

# NOVATO FIRE PROTECTION DISTRICT

NOVATO, CALIFORNIA

## Popular Annual Financial Report Fiscal Year Ended June 30, 2012

### In This Report

Letter to the Community	1
Who We Are and What We Do	2
Certificate of Achievement	2
Board of Directors	3
Executive and Command Staff	3
Fire Stations and Facilities	4
Statement of Net Assets	5
Statement of Activities	6-7
Incident Statistics	8
Incident Response Time	8
Assessed Value of Taxable Property	9
Unemployment Rate	9

The Novato Fire District exists to care for, protect and serve our communities.



# NOVATO FIRE PROTECTION DISTRICT ABOUT US

## Who We Are and What We Do

The Novato Fire District is a stand-alone government body providing risk reduction, paramedics, and all-risk fire and rescue services to the City of Novato and surrounding county areas of Northern Marin County.

The five member publicly elected Board of Directors creates policy, establishes service levels, and approves the annual budget and monthly expenditures.

The Fire Chief provides leadership and oversees daily District activities.

The Deputy Chief oversees all fire / medical / rescue operations.

The Fire Marshal implements and oversees compliance with fire / life safety codes.

Three Operational Battalion Chiefs work 24/7 in three rotating shifts and command daily operational activities.

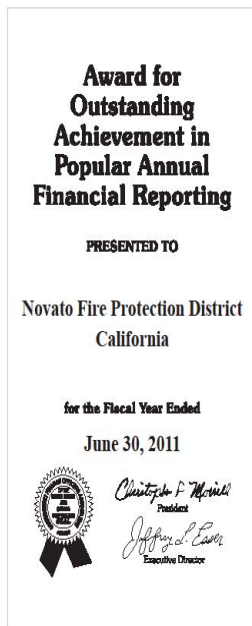
Emergency Medical Services Director oversees paramedic operations.

Battalion Chief / Training Officer coordinates training /education for all personnel.

Human Resources Manager manages human resources and personnel functions.

Finance Director ensures the District operates within budgetary guidelines established by the Board of Directors.

## Certificate of Achievement



The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to Novato Fire Protection District for its Popular Annual Financial Report for the fiscal year ended June 30, 2011. In order to receive this award, the District must publish a Popular Annual Financial Report, whose contents conform to program

standards of creativity, presentation, understandability and reader appeal. An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for the period of one year only. We believe our current report for the fiscal year ended June 30, 2012 continues to meet the Popular Annual Financial Reporting requirements and will be submitting it to the GFOA for consideration.

NOVATO FIRE PROTECTION DISTRICT  
DIRECTORY OF OFFICIALS

2012 Board of Directors



President  
James Galli



Vice President  
Brad Beedle



Secretary/Treasurer  
Farhad Mansourian



Director  
Tomas Kaselionis



Director  
Lj Silverman

Executive and Command Staff

Fire Chief

Marc Revere, EFO, CFO, CFC

Deputy Fire Chief

Eric Nickel, CFO

Division Chief

Mark Heine, CFO

Battalion Chief (Fire Marshal)

Bill Tyler, CFO

Battalion Chief (Administration)

Emergency Medical Services Director

Ted Peterson, CMO

Battalion Chiefs (Operations)

A Shift

Gerald McCarthy

B Shift

Jeffrey Veliquette

C Shift

Michael Hughes

Training and Education Division

Chris Wikeen (Acting B/C)

