



NORTH CENTRAL FIRE
PROTECTION DISTRICT

REGULAR BOARD MEETING PACKET

THURSDAY
DECEMBER 17, 2020

5:30 P.M.

Public Documents

**NORTH CENTRAL FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING
THURSDAY, DECEMBER 17, 2020
5:30 P.M.
AGENDA**

Per Executive Order N-25-20, which allows local and state legislative bodies to hold meetings via teleconference and to make meetings accessible electronically," this Regular Meeting will be held via conference call and can be accessed as follows:

Please call: 1- (669) 900-6833. Follow all prompts. To access the call, you will need to enter the meeting ID number 559 878 4530 and passcode 4550. The public may participate in the meeting as otherwise permitted under the Brown Act by calling into this number.

- 1. CALL TO ORDER**
 - A) Roll Call

- 2. INVOCATION**

- 3. SWEARING IN OF RE-ELECTED BOARD MEMBERS**
 - A) Swear in re-elected Board Members Abrahamian and Souza.

- 4. REORGANIZATION OF BOARD OFFICERS**
 - A) Election of Board Chair, Board Vice-Chair and Board Secretary

- 5. PUBLIC COMMENTS**

- 6. CONSENT AGENDA**
 - A) Consideration and Approval of Disbursements List for November 2020
 - B) Review and Acceptance of Monthly Financial Reports
 - 1) Fresno County: Cash Balances – All Funds
 - 2) Budget Variance Report: YTD Expenses Compared to Budget
 - 3) Revenue and Reimbursement Report
 - 4) PG & E Report

- 7. APPROVAL OF MINUTES**
 - A) Minutes of the Regular Board Meeting of November 19, 2020.

- 8. FIRE CHIEF REPORT**
 - A) Fire Incident/Fire Prevention Reports for November
 - B) COVID Update / OSHA Regulation
 - C) Hiring Process Update
 - D) Labor Relations Update

9. DISTRICT AUDIT FOR FISCAL YEAR ENDING JUNE 30, 2020

A) Action item - Consider and approve the District Audit as presented by Bill Patterson with Sampson, Sampson and Patterson for the fiscal year ending June 30, 2020.

10. BOARD MEETING DATES – CALENDAR YEAR 2021

A) Action item – Consider and approve board meeting dates for the 2021 calendar year.

11. BOARD MEMBER COMMENTS/REPORTS

12. ANNOUNCEMENTS

A) Regular Board Meeting: Thursday, January 28, 2021, at 5:30 p.m.

13. ADJOURNMENT

PUBLIC COMMENTS AND INQUIRIES

At a Board meeting, those who wish to be heard on matters on the agenda should indicate their desire to speak when the item is ready for discussion. If, at the meeting, you wish to discuss an item, which is not on the agenda, you may indicate your desire to do so under "Public Comments". In order to allow time for all public comments and inquiries, the time for individual comments may, at the discretion of the Chairman of the Board, be limited to five minutes. If you wish to request time on an upcoming Board Agenda to present a particular item or matter to the Board, you may contact the District by 5:00 p.m. seven business days prior to the scheduled Board meeting to so request. If the matter is within the Board's jurisdiction, and the Board has not taken action or considered the item at a recent meeting, the District may place the item on the agenda. When addressing the Board, you are requested to come forward to the speaker's podium, state your name and address, and then proceed with your presentation.

In compliance with the Americans with Disabilities Act (ADA), if you need special assistance to participate at this meeting, please contact the District at 559-275-5531. Notification provided a minimum of 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting. Pursuant to the ADA, the meeting room is accessible to the physically disabled.

