 7.59%. The projection of cash flows used to determine the discount rate assumed that District 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.

D. Changes in Net OPEB Liability

The changes in the net OPEB liability follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
Balance at 6/30/19 (Measurement Date)	\$ 53,680,900	\$ 30,751,100	\$ 22,929,800
Changes Recognized for the Measurement Period:			
Service cost	1,339,800	-	1,339,800
Interest cost	3,999,900	-	3,999,900
Effect of Change in Actuarial Assumptions/Methods	-	-	-
Other liability experience Loss/(Gain)	(107,500)	-	(107,500)
Contributions	-	7,065,600	(7,065,600)
Benefit payments	(3,338,100)	(3,338,100)	-
Administrative expenses	-	(16,879)	16,879
Expected Investment Return	-	2,474,827	(2,474,827)
Investment Experience (Loss)/Gain	-	(1,276,148)	1,276,148
Net changes	<u>1,894,100</u>	<u>4,909,300</u>	<u>(3,015,200)</u>
Balance at 6/30/20 (Measurement Date)	<u>\$ 55,575,000</u>	<u>\$ 35,660,400</u>	<u>\$ 19,914,600</u>

Detailed information about the OPEB plan's fiduciary net position is available in the separately issued plan financial report. The benefit payments and refunds include implied subsidy benefit payments in the amount of \$821,900.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 8 – HEALTH BENEFIT (Continued)

E. Sensitivity of the Net OPEB Liability to Changes in the Discount Rate and Healthcare Cost Trend Rates

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.59%) or 1-percentage-point higher (8.59%) than the current discount rate:

Plan's Net OPEB Liability		
Discount Rate -1%	Current Discount	Discount Rate +1%
(6.59 %)	Rate (7.59%)	(8.59%)
\$ 25,900,100	\$ 19,914,600	\$ 14,833,900

The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.75%) or 1-percentage-point higher (6.75%) than the current healthcare cost trend rates:

Plan's Net OPEB Liability		
Discount Rate -1%	Health Care Cost	Discount Rate +1%
(4.75%)	Trend Rates (5.75%)	(6.75%)
\$ 14,308,400	\$ 19,914,600	\$ 26,637,000

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Notes to the Financial Statements
For The Year Ended June 30, 2021

NOTE 8 – HEALTH BENEFIT (Continued)

F. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2021, the District recognized negative OPEB expense of \$3,852,833. At June 30, 2021, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made subsequent to the measurement date	\$ 3,526,500	\$ -
Revised assumptions/methods	-	(1,968,284)
Other liability experience loss/ (gain)	1,812,621	(92,894)
Investment experience loss/ (gain)	1,164,035	(205,825)
Total	<u>\$ 6,503,156</u>	<u>\$ (2,267,003)</u>

\$3,526,500 reported as deferred outflows of resources related to contributions subsequent to the measurement date of June 30, 2020 but before the end of District's reporting period of June 30, 2021 will be recognized as a reduction of the OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as part of OPEB expense as follows:

Year Ended June 30	Annual Amortization
2022	\$ 130,054
2023	257,513
2024	296,698
2025	127,886
2026	(82,634)
Thereafter	(19,864)
Total	<u>\$ 709,653</u>

Copies of reports may be obtained by contacting the District's Business Services office.

NOTE 9 – TRANSFERS

The General Fund transferred \$8,933,000 to the Capital Project Fund to increase funding for the Redwood Fire Station Rebuild Project as approved by the Board of Directors on May 25, 2021.

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Required Supplementary Information
(Other than MD&A)

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SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Budgetary Comparison Schedule - General Fund (1524)
For the Year Ended June 30, 2021

	Original	Final	Actual Amount Expenditures	Variance with Final Budget Positive (Negative)
Budgetary Fund Balance, Beginning	\$ 34,349,230	\$ 33,297,186	\$ 69,385,327	\$ 36,088,141
Resources (Inflows):				
Property Taxes	90,308,420	90,308,420	95,366,392	5,057,972
Licenses & permits	641,025	641,025	572,920	(68,105)
Intergovernmental revenues	600,000	5,600,000	8,166,044	2,566,044
Use of money & property	643,800	643,800	635,233	(8,567)
Charges for Services	35,128,273	35,128,273	35,663,853	535,580
Misc revenues	1,420,492	1,420,492	1,725,951	305,459
Sale of capital assets	50,000	50,000	769,394	719,394
Lease revenue from the county	-	5,777,883	499,293	(5,278,590)
Amounts Available for Appropriation	128,792,010	139,569,893	143,399,080	3,829,187
Charges to Appropriations (Outflows)				
Public protection				
Salaries and benefits	103,488,424	108,488,424	107,039,441	1,448,983
Services & supplies and other charges	14,319,291	14,319,684	10,879,193	3,440,491
City provided services	8,020,000	8,020,000	8,161,900	(141,900)
Capital outlay	3,660,000	6,104,359	5,416,411	687,948
Debt service:				
Principle	670,000	670,000	670,000	-
Interest	769,123	769,123	769,123	-
Transfers out	-	8,933,000	8,933,000	-
Total Charges to Appropriations	130,926,838	147,304,590	141,869,068	5,435,522
Budgetary Fund Balance, Ending	\$ 32,214,402	\$ 25,562,489	\$ 70,915,339	\$ 45,352,850

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Budgetary Comparison Schedule - Capital Projects Fund
For the Year Ended June 30, 2021

	Original	Final	Actual Amount Expenditures	Variance with Final Budget Positive (Negative)
Budgetary Fund Balance, Beginning	\$ 5,777,883	\$ 5,777,883	\$ 5,777,883	\$ -
Resources (Inflows):				
Transfers in	8,933,000	8,933,000	8,933,000	
Amounts Available for Appropriation	8,933,000	8,933,000	8,933,000	
Charges to Appropriations (Outflows)				
Capital outlay	14,710,883	14,710,883	499,293	14,211,590
Total Charges to Appropriations	14,710,883	14,710,883	499,293	14,211,590
Budgetary Fund Balance, Ending	\$ -	\$ -	\$ 14,211,590	\$ 14,211,590

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Budgetary Comparison Schedule - General Fund (1524)
For the Year Ended June 30, 2021

**Explanation of Differences between Budgetary Inflows and Outflows
and GAAP Revenues and Expenditures**

Sources/Inflows of Resources

Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule	\$ 143,399,080
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Differences - budget to GAAP

Proceeds from sale of capital assets are inflows of budgetary resources but are not revenues for financial reporting purposes	(769,394)
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Lease revenues are inflows of budgetary resources but are not revenues for financial reporting purposes	(499,293)
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Total Revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 142,130,393
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Uses/Outflows of Resources

Actual amounts (budgetary basis) "total charges to appropriation" form the budgetary comparison schedule	\$ 141,869,068
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Transfers to Capital Project Fund	(8,933,000)
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Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 132,936,068
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SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Schedule of Changes in Net Pension Liability and Related Ratios