Organizational Resources

Position Vacant

Finance Director

Dan Hom, CPA

Human Resources Manager

Lisa MacCubbin

NOVATO FIRE PROTECTION DISTRICT  
FIRE STATIONS AND FACILITIES



Administration Building  
95 Rowland Way



Station 61  
7025 Redwood Blvd



Station 62  
450 Atherton Avenue



Station 63  
65 San Ramon Way



Station 64  
319 Enfrente Road



Station 65  
5 Bolling Drive

# NOVATO FIRE PROTECTION DISTRICT

## STATEMENT OF NET ASSETS

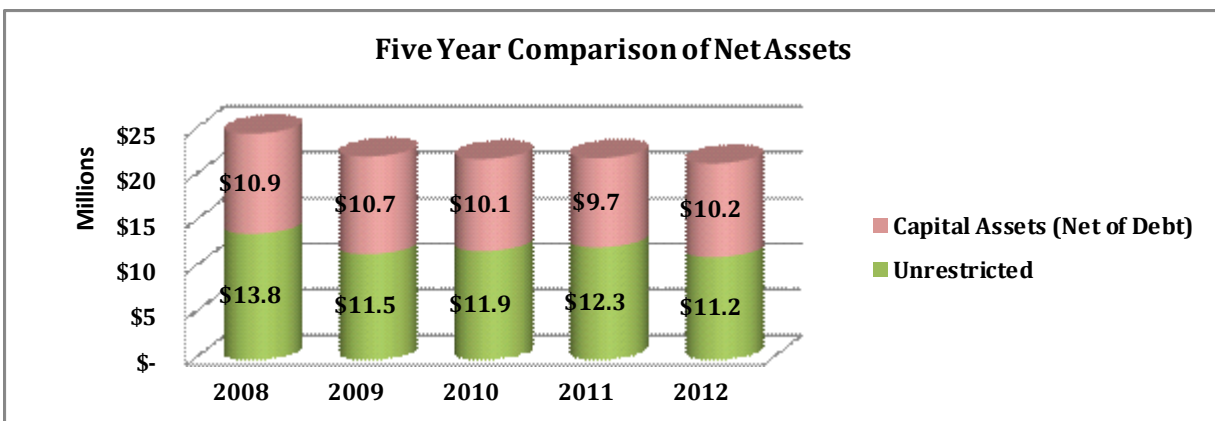
The Statement of Net Assets presents the District financial position from a long-term perspective. It reports all District assets and liabilities, with the difference between them reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator as to whether the District financial position is improving or deteriorating.

A significant component of District net assets, \$10.2 million or 48% of net assets was invested in capital assets, less any related outstanding debt used to acquire those assets. Although the District investment in capital assets is reported net of related debt, the capital assets themselves cannot be used to satisfy District debt, therefore, the funds needed to pay these liabilities must be provided from other resources.

The remaining component of net assets is unrestricted net assets. Unrestricted net assets are resources that can be used to meet ongoing obligations. Unrestricted net assets totaled \$11.2 million or 52% of net assets.

Changes in the District's net assets were as follows. Please refer to the CAFR for complete details.

	<u>2012</u>	<u>2011</u>	<u>Increase (Decrease)</u>
<b>ASSETS</b>			
Current and Other Assets	\$ 17,584,684	\$ 18,363,472	\$ (778,788)
Net Capital Assets	<u>13,450,277</u>	<u>12,901,993</u>	<u>548,284</u>
Total Assets	<u>31,034,961</u>	<u>31,265,465</u>	<u>(230,504)</u>
<b>LIABILITIES</b>			
Current Liabilities	3,274,826	2,451,803	823,023
Noncurrent Liabilities	<u>6,315,129</u>	<u>6,797,051</u>	<u>(481,922)</u>
Total Liabilities	<u>9,589,955</u>	<u>9,248,854</u>	<u>341,101</u>
<b>NET ASSETS</b>			
Invested in Capital Assets, Net of Related Debt	10,229,686	9,732,253	497,433
Unrestricted	<u>11,215,320</u>	<u>12,284,358</u>	<u>(1,069,038)</u>
Total Net Assets	<u>\$ 21,445,006</u>	<u>\$ 22,016,611</u>	<u>\$ (571,605)</u>