**NORTH CENTRAL FIRE PROTECTION DISTRICT
DISBURSEMENT JOURNAL
NOVEMBER 1, 2020 - NOVEMBER 30, 2020
DECEMBER 2, 2020**

CK#	VENDOR	DESCRIPTION	DATE	TOTAL AMOUNT
5364	VOID		11/06/20	0.00
5365	APCO International Inc.	Radio frequenci y fees	11/06/20	1,050.00
	Quickbooks Payroll Service	Employees	11/12/20	114,009.55
5366	Aramark	Linen service	11/13/20	131.69
5367	ARBA	Group life insurance	11/13/20	130.91
5368	AT&T	Phone & long distance service	11/13/20	47.96
5369	Baker Manock & Jensen	Legal services	11/13/20	1,182.71
5370	Barrios Enterprise	Portable toilet service	11/13/20	100.00
5371	Biola CSD	Utilities	11/13/20	287.95
5372	Employee Payroll Liabilities	Child support	11/13/20	435.00
5373	Employee Payroll Liabilities	Child support	11/13/20	100.50
5374	Christine L. Boozer	Training consultant	11/13/20	3,400.00
5375	City of Fresno - Utilities	Utilities	11/13/20	94.44
5376	City of Kerman	Utilities	11/13/20	560.78
5377	Clyde Lansing	Consulting services	11/13/20	2,400.00
5378	Comcast Business	Internet and phone services	11/13/20	1,606.15
5379	Conner's Appliance	Repair dishwasher - station 55	11/13/20	119.73
5380	Consolidated Services	Repair ice machine - station 56	11/13/20	190.00
5381	Cook's	Radio equipment for change in dispatch services	11/13/20	14,999.37
5382	Employee Reimbursement	Flex plan reimbursement	11/13/20	2,400.00
5383	FDAC EBA	Group plan health insurance	11/13/20	53,519.89
5384	Fire Apparatus Solutions	Apparatus repair	11/13/20	4,263.15
5385	Fire Safety Solutions Inc.	Plan review consultant	11/13/20	1,202.50
5386	Employee Reimbursement	Flex plan reimbursement	11/13/20	2,105.84
5387	Employee Reimbursement	Flex plan & training reimbursement	11/13/20	4,241.14
5388	JS Auto Sales & Towing	Towing service	11/13/20	100.00
5389	Board Member Reimbursement	Board member health insurance	11/13/20	799.00
5390	Employee Reimbursement	Mileage reimbursement	11/13/20	5.75
5391	Loperena Antenna	Owens Mountain antenna site lease	11/13/20	1,649.00
5392	Mac's Equipment	Parts for repairs	11/13/20	36.94
5393	Board Member Reimbursement	Board member health insurance	11/13/20	901.00
5394	Mid Valley Disposal	Utilities	11/13/20	321.97
5395	Office Depot	Office & station supplies	11/13/20	578.26

**NORTH CENTRAL FIRE PROTECTION DISTRICT
DISBURSEMENT JOURNAL
NOVEMBER 1, 2020 - NOVEMBER 30, 2020
DECEMBER 2, 2020**

CK#	VENDOR	DESCRIPTION	DATE	TOTAL AMOUNT
5396	PG&E	Utilities	11/13/20	551.61
5397	Ray Morgan	Copier maintenance	11/13/20	56.69
5398	Real-Time	Computer maintenance	11/13/20	2,052.75
5399	Robert V Jensen	Bulk fuel	11/13/20	1,670.36
5400	Rolinda Farm Supply	Station maintence	11/13/20	7.76
5401	Board Member Reimbursement	Board member health insurance	11/13/20	799.00
5402	Sampson, Sampson, & Patterson	Audit services	11/13/20	3,000.00
5403	Sebastian	Phone service	11/13/20	171.02
5404	Sierra HR Partners, Inc	HR consultant	11/13/20	203.75
5405	Sierra Lock	Locks for Prevention & repair station locks	11/13/20	723.50
5406	Slumberger Lumber	Station & apparatus maint., prevention, training, station supplies	11/13/20	586.23
5407	U.S. Bank PARS	Pension plan contributions	11/13/20	34,785.03
5408	Unitedhealthcare Insurance Co.	Prior board member insurance	11/13/20	375.25
5409	Valley Farms Supply	Station and equipment maintenance	11/13/20	1,049.63
5410	Vern's	Replace faucets (3) & urinal at station 55	11/13/20	1,650.09
5411	Vincent Communications	New speaker mics , battery, & antenna	11/13/20	1,632.58
5412	Employee Reimbursement	Training	11/13/20	46.00
5413	Ortiz LED Solutions	Install LED lighting at station 58	11/13/20	816.12
5414	ZeroNox	Electric vehicles (3) - Air District Grant	11/18/20	59,731.89
	Quickbooks Payroll Service	Employees	11/30/20	128,059.74
	Quickbooks Payroll Service	Board Payroll	11/30/20	306.09
5415	Aramark	Linen service	11/30/20	184.05
5416	ASI	Dental/Vision plan premium	11/30/20	2,862.00
5417	Biola CSD	Utilities	11/30/20	324.67
5418	Employee Payroll Liabilities	Child support	11/30/20	435.00
5419	Employee Payroll Liabilities	Child support	11/30/20	100.50
5420	CCP Industrial	Station supplies	11/30/20	1,416.74
5421	City of Fresno - Other	Second semi-annual payment for current service agreemnt	11/30/20	517,551.00
5422	Employee Reimbursement	Training	11/30/20	230.00
5423	Co. of Fresno Auditor/Controller	November 2020 POB	11/30/20	28,614.37
5424	Faustino Lopez	Gardening service	11/30/20	350.00
5425	Fire Apparatus Solutions	Repairs to apparatus	11/30/20	8,163.36