Safety Plan

Last Ten Fiscal Years*

Fiscal year Measurement period	2020-21 2019-20	2019-20 2018-19	2018-19 2017-18	2017-18 2016-17	2016-17 2015-16	2015-16 2014-15	2014-15 2013-14
Total Pension Liability							
Service Cost	\$ 11,002,576	\$ 10,912,450	\$ 9,845,967	\$ 10,048,004	\$ 8,680,538	\$ 8,356,987	\$ 8,571,796
Interest	42,574,250	40,689,529	38,844,222	37,901,165	37,171,515	36,014,294	34,357,237
Differences between expected and actual experience	5,846,700	5,703,153	(5,007,860)	(7,354,337)	(4,404,323)	(8,633,116)	-
Changes in assumptions	-	-	(2,238,642)	31,031,597	-	2,264,214	-
Benefit payments, including refunds of employee contributions	(32,358,959)	(29,909,070)	(28,327,114)	(26,496,952)	(25,561,016)	(24,442,299)	(23,105,970)
Net change in total pension liability	27,064,567	27,396,062	13,116,573	45,129,477	15,886,714	13,560,080	19,823,063
Total pension liability - beginning	600,275,547	572,879,485	559,762,912	514,633,435	498,746,721	485,186,641	465,363,578
Total pension liability - ending (a)	\$ 627,340,114	\$ 600,275,547	\$ 572,879,485	\$ 559,762,912	\$ 514,633,435	\$ 498,746,721	\$ 485,186,641
Plan fiduciary net position							
Contributions - employer	\$ 19,550,772	\$ 17,028,204	\$ 14,645,310	\$ 12,953,316	\$ 12,005,953	\$ 11,069,715	\$ 10,233,261
Contributions - employee	3,768,630	3,771,163	3,301,006	3,071,764	3,102,315	2,985,876	3,886,260
Net investment income	21,425,891	26,617,901	32,473,529	40,217,653	1,838,268 ¹	8,111,497 ¹	55,532,305
Net Plan to plan resource movement	(490,122)	(190,585)	(948)	-	-	(24,442,299)	(23,105,970)
Administrative expenses	(597,450)	(290,335)	(602,275)	(527,504)	(223,131)	(3,277)	-
Benefit payments, including refunds of employee contributions	(32,358,959)	(29,909,070)	(28,327,114)	(26,496,952)	(25,561,016)	(24,442,299)	-
Other Miscellaneous Income	-	948	(1,143,731)	-	-	-	-
Net change in plan fiduciary net position	11,298,762	17,028,226	20,345,777	29,218,277	(8,837,611)	(2,690,570)	46,545,856
Plan fiduciary net position - beginning	423,875,182	406,846,956	386,501,179	357,282,902	366,120,513	368,811,083	322,265,227
Plan fiduciary net position - ending (b)	\$ 435,173,944	\$ 423,875,182	\$ 406,846,956	\$ 386,501,179	\$ 357,282,902	\$ 366,120,513	\$ 368,811,083
Net pension liability - ending (a)-(b)	\$ 192,166,170	\$ 176,400,365	\$ 166,032,529	\$ 173,261,733	\$ 157,350,533	\$ 132,626,208	\$ 116,375,558
Plan fiduciary net position as a percentage of the total pension liability	69.37%	70.61%	71.02%	69.05%	69.42%	73.41%	76.01%
Covered payroll	\$ 38,294,824	\$ 40,179,396	\$ 35,748,705	\$ 33,459,472	\$ 33,374,871	\$ 31,991,681	\$ 31,130,546
Net pension liability as percentage of covered payroll	501.81%	439.03%	464.44%	484.67%	471.46%	414.56%	373.83%

¹ Net of administrative expenses (2013-14, 2014-15 and 2015-16 measurement period)

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available. Fiscal year 2015 was the 1st year of implementation.

Notes to Schedule:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes)

Changes in assumptions. GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense, but without reduction for pension plan administrative expense. In 2016, 2018, 2019, and 2020, there were no changes. In 2017, the accounting discount rate reduced from 7.65% to 7.15%. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense). In 2014, amounts were based on the 7.5% discount rate. All other assumptions for the June 30, 2014 measurement were the same as those used for June 30, 2015 and 2016 measurement dates.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Schedule of Plan Contributions
Safety Plan
Last Ten Fiscal Years*

Fiscal Year	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contribution	\$ 19,925,181	\$ 19,569,200	\$ 17,029,494	\$ 14,622,530	\$ 12,953,316	\$ 12,025,321	\$ 11,045,487	\$ 10,233,261
Contributions in Relation to the Actuarially Determined Contribution	(19,925,181)	(19,569,200)	(17,029,494)	(14,622,530)	(12,953,316)	(12,025,321)	(11,045,487)	(10,233,261)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 37,008,394	\$ 38,294,824	\$ 40,179,396	\$ 35,748,705	\$ 33,459,472	\$ 33,374,871	\$ 31,991,681	\$ 31,130,546
Contributions as a Percentage of Covered Payroll	53.84%	51.10%	42.38%	40.90%	38.71%	36.03%	34.53%	32.87%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2016-17 were from the June 30, 2014 funding valuation report.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For details, see the June 30, 2016 Funding Valuation Report
Asset Valuation Method	Market Value of Assets. For details, see June 30, 2016 Funding Valuation Report
Inflation	2.75% for 2015 to 2019, 2.625% for 2020, and 2.50% for 2021
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.50% for 2015 to 2018, 7.375% for 2019, 7.25% for 2020, and 7.00% for 2021, net of pension plan investment expense, including inflation
Retirement	The Probabilities of Retirement are based on the CalPERS Experience Study
Mortality	The probabilities of mortality are based on the CalPERS Experience Study. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale AA published by the Society of Actuaries for 2015 to 2018. For 2019, 2020, and 2021 pre-retirement and post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Schedule of Plan's Proportionate Share of Net Pension Liability
Miscellaneous Plan
Last Ten Fiscal Years*

Measurement date	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Plan's Proportion of Net Pension Liability/(Asset)	0.05388%	0.06461%	0.03589%	0.13536%	0.19375%	0.17055%	0.16073%
Plan's Proportionate Share of the Net Pension Liability/(Asset)	\$ 17,004,291	\$ 16,119,499	\$ 15,206,279	\$ 15,763,512	\$ 13,974,941	\$ 11,706,728	\$ 10,001,620
Plan's Employee Payroll	\$ 10,026,746	\$ 8,982,169	\$ 7,943,617	\$ 7,204,932	\$ 6,608,223	\$ 5,625,208	\$ 5,636,188
Plan's Proportionate Share of the Net Pension Liability/(Asset) as a Percentage of is Covered-Employee Payroll	169.59%	179.46%	191.43%	218.79%	211.48%	208.11%	177.45%
Plan's Fiduciary Net Position	\$ 45,295,034	\$ 42,994,528	\$ 55,526,288	\$ 53,602,579	\$ 33,236,861	\$ 35,829,637	\$ 31,156,173
Pool's Fiduciary Net Position as a Percentage of the Pool's Pension Liability	77.71%	77.73%	77.69%	75.39%	75.87%	78.40%	79.82%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	72.71%	77.73%	77.69%	75.39%	70.40%	72.64%	75.70%
Plan's Proportionate Share of Aggregate Employer Contributions ^{1,2}	\$ 2,023,766	\$ 1,781,522	\$ 1,535,832	\$ 1,431,693	\$ 1,237,715	\$ 1,075,210	\$ 842,514

¹ The plan's proportionate share of aggregate contributions may not match the actual contributions made by the employer during the measurement period. The plan's proportionate share of aggregate contributions is based on the plan's proportion of fiduciary net position shown on line 5 of the table above as well as any additional side fund (or unfunded liability) contributions made by the employer during the measurement period.

² This data is not required to be displayed by GASB 68 for employers participating in cost-sharing plans, but is being shown here because it is used in the calculation of the Plan's pension expense.

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Schedule of Plan Contributions
Miscellaneous Plan
Last Ten Fiscal Years*

Fiscal Year	2020-21	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Contractually Required Contributions (Actuarially Determined) (CRC) ¹	\$ 2,674,991	\$ 1,819,312	\$ 2,084,231	\$ 1,825,744	\$ 1,721,366	\$ 1,551,007	\$ 1,363,021	\$ 1,275,051
Contributions in Relation to the CRC ¹	(2,674,991)	(1,819,312)	(2,084,231)	(1,825,744)	(1,721,366)	(1,551,007)	(1,363,021)	(1,275,051)
Contribution Deficiency (Excess)	-	-	-	-	-	-	-	-
Covered Payroll	\$ 11,583,903	\$ 10,026,746	\$ 8,982,169	\$ 7,943,617	\$ 7,204,932	\$ 6,608,223	\$ 5,625,208	\$ 5,636,188
Contributions as a Percentage of Covered Employee Payroll	23.09%	18.14%	23.20%	22.98%	23.89%	23.47%	24.23%	22.62%

¹ Employers are assumed to make contributions equal to the contractually required contributions (actuarially determined). However, some employers may choose to make additional contributions towards their unfunded liability. Such employer contributions would create a contribution excess in relation to the contractually required contributions

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District will present information for those years for which information is available.