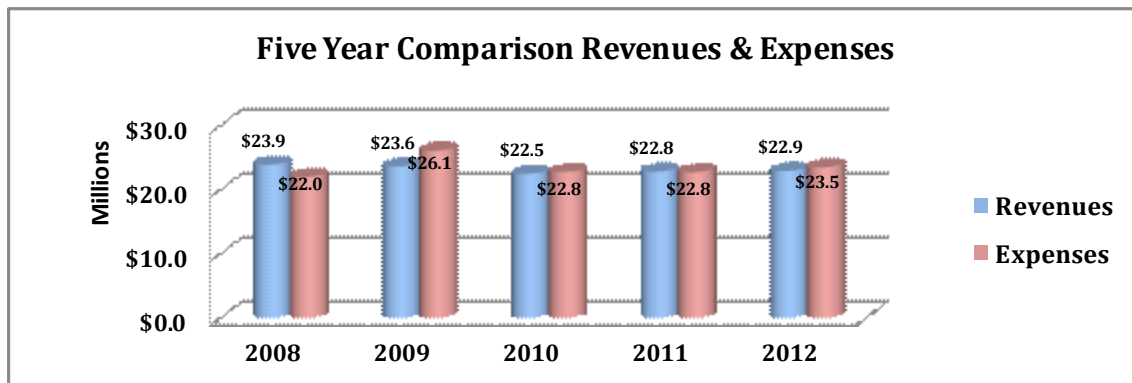
# NOVATO FIRE PROTECTION DISTRICT

## STATEMENT OF ACTIVITIES

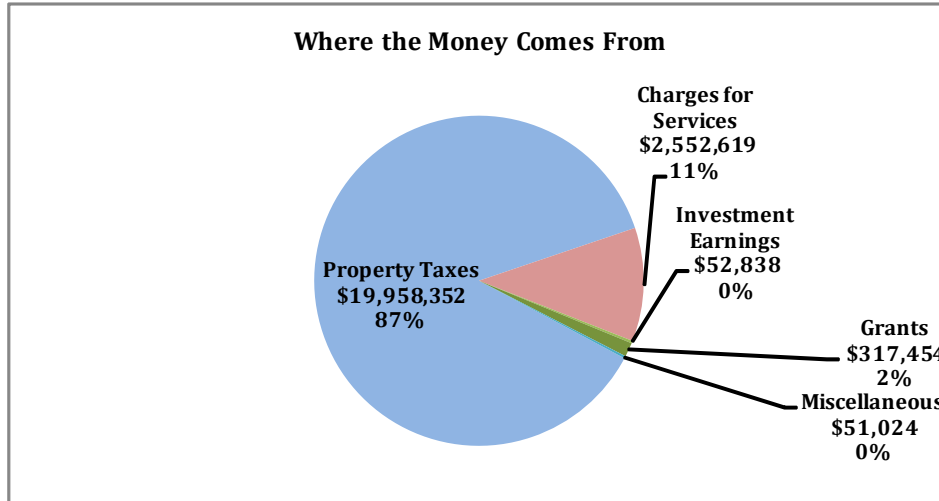
The Statement of Activities presents District revenues, expenses and change in net assets for the fiscal years were as follows. Please refer to the CAFR for complete details.

	<u>2012</u>	<u>2011</u>	<u>Increase (Decrease)</u>
<b>REVENUES</b>			
<b>General Revenues:</b>			
Property Taxes	\$ 19,958,352	\$ 20,077,824	\$ (119,472)
Investment Earnings	52,838	90,190	(37,352)
Grants Not Restricted to Specific Programs	94,786	96,502	(1,716)
Miscellaneous	51,024	94,192	(43,168)
<b>Total General Revenues</b>	<u>20,157,000</u>	<u>20,358,708</u>	<u>(201,708)</u>
<b>Program Revenues:</b>			
Charges for Services	2,552,619	2,299,805	252,814
Capital Grants & Contributions	222,668	184,831	37,837
<b>Total Program Revenues</b>	<u>2,775,287</u>	<u>2,484,636</u>	<u>290,651</u>
<b>Total Revenues</b>	<u>22,932,287</u>	<u>22,843,344</u>	<u>88,943</u>
<b>EXPENSES</b>			
Personnel	19,247,588	18,800,307	447,281
Material and Services	3,205,006	2,933,787	271,219
Depreciation	927,098	900,592	26,506
Interest on Debt	124,200	127,164	(2,964)
<b>Total Expenses</b>	<u>23,503,892</u>	<u>22,761,850</u>	<u>742,042</u>
<b>Increase (Decrease) in Net Assets</b>	(571,605)	81,494	(653,099)
<b>Net Assets - Beginning of Year</b>	<u>22,016,611</u>	<u>21,935,117</u>	<u>81,494</u>
<b>Net Assets - End of Year</b>	<u>\$ 21,445,006</u>	<u>\$ 22,016,611</u>	<u>\$ (571,605)</u>