**NORTH CENTRAL FIRE PROTECTION DISTRICT
DISBURSEMENT JOURNAL
NOVEMBER 1, 2020 - NOVEMBER 30, 2020
DECEMBER 2, 2020**

CK#	VENDOR	DESCRIPTION	DATE	TOTAL AMOUNT
5426	GC Builders	Pad for propane station 58	11/30/20	2,800.00
5427	John Hancock USA	457 plan contributions	11/30/20	5,986.81
5428	Kerwest	Help wanted ad	11/30/20	100.00
5429	L.N. Curtis	Extrication Equipment - OTS Grant	11/30/20	93,713.05
5430	Monter City Studios, Inc	Stations signs	11/30/20	15,604.01
5431	Occupational Health Center	New employment physicals	11/30/20	2,563.00
5432	Orkin	Pest control service	11/30/20	290.00
5433	PARS	Pension & 457 admin fees	11/30/20	2,875.00
5434	PG&E	Utilities	11/30/20	1,191.24
5435	Ray Morgan	Copier maintenance	11/30/20	139.24
5436	Real-Time	Computer maintenance	11/30/20	872.50
5437	Robert V Jensen	Bulk fuel	11/30/20	1,356.25
5438	Sparkletts	Station water delivery	11/30/20	487.80
5439	Standard Insurance Company	LTD insurance premium	11/30/20	1,347.50
5440	Employee Reimbursement	Training	11/30/20	58.00
5441	U.S Bank Cal Card	Station supplies & maintainance, bank charges, prevention, apparatus maint., travel, training, food, equipment maint.	11/30/20	3,197.91
5442	U.S Bank Pars	Pension plan contributions	11/30/20	35,145.62
5443	US Bank Voyager Fleet Card	Voyager Card fuel purchases	11/30/20	1,233.63
5444	Verizon	Toughbooks data plan	11/30/20	760.20
5445	Verizon Wireless	Cell phones - operations	11/30/20	12.35
5446	Verizon Wireless Office	Cell phones - admin staff	11/30/20	577.02
5447	W. S. Darley & Co Corp.	Drone, Mavic 2 enterprise dual, battery	11/30/20	4,161.76
5448	Raul Herrera	Pre-employment polygraphs	11/30/20	1,200.00
5449	Donald Slumberger	Install station signs	11/30/20	532.00
	Total			<u>1,187,682.85</u>

Board action: To approve disbursements from West America general account as presented for the total amount of \$ 1,187,682.85

NORTH CENTRAL FIRE PROTECTION DISTRICT
COUNTY OF FRESNO
CASH BALANCES AS OF NOVEMBER 30, 2020

CASH BALANCES	GENERAL	EQUIPMENT	BUILDING FUND	EMS	SICK LEAVE	RESERVE FUND	RISK CONTINGENCY FUND	TOTAL OF ALL FUNDS
CO OF FRESNO CLASS #	10000	20000	41400	41410	41420	41430	41440	
Beg Balance 11/01/2020	2,032,440.14	1,485,443.50	353,641.34	635,731.99	34,207.61	339,264.47	118,808.61	4,999,537.66
Ending Balance 11/30/2020	932,440.14	1,485,443.50	353,641.34	635,731.99	34,207.61	339,264.47	118,808.61	3,899,537.66