Notes to Schedule:

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2016 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Change in Assumptions: In 2017, the discount rate was changed from 7.5 percent (net of administrative expense) to 7.15 percent to correct for an adjustment to exclude administrative expense.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Schedule of Changes in the Net OPEB Liability and Related Ratios

Last Ten Fiscal Years*

Measurement Date	6/30/2020	6/30/2019	6/30/18	6/30/17
Total OPEB Liability				
Service Cost	\$ 1,339,800	\$ 1,213,000	\$ 1,200,500	\$ 1,200,500
Interest	3,999,900	3,789,100	3,618,400	3,541,200
Effect of Change in Actuarial Assumptions/Methods	-	(2,869,100)	-	-
Other liability experience Loss/(Gain)	(107,500)	1,697,900	1,224,500	-
Benefit Payments	(3,338,100)	(3,148,500)	(4,242,400)	-
Other liability experience Loss/(Gain)	-	-	-	(3,138,400)
Net change in total OPEB liability	1,894,100	682,400	1,801,000	1,603,300
Total OPEB liability - beginning	53,680,900	52,998,500	51,197,500	49,594,200
Total OPEB liability - ending (a)	\$ 55,575,000	\$ 53,680,900	\$ 52,998,500	\$ 51,197,500
Plan fiduciary net position				
Contributions - Direct Benefit Payments	\$ 2,516,200	\$ 2,395,500	\$ 3,507,100	\$ 2,881,600
Contributions - Adjustment for Implicit Subsidy	821,900	753,000	735,300	256,800
Retiree Contributions to Irrevocable Trust -CERBT	3,727,500	3,405,200	3,089,100	2,815,000
Net investment income	1,198,679	1,749,362	1,816,154	1,904,744
Administrative expense	(16,879)	(14,062)	(12,154)	(9,444)
Benefit payments	(3,338,100)	(3,148,500)	(4,242,400)	(3,138,400)
Net change in plan fiduciary net position	4,909,300	5,140,500	4,893,100	4,710,300
Plan fiduciary net position - beginning	30,751,100	25,610,600	20,717,500	16,007,200
Plan fiduciary net position - ending (b)	\$ 35,660,400	\$ 30,751,100	\$ 25,610,600	\$ 20,717,500
Net OPEB liability - ending (a)-(b)	\$ 19,914,600	\$ 22,929,800	\$ 27,387,900	\$ 30,480,000
Plan fiduciary net position as a percentage of the total OPEB liability	64.17%	57.28%	48.32%	40.47%
Covered payroll	\$ 48,321,570	\$ 47,281,531	\$ 43,683,325	\$ 40,282,400
Net OPEB liability as a percentage of covered payroll	41.21%	48.50%	62.70%	75.67%

* Fiscal year 2018 was the first year of implementation.

SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Schedule of OPEB Contributions
Last Ten Fiscal Years*

Fiscal Year Ended June 30,	2021	2020	2019	2018
Actuarially determined contribution	\$ 3,526,500	\$ 3,727,463	\$ 3,405,194	\$ 3,087,955
Contributions in relation to the actuarially determined contribution	3,526,500	3,727,463	3,405,194	3,087,955
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 48,592,497	\$ 48,321,570	\$ 47,281,531	\$ 43,683,325
Contributions as a percentage of covered payroll	7.26%	7.71%	7.20%	7.07%

Notes to Schedule

Valuation date: 6/30/2019

Methods and assumptions used to determine contribution rates:

Valuation Date 6/30/2019

Actuarial Assumptions:

Asset valuation method	Market Value of Assets
Discount Rate	7.59%
Inflation	2.75%
Payroll Growth	2.75%
Initial Healthcare Trend Rate	5.75%
Ultimate Healthcare cost trend rate	4.00%

* Fiscal year 2018 was the first year of implementation.

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(Statistical Section)

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SANTA CLARA COUNTY CENTRAL FIRE PROTECTION DISTRICT
(A Component Unit of the County of Santa Clara)
Statistical Section

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the accompanying financial statements and notes to the basic financial statements says about the District's overall financial health.

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate revenues.

Debt Capacity

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other agencies.

Operating Information

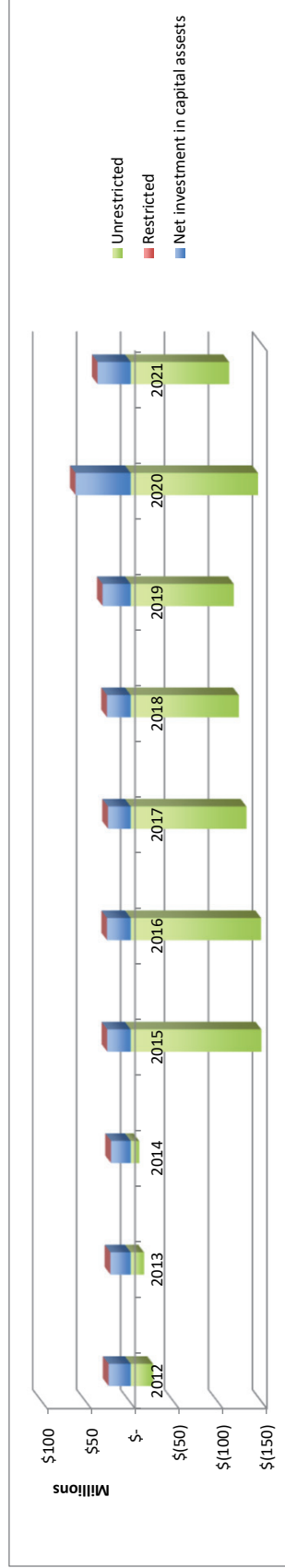
These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

Sources:

Unless otherwise noted, the information in these schedules is derived from the audit reports for the relevant year.

Santa Clara County Central Fire Protection District **(A Component Unit of the County of Santa Clara)**

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



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Government Activities:										
Net investment in capital assets	\$ 25,084	\$ 23,043	\$ 22,377	\$ 26,665	\$ 26,908	\$ 25,794	\$ 26,954	\$ 31,906	\$ 62,717	\$ 37,703
Restricted	(25,314)	(15,073)	(9,476)	(148,539)	(148,220)	(131,610)	(122,845)	(117,263)	(144,793)	-
Unrestricted	\$ (230)	\$ 7,970	\$ 12,901	\$ (121,874)	\$ (121,312)	\$ (105,816)	\$ (95,891)	\$ (85,356)	\$ (82,076)	\$ (111,857)
Total governmental activities net position										

Amounts are reported in thousands

Source: Santa Clara County Central Fire Protection District Financial Statements

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
EXPENSES										
Governmental Activities:										
Public Safety	\$ 85,873	\$ 85,928	\$ 85,989	\$ 87,742	\$ 99,740	\$ 103,228	\$ 125,255	\$ 119,413	\$ 130,871	\$ 133,806
Interest on Long-Term Debt	47	7	-	-	-	-	-	-	-	769
Loss on Disposal of Capital Assets	-	-	363	-	-	-	-	-	-	-
Total Governmental Activities	85,920	85,935	86,352	87,742	99,740	103,228	125,255	119,413	130,871	134,575
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services*	30,926	30,231	26,637	27,525	28,780	30,273	30,520	33,739	34,534	35,834
Operating Grants & Contributions	-	1,273	3,873	3,977	5,268	5,048	5,692	6,099	6,331	8,166
Total Program Revenues	30,926	31,504	30,510	31,502	34,048	35,321	36,212	39,838	40,866	44,000
Net revenues (expenses)	<u>\$ (54,994)</u>	<u>\$ (54,431)</u>	<u>\$ (55,842)</u>	<u>\$ (56,240)</u>	<u>\$ (65,692)</u>	<u>\$ (67,907)</u>	<u>\$ (89,043)</u>	<u>\$ (79,575)</u>	<u>\$ (90,005)</u>	<u>\$ (90,576)</u>
GENERAL REVENUES										
Governmental Activities:										
Property Taxes	\$ 50,140	\$ 55,282	\$ 59,107	\$ 64,271	\$ 69,872	\$ 76,131	\$ 80,746	\$ 88,052	\$ 90,765	\$ 95,366
Use of money & property	149	403	154	195	328	490	688	1,020	1,034	635
Gain on sale of capital assets	22	1,933	-	-	-	-	-	-	-	769
Miscellaneous	884	1,032	1,382	1,169	1,311	1,206	1,036	1,038	1,486	1,726
Total General Revenues	51,195	58,650	60,643	65,635	71,511	77,827	82,470	90,110	93,286	98,497
Change in net position	<u>\$ (3,799)</u>	<u>\$ 4,219</u>	<u>\$ 4,801</u>	<u>\$ 9,395</u>	<u>\$ 5,819</u>	<u>\$ 9,920</u>	<u>\$ (6,573)</u>	<u>\$ 10,535</u>	<u>\$ 3,280</u>	<u>\$ 7,921</u>
CHANGES IN NET POSITION										
Governmental Activities:										
Changes in net position	\$ (3,799)	\$ 4,219	\$ 4,801	\$ 9,395	\$ 5,819	\$ 9,920	\$ (6,573)	\$ 10,535	\$ 3,280	\$ 7,921
Net Position, Beginning	3,569	(230)	7,970	12,771	(121,555)	(115,736)	(105,816)	(95,891)	(85,356)	(82,075)
Prior period adjustment	-	3,981	-	(143,721)	-	-	16,498	-	-	-
Net Position, Beginning, as restated	3,569	3,751	7,970	(130,950)	(121,555)	(115,736)	(89,318)	(95,891)	(85,356)	(82,075)
Net Position, Ending,	<u>\$ (230)</u>	<u>\$ 7,970</u>	<u>\$ 12,771</u>	<u>\$ (121,555)</u>	<u>\$ (115,736)</u>	<u>\$ (105,816)</u>	<u>\$ (95,891)</u>	<u>\$ (85,356)</u>	<u>\$ (82,075)</u>	<u>\$ (74,154)</u>

Amounts are reported in thousands

* - Revenue from Intergovernmental Revenues was previously reported under General Revenues. All prior year activity has been reclassified to Program Revenues - Charges for Services.