Property tax valuations declined for the fourth consecutive year. Valuations as of 2012 are at the lowest level in five years. A reduction in interest rates in the general economy accounts for the decrease in investment earnings. Charges for services increased due higher ambulance fee revenue. New FEMA grants accounted for the major increase in capital grants. Personnel costs increased over the prior year primarily due to temporary reassignment of personnel. Expense for materials and services increased as anticipated in the budget.

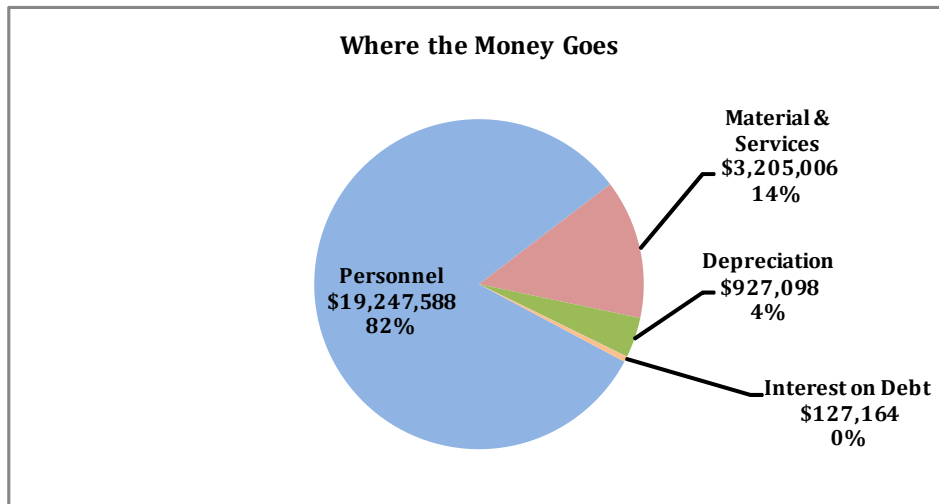


# NOVATO FIRE PROTECTION DISTRICT STATEMENT OF ACTIVITIES



**Property Taxes** – The District receives the majority of its revenue from property taxes. This includes secured property (real estate), unsecured property (business property), special assessments and Education Revenue Augmentation Fund.

**Charges for Services** – The District generates revenue from ambulance service fees, ambulance billing service fees, plan check fees and administration services to other governmental agencies.