**NORTH CENTRAL FIRE PROTECTION DISTRICT
SERVICES, SUPPLIES AND MAINTENANCE
BUDGET - TO - ACTUAL
JULY 2020 - JUNE 2021**

Services, Supplies and Maintenance	Fiscal Year 2020 - 2021 Budget	Activity thru 10/31/20	Nov-20	YTD Total	% of Budget Used	Budget Remaining	% of Budget Remaining
City of Fresno Metro Service Agreement	1,035,102	345,034.00	86,258.50	431,292.50	42%	603,809.50	58%
Pension Obligation Bonds	343,373	114,457.48	28,614.37	143,071.85	42%	200,301.15	58%
FCERA Payment Financing	417,751	208,473.15	0.00	208,473.15	50%	209,277.85	50%
Apparatus Financing Payment	49,161	49,160.54	0.00	49,160.54	100%	0.46	0%
Property, Auto & Liability Insurance	58,000	55,591.00	0.00	55,591.00	96%	2,409.00	4%
Turnouts and Masks	85,000	1,509.21	0.00	1,509.21	2%	83,490.79	98%
Communications	100,000	21,560.30	7,668.24	29,228.54	29%	70,771.46	71%
Apparatus Maintenance	150,000	45,883.88	12,393.47	58,277.35	39%	91,722.65	61%
Station Equipment Maintenance	45,000	6,024.98	1,723.19	7,748.17	17%	37,251.83	83%
Computers & Office Equipment	75,000	15,828.67	3,321.17	19,149.84	26%	55,850.16	74%
Facility Maintenance	90,000	34,642.63	7,230.04	41,872.67	47%	48,127.33	53%
Station Supplies	40,000	11,137.18	2,866.51	14,003.69	35%	25,996.31	65%
Fuel	98,000	20,671.38	4,260.24	24,931.62	25%	73,068.38	75%
Utilities	50,000	26,981.30	1,173.95	28,155.25	56%	21,844.75	44%
Professional Services	100,000	53,608.48	11,316.72	64,925.20	65%	35,074.80	35%
Membership Dues & Subscriptions	20,000	3,759.17	0.00	3,759.17	19%	16,240.83	81%
Travel Expenses	40,000	184.20	5.75	189.95	0%	39,810.05	100%
Training	90,000	22,442.26	3,505.14	25,947.40	29%	64,052.60	71%
Office Supplies	20,000	2,441.84	230.01	2,671.85	13%	17,328.15	87%
Food	5,000	402.90	84.08	486.98	10%	4,513.02	90%
Fire Prevention	25,000	8,890.68	5,787.85	14,678.53	59%	10,321.47	41%
Apparatus Tools, Equipment & Hose	85,000	35,208.76	0.00	35,208.76	41%	49,791.24	59%
Extractors	30,000	0.00	0.00	0.00	0%	30,000.00	100%
Totals	3,051,387	1,083,893.99	176,439.23	1,260,333.22	41%	1,791,053.78	59%

5th month of fiscal year - average = 41.67%

**NORTH CENTRAL FIRE PROTECTION DISTRICT
WAGES, BENEFITS, POB AND FUND EXPENDITURES
BUDGET - TO - ACTUAL
JULY 2020 - JUNE 2021**

Wages, Benefits and POB	Fiscal Year 2020 - 2021 Budget	Activity thru 10/31/20	Nov-20	YTD Total	% of Budget Used	Budget Remaining	% of Budget Remaining
Current Board Wages and Benefits	61,805	19,275.21	4,988.60	24,263.81	39%	37,541.19	61%
Prior Board Member Benefits	4,710	1,669.00	445.25	2,114.25	45%	2,595.75	55%
Surviving Spouse Benefits	11,064	3,648.32	940.08	4,588.40	41%	6,475.60	59%
Employee Wages and Benefits	5,949,253	1,782,413.40	459,508.01	2,241,921.41	38%	3,707,331.59	62%
Total Wages, Benefits and POB	6,026,832	1,807,005.93	465,881.94	2,272,887.87	38%	3,753,944.13	62%
Fund Expenditures per Budget							
Weed Abatement	25,000	1,966.65	0.00	1,966.65	8%	23,033.35	92%
Parking Renovation Project - Station 55	50,000	47,900.95	0.00	47,900.95	96%	2,099.05	4%
Generators at Stations 57 & 58	20,000	28,857.22	0.00	28,857.22	144%	(8,857.22)	-44%
Maintenance at Station 59	250,000	0.00	0.00	0.00	0%	250,000.00	100%
VHF Station Radios	15,000	0.00	14,837.41	14,837.41	99%	162.59	1%
Repairs to Paramedics Dorm - Station 58	50,000	0.00	0.00	0.00	0%	50,000.00	100%
BK Radios	20,000	0.00	0.00	0.00	0%	20,000.00	100%
Helmet Cams	8,000	0.00	0.00	0.00	0%	8,000.00	100%
Patio at Station 55	35,000	0.00	0.00	0.00	0%	35,000.00	100%
Training Tower	138,000	0.00	0.00	0.00	0%	138,000.00	100%
District Match on Grants	71,635	17,240.18	7,718.05	24,958.23	35%	46,676.77	65%
Miscellaneous Expenditures - Capital	10,000	0.00	0.00	0.00	0%	10,000.00	100%
Landscaping at Station 55	25,000	8,975.00	0.00	8,975.00	36%	16,025.00	64%
Station Signs	20,000	0.00	1,740.02	1,740.02	9%	18,259.98	91%
Canopy Covers	20,000	0.00	0.00	0.00	0%	20,000.00	100%
Furniture and Equipment for Classrooms	60,000	7,687.74	0.00	7,687.74	13%	52,312.26	87%
Overhead Door Replacement (2)	15,000	4,596.04	0.00	4,596.04	31%	10,403.96	69%
Miscellaneous Expenditures - Building	10,000	0.00	0.00	0.00	0%	10,000.00	100%
Total Fund Expenditures	842,635	117,223.78	24,295.48	141,519.26	17%	701,115.74	83%