Source: Santa Clara County Central Fire Protection District Financial Statements

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Unaudited

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL FUND										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,440	\$ -	\$ -
Committed	6	-	12,500	12,500	24,500	24,500	24,500	24,500	24,500	41,500
Assigned	-	-	-	-	-	-	-	-	-	14,212
Unassigned	11,410	25,607	21,060	27,393	20,835	32,387	37,942	42,604	50,663	29,415
Total General Fund	\$ 11,416	\$ 25,607	\$ 33,560	\$ 39,893	\$ 45,335	\$ 56,887	\$ 62,442	\$ 68,544	\$ 75,163	\$ 85,127

Amounts are reported in thousands

Source: Santa Clara County Central Fire Protection District Financial Statements

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Changes in Fund Balances of Governmental Funds

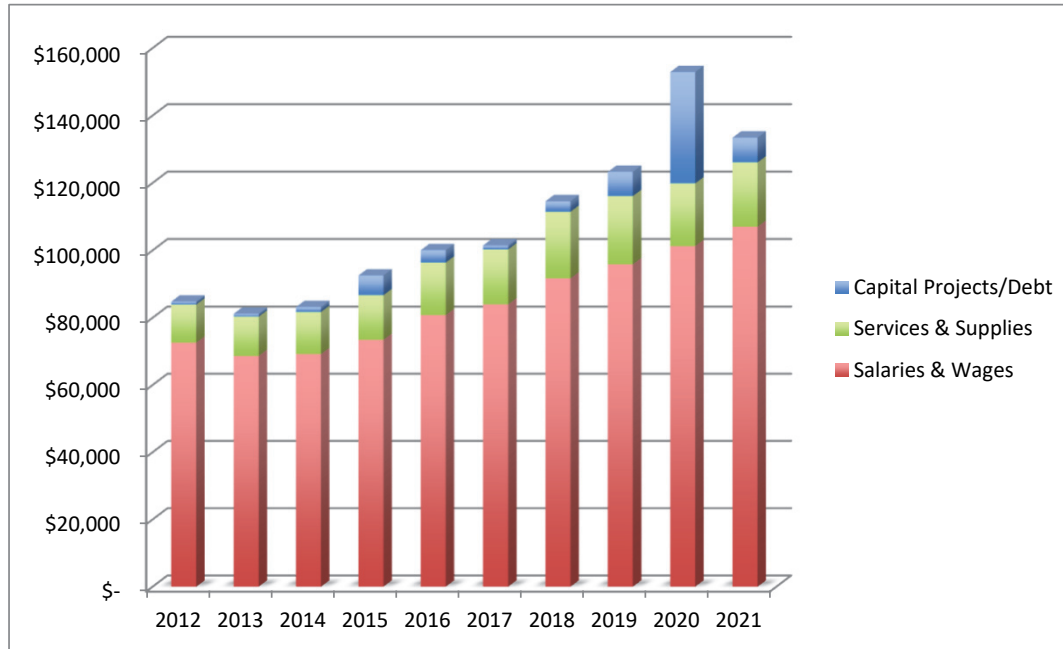
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Unaudited

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
REVENUES										
Property taxes and assessments	\$ 50,140	\$ 59,463	\$ 59,107	\$ 64,271	\$ 69,872	\$ 76,131	\$ 80,746	\$ 88,052	\$ 90,765	\$ 95,366
Licenses and permits	529	509	581	703	757	982	1,463	944	617	573
Intergovernmental revenues	1,313	3,795	3,873	3,977	5,269	5,048	5,692	6,099	6,331	8,166
Use of money and property	149	424	195	227	332	491	688	1,020	1,034	635
Charges for services	29,084	27,200	26,056	26,821	28,022	29,107	30,470	32,079	33,890	35,664
Other revenue	884	949	1,286	1,062	1,227	1,206	1,036	1,038	1,486	1,726
Total Revenues	82,099	92,340	91,098	97,061	105,479	112,965	120,095	129,232	134,124	142,130
EXPENDITURES										
Current: Public Safety										
Salaries and benefits	72,619	68,655	69,220	73,425	80,799	83,987	91,709	95,882	101,279	107,039
Services and supplies	6,003	6,065	6,621	6,856	8,069	9,002	11,824	11,399	9,723	9,962
City provided services	4,609	4,892	5,098	5,719	6,139	6,490	7,022	7,867	7,975	8,162
Other charges	705	722	803	697	1,381	807	910	958	886	918
Capital outlay	334	405	987	5,500	3,329	844	3,111	7,180	33,024	5,916
Debt service - principal	417	366	390	290	305	320	-	-	-	670
Debt service - interest	118	76	58	43	29	14	-	-	-	769
Total Expenditures	84,805	81,181	83,177	92,530	100,051	101,464	114,576	123,286	152,888	133,435
Excess (Deficiency) of Revenues Over Expenditures	(2,706)	11,159	7,921	4,531	5,428	11,501	5,519	5,947	(18,763)	8,696
OTHER FINANCING SOURCES (USES)										
Proceeds from the sale of capital assets	33	3,032	31	18	15	50	36	155	161	769
Proceeds from lease financing	-	-	-	-	-	-	-	-	-	-
Bond Proceeds (Note 6)	-	-	-	-	-	-	-	-	25,222	499
Transfer Out (Note 6A)	-	-	-	-	-	-	-	-	31,000	8,933
Transfer In (Note 6A)	-	-	-	-	-	-	-	-	(31,000)	(8,933)
Total other financing sources (uses)	33	3,032	31	18	15	50	36	155	25,383	1,269
Net Change in Fund Balances	\$ (2,673)	\$ 14,191	\$ 7,952	\$ 4,549	\$ 5,443	\$ 11,551	\$ 5,555	\$ 6,102	\$ 6,620	\$ 9,965
Debt service as a percentage of noncapital expenditures	0.63%	0.55%	0.54%	0.36%	0.33%	0.33%	n/a	n/a	n/a	1.09%

Amounts are reported in thousands

Source: Santa Clara County Central Fire Protection District Financial Statements

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
General Expenditures by Function
All Governmental Fund Types
Last Ten Fiscal Years
Unaudited