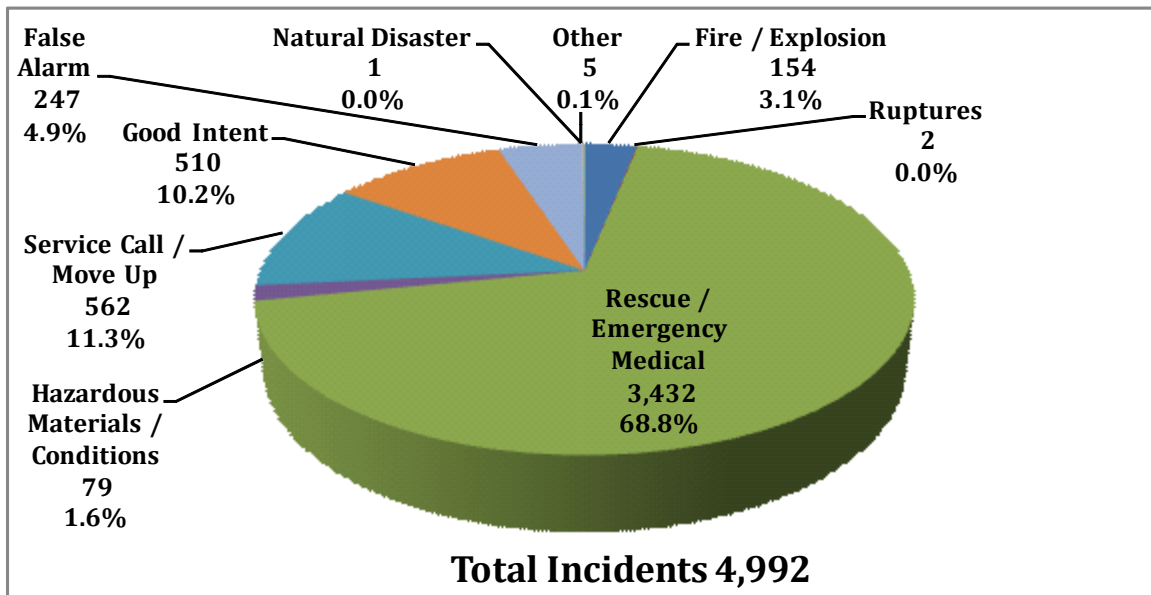


**Personnel** – The majority of District expenses is in personnel costs. This includes salaries, overtime, health insurance, retirement and Workers Compensation.

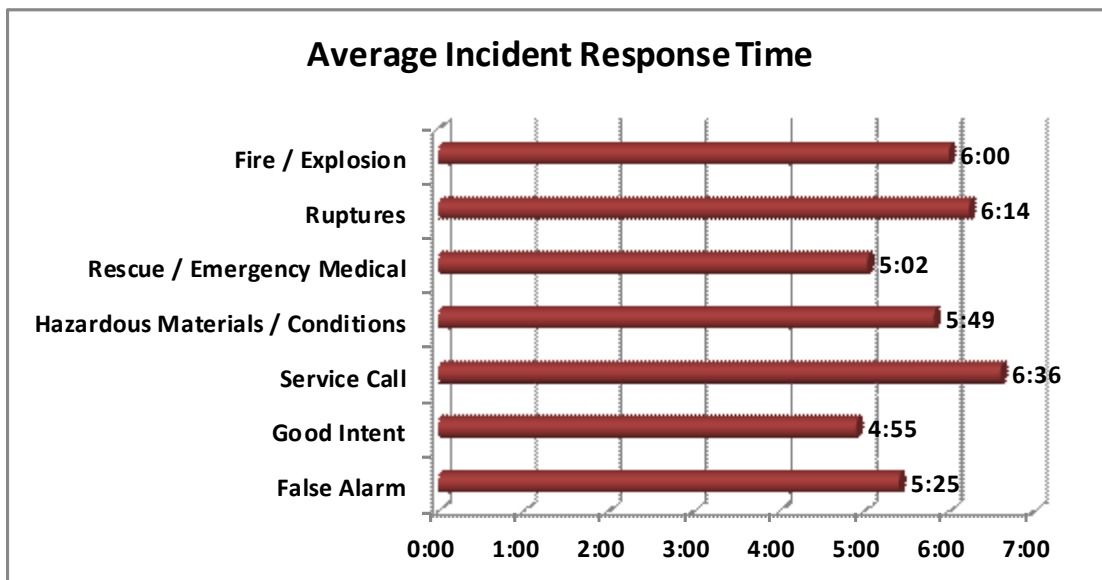
**Material & Services** – This includes insurance, utilities, fuel, maintenance on facilities and equipment, dispatch services, County of Marin fees, computer hardware and software, etc.

**Depreciation** – This is a periodic expense related to long life assets, such as building facilities, fire apparatus and equipment.