NORTH CENTRAL FIRE PROTECTION DISTRICT
REVENUE AND REIMBURSEMENTS
BUDGET - TO - ACTUAL
JULY 2020 - JUNE 2021

Revenue	Fiscal Year 2020 - 2021 Budget	Activity thru 10/31/20	Nov-20	YTD Total	% of Budget Received	Over (Under) Estimate	%
Property Taxes	9,783,778	142,855.12	0.00	142,855.12	1%	(9,640,922.88)	-99%
Interest (County Investment Pool)	80,000	26,643.07	0.00	26,643.07	33%	(53,356.93)	-67%
Fees, Permits and Plan Checks	30,000	31,604.10	7,171.75	38,775.85	129%	8,775.85	29%
Ambulance Station Lease	17,388	4,347.00	2,898.00	7,245.00	42%	(10,143.00)	-58%
Tower Rental	30,126	10,112.00	2,474.00	12,586.00	42%	(17,540.00)	-58%
Weed Abatement Assessment	26,000	816.60	516.10	1,332.70	5%	(24,667.30)	-95%
Fresno City College ISA Training	15,000	39,067.00	0.00	39,067.00	260%	24,067.00	160%
Reimbursement for Priority One Calls	12,000	0.00	8,535.12	8,535.12	71%	(3,464.88)	-29%
Miscellaneous Income	1,500	314.47	0.00	314.47	21%	(1,185.53)	-79%
Revenue Totals	9,995,792	255,759.36	21,594.97	277,354.33	3%	(9,718,437.67)	-97%
Reimbursable Items		Activity thru 10/31/20	Nov-20	YTD Totals			
Ambulance Station Lease Utility Reimb.		2,381.48	2,158.71	4,540.19			
Reimbursement Totals		2,381.48	2,158.71	4,540.19			

**PG&E Comparison
2019 to 2020**

LOCATION	Nov-19	Nov-20	Difference
15850 W. Kearney:			
Acc# 7835118035 (Elect) - Kwh	\$ 30.25	\$ 20.87	\$ (9.38)
Acc# 7835118040 (Gas) - Therms	\$ 276.04	\$ 249.79	\$ (26.25)
MONTHLY TOTALS	\$ 306.29	\$ 270.66	\$ (35.63)
806 S. Garfield:			
Acc# 7835118045 (Elect) - Kwh	\$ 7.99	\$ 4.80	\$ (3.19)
Acc# 7835118050 (Gas) - Therms	\$ 69.53	\$ 99.79	\$ 30.26
MONTHLY TOTALS	\$ 77.52	\$ 104.59	\$ 27.07
4555 N. Biola:			
Acc# 2283032025 (Elect) - Kwh	\$ (5.54)	\$ (7.10)	\$ (1.56)
Acc# 2283032030 (Gas) - Therms	\$ 71.05	\$ 65.00	\$ (6.05)
MONTHLY TOTALS	\$ 65.51	\$ 57.90	\$ (7.61)
7285 W. Shields:			
Acc# 6632517005 (Elect) - Kwh	\$ 853.99	\$ 1,093.40	\$ 239.41
Acc# 7835118025 (Shop) - Kwh	\$ 111.44	\$ 152.13	\$ 40.69
Acc# 7835118020 (yrd lite) - Kwh	\$ 12.50	\$ 11.78	\$ (0.72)
Acc# 7835118030 (Gas) - Therms	\$ 161.01	\$ 222.56	\$ 61.55
MONTHLY TOTALS	\$ 1,138.94	\$ 1,479.87	\$ 340.93
1709 W. Bullard:			
Acc# 2283033680 (Elect) - Kwh	\$ 71.39	\$ 31.35	\$ (40.04)
Acc# 2283032877 (Gas) - Therms	\$ 29.79	\$ 25.40	\$ (4.39)
MONTHLY TOTALS	\$ 101.18	\$ 56.75	\$ (44.43)
TOTALS BY MONTH	\$ 1,689.44	\$ 1,969.77	\$ 280.33