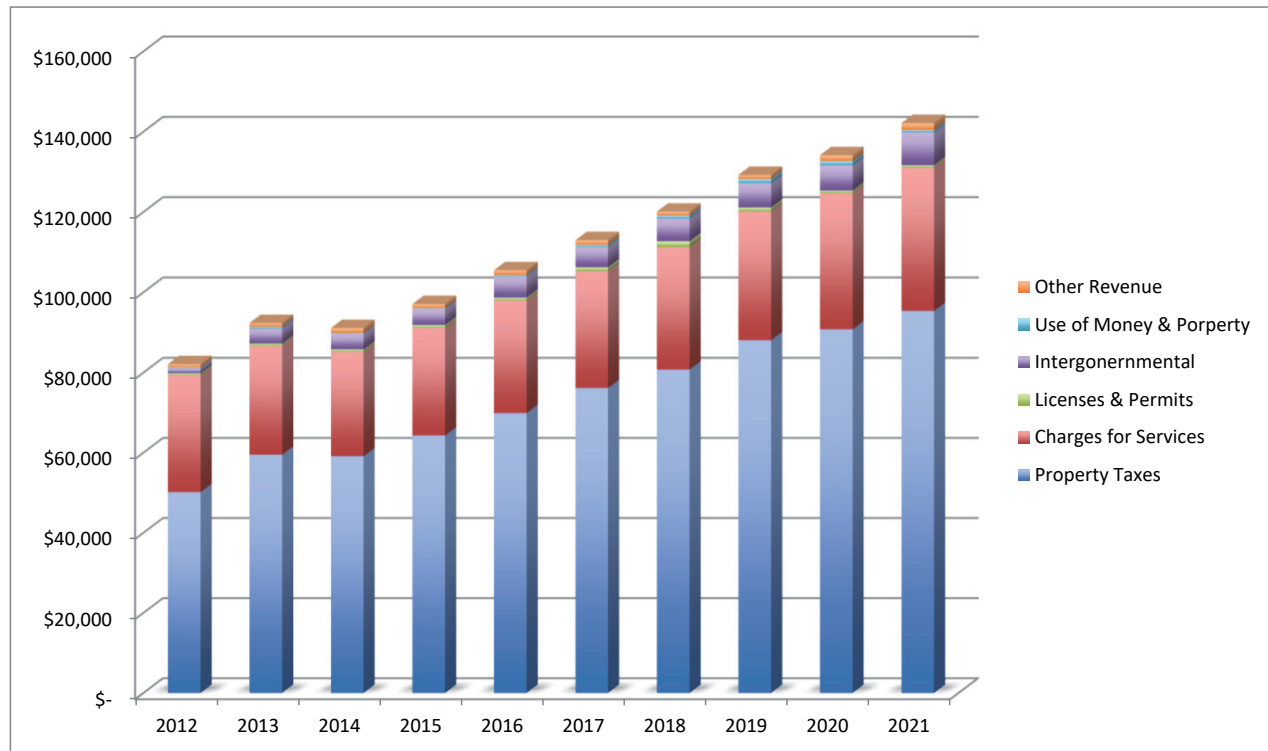


Fiscal Year	Salaries & Benefits	Services & Supplies	Capital Projects/ Equipment/ Debt Service	Total
2012	\$ 72,619	\$ 11,316	\$ 870	\$ 84,805
2013	68,655	11,679	847	81,181
2014	69,220	12,521	1,436	83,177
2015	73,425	13,272	5,833	92,530
2016	80,799	15,589	3,663	100,051
2017	83,987	16,299	1,178	101,464
2018	91,709	19,756	3,111	114,576
2019	95,882	20,224	7,180	123,286
2020	101,279	18,585	33,024	152,888
2021	107,039	19,041	7,355	133,435

Amounts are reported in thousands

Source: Santa Clara County Central Fire Protection District Financial Statements

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
General Revenues by Source
All Governmental Fund Types
Last Ten Fiscal Years
(Unaudited)



Fiscal Year	Property Taxes	Charges for Services	Licenses & Permits	Intergovernmental Revenues	Use of Money & Property	Other Revenue	Total
2012	\$ 50,140	\$ 29,084	\$ 529	\$ 1,313	\$ 149	\$ 884	\$ 82,099
2013	59,463	27,200	509	3,795	424	949	92,340
2014	59,107	26,056	581	3,873	196	1,285	91,098
2015	64,271	26,821	703	3,977	227	1,062	97,061
2016	69,872	28,022	757	5,269	332	1,227	105,479
2017	76,131	29,107	982	5,048	491	1,206	112,965
2018	80,746	30,470	1,463	5,692	688	1,036	120,095
2019	88,052	32,079	944	6,099	1,020	1,038	129,232
2020	90,765	33,890	617	6,331	1,034	1,486	134,124
2021	95,366	35,664	573	8,166	635	1,726	142,130

Amounts are reported in thousands

Source: Santa Clara County Central Fire Protection District Financial Statements

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Assessed Valuations and Tax Rates
Last Ten Fiscal Years
(Unaudited)

Assessed Valuations

	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total</u>
2011-12	\$ 30,835,886,894	\$ 2,318,920	\$ 773,485,166	\$ 31,611,690,980
2012-13	32,210,410,240	2,318,920	987,111,882	33,199,841,042
2013-14	35,288,937,150	2,318,920	1,078,312,455	36,369,568,525
2014-15	37,132,414,243	1,017,480	1,234,014,513	38,367,446,236
2015-16	40,708,610,847	1,017,480	1,338,363,300	42,047,991,627
2016-17	44,212,349,147	1,017,480	1,488,762,607	45,702,129,234
2017-18	47,460,817,325	1,017,480	1,484,502,083	48,946,336,888
2018-19	50,490,172,637	1,641,680	2,181,442,713	52,673,257,030
2019-20	52,931,817,744	1,641,680	2,022,906,299	54,956,365,723
2020-21	55,347,767,342	1,641,680	2,814,891,738	58,164,300,760

Typical Tax Rates per \$100 of Assessed Valuation (TRA 13-003 – 2020-21 Assessed Valuation: \$12,306,784,924)

	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>
County-wide	1.0000	1.0000	1.0000	1.0000	1.0000
County Retirement Levy	0.0388	0.0388	0.0388	0.0388	0.0388
County Library Retirement	0.0024	0.0024	0.0024	0.0024	0.0024
County Hospital Bond	0.0047	0.0051	0.0035	0.0091	0.0088
County Housing Bond	-	-	-	-	-
Cupertino Elementary School District Bond	0.0290	0.0598	0.0525	0.0540	0.0519
Fremont High School District Bond	0.0415	0.0390	0.0405	0.0396	0.0525
Foothill-De Anza Community College District Bond	0.0297	0.0287	0.0290	0.0276	0.0240
Midpeninsula Open Space District	-	-	-	-	0.0008
Total All Property Tax Rate	1.1461	1.1738	1.1667	1.1715	1.1792
Santa Clara Valley Water District State Water Project	0.0063	0.0069	0.0070	0.0065	0.0057
Santa Clara Valley Water District, Zone W-1 Bond	0.0001	-	-	-	-
Total Land and Improvement Tax Rate	0.0064	0.0069	0.0070	0.0065	0.0057
	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
County-wide	1.0000	1.0000	1.0000	1.0000	1.0000
County Retirement Levy	0.0388	0.0388	0.0388	0.0388	0.0388
County Library Retirement	0.0024	0.0024	0.0024	0.0024	0.0024
County Hospital Bond	0.0086	0.0082	0.0072	0.0069	0.0069
County Housing Bond	-	0.0127	0.0105	0.0100	-
Cupertino Elementary School District Bond	0.0509	0.0496	0.0397	0.0415	0.0403
Fremont High School District Bond	0.0403	0.0464	0.0430	0.0479	0.0478
Foothill-De Anza Community College District Bond	0.0234	0.0220	0.0217	0.0208	0.0364
Midpeninsula Open Space District	0.0006	0.0009	0.0018	0.0016	0.0015
Total All Property Tax Rate	1.1650	1.1810	1.1651	1.1699	1.1741
Santa Clara Valley Water District State Water Project	0.0086	0.0062	0.0042	0.0041	0.0037
Santa Clara Valley Water District, Zone W-1 Bond	-	-	-	-	-
Total Land and Improvement Tax Rate	0.0086	0.0062	0.0042	0.0041	0.0037

Source: California Municiple Statistics

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Largest Local Secure Taxpayers
Last Ten Fiscal Years
(Unaudited)