## NOVATO FIRE PROTECTION DISTRICT STATISTICS



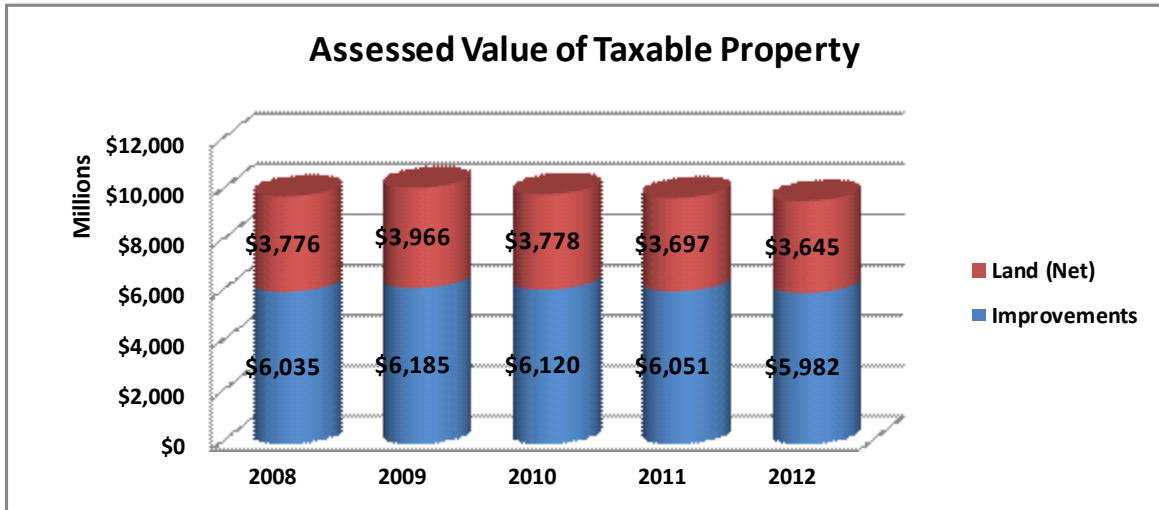
During 2011-12, the District responded to 4,992 incidents. The 3,432 of the incidents were for Emergency Medical Services or 69% of the total. 154 incidents or 3% were due to fires. Please refer to the CAFR for more detailed information.



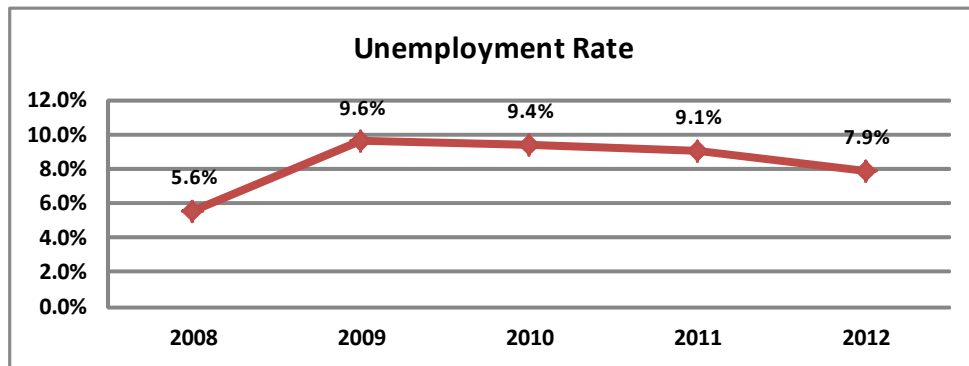
This illustrates average response time by incident type during 2011-12. The District goal is to respond to 90% of all emergency calls within nine minutes.



# NOVATO FIRE PROTECTION DISTRICT STATISTICS



This illustrates the steady decline in assessed valuation of real estate in the District since 2009. Projections are for assessed valuations to continue declining then level off and not experience any growth until 2013-14 or later. The District receives 88% of its revenues from property taxes, and its budgets are significantly impacted by the decline in real estate assessed valuation. Please refer to the CAFR for more detailed information.



High unemployment continues to be a challenge for the nation as well as those who live within the District. The unemployment rate has declined to 7.9% in 2012 from 9.6% in 2009. The unemployment rate is still at its highest in over a decade. Until the economy turns around and unemployment rate is further reduced, it is unlikely that the District would experience growth in real estate valuations.