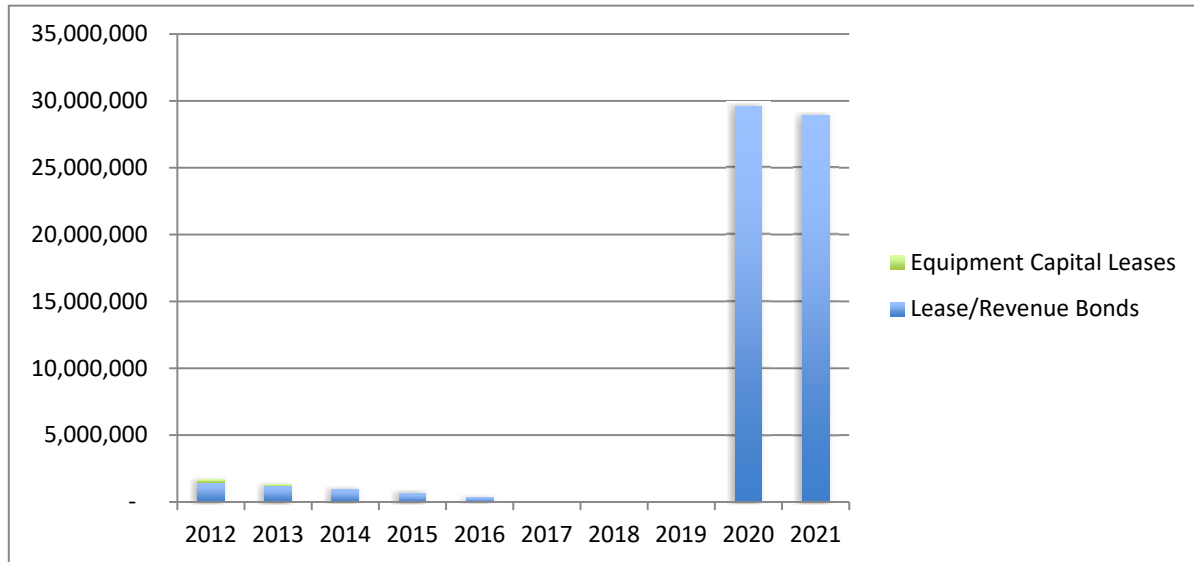
Largest 2020-21 Local Secured Taxpayers

<u>Property Owner</u>	<u>Primary Land Use</u>	2020-21 <u>Assessed Valuation</u>	% of <u>Total (1)</u>
1 Campus Holdings Inc.	Office Building	\$ 3,652,033,212	6.60%
2 Apple Computer Inc.	Office Building	1,267,656,614	2.29
3 Vallco Property Owner LLC	Shopping Center	311,083,000	0.56
4 Main Street Cupertino	Office Building	222,792,294	0.4
5 Heidelberg Cement Inc.	Industrial	217,694,920	0.39
6 Serramonte Corporate Center LLC	Office Building	208,958,729	0.38
7 BVK Perimeter Square Retail LLC	Office Building	184,947,832	0.33
8 Cupertino Property Development I LLC	Apartment Homes & Retail	157,239,443	0.28
9 SI 32 LLC	Apartments	155,181,793	0.28
10 Mission West Properties LP II	Office Building	143,225,274	0.26
11 PR Cupertino Gateway LLC	Office Building	133,326,728	0.24
12 San Jose Water Works	Water Company	127,897,904	0.23
13 Cupertino City Center LLC	Office Building	122,216,777	0.22
14 Wealthcap Los Gatos 121	Office Building	118,093,347	0.21
15 Planetary Ventures LLC	Industrial	112,201,693	0.2
16 Markham Apartments LP	Apartments	106,337,637	0.19
17 Cupertino City Center Building	Office Building	100,585,558	0.18
18 Cupertino Hotel Owner LLC	Hotel	99,134,506	0.18
19 Preylock Los Gatos LLC	Office Building	95,880,000	0.17
20 Cupertino Village LP	Shopping Center	<u>89,764,736</u>	<u>0.16</u>
		\$ 7,626,251,997	13.78%

(1) 2020-21 Local Secured Assessed Valuation: \$55,347,767,342

Source: California Municipal Statistics

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)



Fiscal Year	Lease/ Revenue Bonds	Equipment Capital Leases	Total Outstanding Debt	Debt Per Capita*
2012	1,465,000	206,585	1,671,585	6.258790
2013	1,200,000	105,300	1,305,300	4.368605
2014	915,000	-	915,000	3.024473
2015	625,000	-	625,000	2.362199
2016	320,000	-	320,000	1.210420
2017	-	-	-	0.000000
2018	-	-	-	0.000000
2019	-	-	-	0.000000
2020	29,585,000	-	29,585,000	107.396705
2021	28,915,000	-	28,915,000	112.133187

* - Calculation included population data from both the Fire District and its contract agencies.

Source: Santa Clara County Central Fire Protection District and State of California Department of Finance (population)

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Direct and Overlapping Debt
Last Ten Fiscal Years
(Unaudited)

2020-21 Assessed Valuation: \$58,164,300,760

	Total Debt		District's Share of
	6/30/2021	% Applicable (1)	Debt 6/30/21
OVERLAPPING TAX AND ASSESSMENT DEBT:			
Santa Clara County	\$ 812,685,000	10.56%	\$ 85,795,155
Foothill-De Anza Community College District	707,932,142	14.122	99,974,177
West Valley-Mission Community College District	589,080,000	19.438	114,505,370
Santa Clara Unified School District	1,001,785,000	5.153	51,621,981
Campbell Union High School District	357,945,000	13.852	49,582,541
Fremont Union High School District	617,160,088	31.33	193,356,256
Los Gatos Joint Union High School District	86,585,000	66.69	57,743,537
Mountain View-Los Altos Union High School District	207,011,101	0.213	440,934
Cambrian School District	62,324,944	0.437	272,360
Campbell Union School District	211,274,895	14.868	31,412,351
Cupertino Union School District	284,223,303	57.183	162,527,411
Lakeside Joint School District	143,056	29.561	42,289
Loma Prieta Joint Union School District	5,334,840	18.329	977,823
Los Gatos Union School District	72,185,000	98.152	70,851,021
Moreland School District	127,582,251	12.771	16,293,529
Mountain View School District	4,530,000	0.63	28,539
Mountain View-Whisman School District	279,115,000	0.394	1,099,713
Saratoga Union School District	19,249,458	38.909	7,489,772
Union School District	109,815,349	21.917	24,068,230
City of Saratoga	7,530,000	53.003	3,991,126
El Camino Hospital District	116,290,000	1.021	1,187,321
Midpeninsula Regional Open Space District	86,400,000	16.726	14,451,264
City of Saratoga Community Facilities District No. 2016-1	2,376,875	100	2,376,875
Santa Clara Valley Water Benefit Assessment District	57,010,000	10.557	6,018,546
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 996,108,121
DIRECT AND OVERLAPPING GENERAL FUND DEBT:			
Santa Clara County General Fund Obligations	\$ 914,957,860	10.56%	\$ 96,592,101
Santa Clara County Pension Obligation Bonds	341,399,194	10.557	36,041,513
Santa Clara County Board of Education Certificates of Participation	2,670,000	10.557	281,872
Foothill-De Anza Community College District Certificates of Participation	22,085,000	14.122	3,118,844
West Valley Mission Community College District General Fund Obligations	49,850,000	19.438	9,689,843
Santa Clara Unified School District Certificates of Participation	13,455,000	5.153	693,336
Campbell Union High School District General Fund Obligations	20,000,000	13.852	2,770,400
Los Gatos-Saratoga Joint Union High School District General Fund Obligations	1,709,000	66.69	1,139,732
Mountain View-Los Altos Union High School District General Fund Obligations	2,489,970	0.213	5,304
Campbell Union School District General Fund Obligations	2,180,000	14.868	324,122
Saratoga Union School District Certificates of Participation	2,750,000	38.909	1,069,998
Loma Prieta Joint Union School District General Fund Obligations	225,000	18.329	41,240
City of Cupertino Certificates of Participation	19,900,000	100	19,900,000
Santa Clara County Vector Control Certificates of Participation	1,765,000	10.557	186,331
Midpeninsula Regional Open Space District General Fund Obligations	106,000,600	16.726	17,729,660
Santa Clara County Central Fire Protection District	-	100	-
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 189,584,296
Less: Santa Clara County supported obligations			2,668,524
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 186,915,772
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	\$ 14,085,000	100.00%	\$ 14,085,000
TOTAL DIRECT DEBT			\$ 28,915,000
TOTAL GROSS OVERLAPPING DEBT			\$ 1,199,777,417
TOTAL NET OVERLAPPING DEBT			\$ 1,197,108,893
GROSS COMBINED TOTAL DEBT			\$ 1,228,692,417 (2)
NET COMBINED TOTAL DEBT			\$ 1,226,023,893

- (1) The percentage of overlapping debt applicable to the fire protection district is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the fire protection district divided by the overlapping district's total taxable assessed value.
- (2) Excludes tax revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratio to 2020-21 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.71%
Total Direct Debt	0.05%
Gross Combined Total Debt	2.11%
Net Combined Total Debt	2.11%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$1,560,073,787):

Total Overlapping Tax Increment Debt	0.90%
--------------------------------------	-------

Source: California Municipal Statistics

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Computation of Legal Bonded Debt Margin
June 30, 2021
(Unaudited)

ASSESSED VALUATION		
Secured Property assessed value, net of exempt real property	<u>\$58,164,300,760</u>	
BONDED DEBT LIMIT (3.75% OF ASSESSED VALUE) (a)		<u>\$2,181,161,279</u>
AMOUNT OF DEBT SUBJECT TO LIMIT:		
Total Bonded Debt	\$28,915,000	
Less Lease Revenue Bonds and Equipment Leases not subject to limit	<u>28,915,000</u>	
Amount of debt subject to limit		0
LEGAL BONDED DEBT MARGIN		<u><u>\$2,181,161,279</u></u>

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2012	1,156,345,759	0	1,156,345,759	0.00%
2013	1,207,890,384	0	1,207,890,384	0.00%
2014	1,323,335,143	0	1,323,335,143	0.00%
2015	1,392,465,534	0	1,392,465,534	0.00%
2016	1,526,572,907	0	1,526,572,907	0.00%
2017	1,657,963,093	0	1,657,963,093	0.00%
2018	1,779,780,650	0	1,779,780,650	0.00%
2019	1,893,381,474	0	1,893,381,474	0.00%
2020	2,060,863,715	0	2,060,863,715	0.00%
2021	2,181,161,279	0	2,181,161,279	0.00%

NOTE:

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

Source: California Municipal Statistics

Santa Clara County Central Fire Protection District

(A Component Unit of the County of Santa Clara)

Principal Employers

Fiscal Year 2020 & Nine Years ago

Unaudited

	Fiscal Year 2020 (Latest Available)				Fiscal Year 2011		
	Employer	City/Town	Rank	Number of Employees	Percentage of Total District Employment	Rank	Number of Employees
Apple		Cupertino	1	25,000	44.7%	1	12,000
NetFlix		Los Gatos	2	2,314	4.1%	-	800
Foothill/DeAnza Community College District		Various	3	1,212	2.2%	5	1,290
Cupertino Union School District		Cupertino	4	1,576	2.8%	4	1,490
Chargepoint. Inc.		Campbell	5	1,029	1.8%	-	-
Fremont Union High School District		Cupertino	6	937	1.7%	6	837
Safeway		Various	7	547	1.0%	-	393
Los Altos School District		Los Altos	8	624	1.1%	-	-
El Camino Hospital of Los Gatos		Los Gatos	9	560	1.0%	8	700
Courtside Tennis Club		Los Gatos	10	542	1.0%	-	200
Hewlett-Packard		Cupertino	-	-	0.0%	2	3,000
Columbia Health Care Assoc/Mission Oaks Hospital		Los Gatos	-	-	0.0%	3	2,000
Morgan Hill Unified School District		Morgan Hill	-	-	0.0%	7	753
Arc Sight Inc.		Cupertino	-	-	0.0%	9	512
Oracle		Cupertino	-	-	0.0%	10	500

Notes: List was compiled to include data from employers located in the District and contracting agencies.

The Fire District ended its service contract with the City of Morgan Hill on January 3, 2013.

Sources: Cupertino, Los Gatos, Saratoga, Campbell, Los Altos and Morgan Hill Comprehensive Annual Financial Reports

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Demographic and Economic Statistics - County of Santa Clara
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	County Population ⁽¹⁾	Total Personal Income (000's) ⁽²⁾	Per Capita Personal Income ⁽²⁾	Median Age ⁽³⁾	School Enrollment ⁽⁴⁾	Unemployment Rate ⁽⁵⁾
2011	1,797,375	111,880,131	61,833	36.4	265,543	10.2%
2012	1,813,696	122,259,021	66,535	36.6	269,858	8.8%
2013	1,842,254	130,624,491	70,151	36.7	273,701	7.6%
2014	1,868,558	141,873,705	74,883	n/a	276,175	6.1%
2015	1,889,638	158,728,715	82,756	n/a	274,948	4.6%
2016	1,927,888	n/a	n/a	n/a	n/a	4.0%
2017	1,938,180	n/a	n/a	n/a	n/a	3.5%
2018	1,956,579	n/a	n/a	n/a	n/a	2.9%
2019	1,976,645	n/a	n/a	n/a	n/a	2.6%
2020	1,945,166	n/a	n/a	n/a	n/a	10.7%

Sources:

- (1) State of California - Department of Finance
- (2) U.S. Department of Commerce - Bureau of Economic Analysis
- (3) Association of Bay Area Census (California)
- (4) Santa Clara County Office of Education
- (5) State of California - Employment Development Department

Santa Clara County Central Fire Protection District

(A Component Unit of the County of Santa Clara)

Demographic and Economic Indicators

Last Ten Fiscal Years

(Unaudited)

Fire District	Population									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Cupertino	60,162	60,649	60,994	61,521	62,199	63,297	63,715	63,767	63,132	60,381
Monte Sereno	3,402	3,416	3,439	3,471	3,540	3,617	3,648	3,637	3,584	3,479
Saratoga (CFPD)	16,800	16,898	16,943	17,009	17,109	17,319	17,376	17,345	17,159	17,581
Unincorporated	8,049	8,075	8,148	8,150	8,188	8,276	8,314	8,288	8,179	8,104
Los Gatos	29,763	30,023	30,184	30,374	30,556	31,044	31,303	31,387	31,093	33,529
Total Zone 2	118,176	119,061	119,708	120,525	121,592	123,553	124,356	124,424	123,147	123,074
Zone 1	31,008	31,167	31,334	31,489	31,699	32,122	32,275	32,284	31,969	33,245
Subtotal Fire District	149,184	150,228	151,042	152,014	153,291	155,675	156,631	156,708	155,116	156,319
Contract Agencies										
Campbell	41,087	41,377	41,704	42,136	42,532	43,260	43,590	43,873	43,677	43,959
Morgan Hill	38,633	39,137	39,876	-	-	-	-	-	-	-
Los Altos	29,321	29,518	29,747	30,010	30,447	30,935	31,219	31,241	31,026	31,625
Los Altos Hills County FD	11,599	11,653	11,682	11,720	11,835	12,004	12,045	12,024	11,911	12,229
Saratoga Fire District	13,852	14,002	14,140	14,208	14,310	14,486	14,530	14,511	14,358	13,731
Total Contract	134,492	135,687	137,149	98,074	99,124	100,685	101,384	101,649	100,972	101,544
Total Service Area	283,676	285,915	288,191	250,088	252,415	256,360	258,015	258,357	256,088	257,863

Notes: The Fire District ended its service contract with the City of Morgan Hill on January 3, 2013.

The Fire District entered into a service contract with the Saratoga Fire Protection on July 1, 2008.

Source: Population data is extracted from Esri Time Series, a geographic information system (GIS) database that estimates total population, households and housing units.
Esri Methodology Statement: https://downloads.esri.com/esri_content_doc/dbl/us/j10302_Time_Series_Methodology_2019.pdf

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Demographic and Economic Indicators for Major Cities Served by Fire District
Fiscal Years 2011 through 2020
(Unaudited)

DISTRICT CITIES

Saratoga

Year	Population	Total Personal Income (000's)	Per Capita Personal Income	Unemployment Rate	Labor Force
2011	30,195	2,211,963	73,256	5.0%	13,400
2012	30,363	2,119,463	69,804	4.4%	14,000
2013	30,706	2,179,904	70,993	4.2%	13,900
2014	30,887	2,243,458	72,634	3.4%	14,200
2015	30,799	2,248,481	73,005	2.7%	15,100
2016	30,219	2,239,926	74,123	2.9%	14,700
2017	30,569	2,374,919	77,690	2.7%	14,600
2018	31,435	2,597,561	82,633	2.8%	15,000
2019	31,407	2,681,900	85,392	2.0%	15,000
2020	31,030	2,755,859	88,813	6.5%	13,600

Los Gatos

Year	Population	Total Personal Income (000's)	Per Capita Personal Income	Median Age
2011	29,651	1,833,410	61,833	44.22
2012	29,808	1,854,892	62,228	42.64
2013	30,247	2,140,641	70,772	45.8
2014	30,532	2,274,542	74,497	45.8
2015	30,505	2,197,885	72,050	46.10
2016	31,376	2,286,087	72,861	46.30
2017	31,314	2,281,569	72,861	46.50
2018	30,601	2,290,638	74,855	46.81
2019	30,998	2,365,178	76,301	46.72
2020	31,439	2,546,748	81,006	46.83

Cupertino

Year	Population	Total Personal Income (000's)	Per Capita Personal Income	Unemployment Rate	Median Age
2011	58,302	2,586,120	45,828	7.3%	39
2012	59,022	2,818,655	47,756	6.3%	39.2
2013	59,620	2,985,829	50,081	5.4%	39.9
2014	59,946	3,090,636	51,557	4.4%	40.4
2015	59,777	3,186,772	53,311	3.1%	40
2016	58,185	3,340,132	57,405	3.4%	40.2
2017	58,917	3,486,805	59,181	3.0%	40.6
2018	60,091	3,620,255	60,246	3.3%	40.7
2019	59,879	3,821,320	63,817	2.6%	41.1
2020	59,549	4,114,967	69,102	2.4%	41.1

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Demographic and Economic Indicators for Major Cities Served by Fire District
Fiscal Years 2011 through 2020
(Unaudited)

CONTRACT CITIES

Campbell

Year	Population	Total Personal Income (000's)	Per Capita Personal Income	Unemployment Rate
2011	39,664	2,470,393	62,283	9.1%
2012	39,882	2,710,939	67,974	7.5%
2013	40,404	2,834,381	70,151	5.8%
2014	41,993	2,938,192	69,969	4.6%
2015	41,857	2,921,953	69,808	2.8%
2016	42,584	3,086,261	72,475	2.9%
2017	42,726	3,262,837	76,367	2.5%
2018	42,696	3,435,638	80,467	2.4%
2019	43,250	3,607,941	83,421	2.4%
2020	42,288	4,215,608	99,688	0.1%

Los Altos

Year	Population	Total Personal Income (000's)	Per Capita Personal Income	Unemployment Rate	Median Age
2011	28,863	2,118,948	73,414	5.7%	45
2012	29,460	2,139,032	72,608	4.9%	45.4
2013	29,792	2,221,589	74,570	3.2%	45.8
2014	29,969	2,370,608	79,102	2.6%	46.1
2015	29,884	2,481,597	83,041	3.4%	46.2
2016	31,353	2,521,001	80,407	2.7%	46.2
2017	31,402	2,718,094	86,558	2.4%	45.7
2018	31,361	2,916,887	93,010	1.6%	45.7
2019	31,190	3,004,626	96,333	2.4%	45.9
2020	30,876	3,231,143	104,649	2.3%	45.8

Los Altos Hills

Year	Population	Total Personal Income (000's)	Per Capita Personal Income	Unemployment Rate	Median Age
2010	9,042	915,964	101,301	5.7%	48
2011	8,027	933,355	116,277	4.9%	48.8
2012	8,264	867,894	105,021	3.2%	48.5
2013	8,354	843,253	100,940	2.6%	48.9
2014	8,330	930,261	111,676	3.4%	49.3
2015	8,658	1,015,063	117,239	2.7%	50.3
2016	8,634	1,028,190	119,086	2.4%	51.1
2017	8,580	1,214,396	141,538	2.2%	51.4
2018	8,559	1,211,424	141,538	2.6%	51.4
2019	8,413	1,234,482	146,735	14.9%	52.3

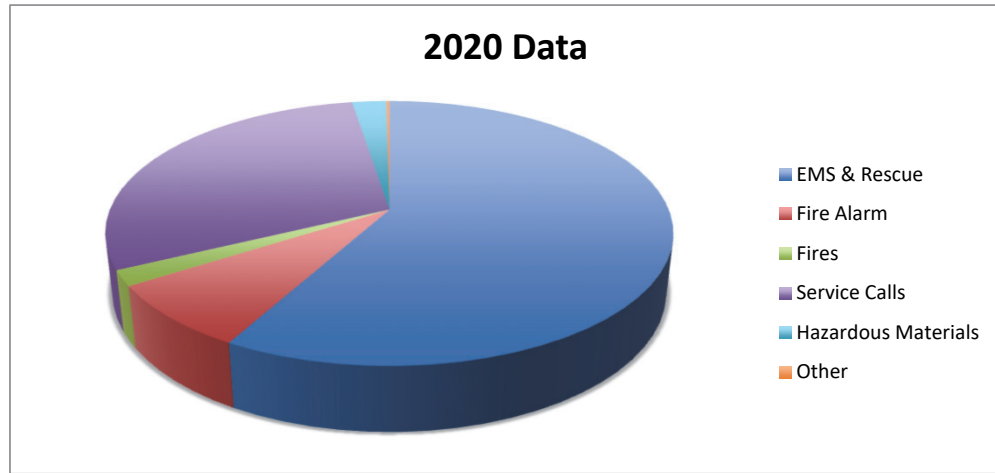
Source: Data collected from statistical section of individual City Comprehensive Annual Financial Reports

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Full-time and Part Time Employees by Function/Department
Last Ten Fiscal Years
(Unaudited)

Function/Department	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety:										
Executive Management	9.0	9.0	10.0	10.0	10.0	9.0	11.0	11.0	11.0	11.0
Operations	245.0	232.0	232.0	233.0	233.0	233.0	230.0	231.0	231.0	231.0
Fire Prevention	23.0	20.0	20.0	23.0	23.0	23.0	30.0	32.0	32.0	34.0
Training	9.0	9.0	10.0	2.0	2.0	3.0	3.0	5.0	5.0	5.0
Support Services	11.0	10.0	10.0	10.0	10.0	10.0	10.0	12.0	12.0	12.0
Emergency Mgmt.	0.0	0.0	0.0	9.5	11.0	11.0	5.0	6.0	6.0	5.0
Communications - Dispatch	0.0	0.0	0.0	0.0	0.0	0.0	2.0	1.0	1.0	1.0
Administration	15.0	16.0	16.0	22.0	23.0	28.0	28.0	23.0	23.0	23.0
	<u>312.0</u>	<u>296.0</u>	<u>298.0</u>	<u>309.5</u>	<u>312.0</u>	<u>317.0</u>	<u>319.0</u>	<u>321.0</u>	<u>321.0</u>	<u>322.0</u>

Source: Santa Clara County Central Fire Protection District

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Incidents by Type and Total
Last Ten Calendar Years
(Unaudited)



For the Year Ended December 31	EMS & Rescues	Fire Alarm	Fires	Service Calls	Hazardous Materials	Other	Total
2011	13,562	2,061	1,772	1,150	136		18,681
2012	14,195	2,100	1,827	1,209	127		19,458
2013	11,729	1,880	1,201	1,030	89		15,929
2014	10,746	1,420	618	4,062	393		17,239
2015	10,920	1,417	540	4,217	401		17,495
2016	11,040	1,521	549	4,444	403		17,957
2017	11,771	1,767	659	4,733	474		19,404
2018	11,710	1,597	649	4,469	444		18,869
2019	11,745	1,599	333	4,999	493		19,169
2020	10,095	1,373	328	5,158	401	40	17,395

Source: Santa Clara County Central Fire Protection District

Santa Clara County Central Fire Protection District
(A Component Unit of the County of Santa Clara)
Capital Asset Statistics
Last Ten Fiscal Years
(Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Number of Stations										
District Owned	8	6	6	6	6	6	6	6	6	6
Operated by Contract	9	9	9	9	9	9	9	9	9	9
Total Fire Stations	<u>17</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
Other Facilities										
Fleet Maintenance Shop	1	1	1	1	1	1	1	1	1	1
Craftworkers Maintenance Shop	1	1	1	1	1	1	1	1	1	1
Training Center	1	1	1	1	1	1	1	1	1	1
Headquarters Building	1	1	1	1	1	1	1	1	1	1
Storage Facility	1	1	1	1	1	1	1	1	1	0
Total - Other Facilities	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>4</u>
Equipment										
Engines - Type I										
Frontline	15	13	13	13	13	13	13	13	13	13
Reserve	8	6	6	6	6	6	6	7	8	8
Subtotal - Engines Type I	<u>23</u>	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>	<u>20</u>	<u>21</u>	<u>21</u>
Rescues										
Frontline	3	3	3	3	3	3	3	3	3	3
Reserve	-	-	-	-	-	-	-	-	-	-
Subtotal - Rescues	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
Trucks										
Frontline	4	3	3	3	3	3	3	3	3	3
Reserve	1	2	-	1	1	1	1	1	1	2
Subtotal - Trucks	<u>5</u>	<u>5</u>	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>5</u>
Engines - Type III/VI Engines										
Frontline	6	7	7	7	7	8	8	9	9	9
Reserve	2	1	1	1	1	0	0	1	1	1
Subtotal - Engines Type III/VI	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>10</u>	<u>10</u>	<u>10</u>
Command Vehicles										
Frontline	8	7	8	8	8	10	10	10	10	10
Reserve	2	1	1	1	1	0	0	0	0	0
Subtotal - Command Vehicles	<u>10</u>	<u>8</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
Specialized/Support Vehicles										
HazMAT	2	2	1	1	1	1	1	1	1	1
Breathing Support	1	1	1	1	1	1	1	1	1	1
Water Tender	-	-	-	1	1	1	1	1	1	1
Prime Mover	1	1	1	1	1	1	1	1	1	1
Trailer	7	7	7	7	7	7	10	10	9	10
S.A.F.E. House Trailer	-	-	-	-	-	-	-	-	-	-
USAR 5	1	1	1	1	1	1	1	1	1	1

Source: Santa Clara County Central Fire Protection District