**PG&E Comparison
2019 to 2020**

LOCATION	Nov-19	Nov-20	Difference
15850 W. Kearney:			
Acc# 7835118035 (Elect) - Kwh	2,460	4,876	2,416
Acc# 7835118040 (Gas) - Therms	223	166	(57)
806 S. Garfield:			
Acc# 7835118045 (Elect) - Kwh	1,920	1,133	(787)
Acc# 7835118050 (Gas) - Therms	56	63	7
4555 N. Biola:			
Acc# 2283032025 (Elect) - Kwh	3,988	2,914	(1,074)
Acc# 2283032030 (Gas) - Therms	50	37	(13)
7285 W. Shields:			
Acc# 6632517005 (Elect) - Kwh	3,554	4,351	797
Acc# 7835118025 (Shop) - Kwh	443	586	143
Acc# 7835118020 (yrd lite) - Kwh	28	9	(19)
Total Kwh current month	4,025	4,946	921
Acc# 7835118030 (Gas) - Therms	128	150	22
1709 W. Bullard:			
Acc# 2283033680 (Elect) - Kwh	226	52	(174)
Acc# 2283032877 (Gas) - Therms	20	13	(7)

**NORTH CENTRAL FIRE PROTECTION DISTRICT
BOARD OF DIRECTORS
REGULAR BOARD MEETING
THURSDAY, NOVEMBER 19, 2020
5:30 P.M.
MINUTES**

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1. CALL TO ORDER

District Board Chair Mr. Ken Abrahamian called the meeting to order at 5:37 p.m.

Roll Call

Board Members Present: Mrs. Cheryl Belluomini, Mr. Michael Foglio, Ms. Amanda Souza, Mr. Ken Abrahamian and Mr. Rusty Nonini.

Also present were Fire Chief Tim Henry, Deputy Chief Jacob McAfee, Mr. Ken Price and Mr. Joe Barcelos.

2. INVOCATION

The invocation was led by Pastor Arabian.

3. PUBLIC COMMENTS

There were no public comments

4. CONSENT AGENDA

A. Consideration and Approval of Disbursements List for October 2020

B. Review and Acceptance of Monthly Financial Reports

- 1) Fresno County: Cash Balances – All Funds**
- 2) Budget Variance Report: YTD Expenses Compared to Budget**
- 3) Revenue and Reimbursement Report**
- 4) PG&E Report**

Mr. Abrahamian asked the District Board and members of the public if there were any items on the Consent Agenda they would like to pull from the agenda for discussion or questions. There were no items pulled so Mr. Abrahamian called for a motion.

Motion: To approve the Consent Agenda as presented.

Moved by: Mr. Nonini, second by Mrs. Belluomini

Mr. Abrahamian: Mrs. Belluomini: Mr. Foglio: Mr. Nonini: Ms. Souza: Vote:
Aye Aye Aye Aye Aye 5/0

5. APPROVAL OF MINUTES

A) Minutes of the Regular Board Meeting of October 22, 2020.

There were no questions or comments.

Motion: To approve the minutes of the Regular Board Meeting of October 22, 2020 as presented.

Moved by: Mrs. Belluomini, second by Mr. Foglio.

Mr. Abrahamian: Mrs. Belluomini: Mr. Foglio: Mr. Nonini: Ms. Souza: Vote:
Aye Aye Aye Aye Aye 5/0

6. FIRE CHIEF REPORT

A) Fire Incident/Fire Prevention Reports for October

Chief Henry reviewed the October incident report with the District board members.

B) List of Grant Submissions

Chief Henry called the District Board's attention to the memo in their board packet listing all the grant applications the District has submitted for the past two years. Chief Henry went through the list and described each grant and if the District received any grant funding and the amount of funding received.

C) Impact Fees Update

Chief Henry updated the District Board on the total impact fees collected by the City of Kerman on behalf of the District.

D) Fire Prevention Inspections

Chief Henry reported the District has entered into an agreement to have CSG Consultants provide fire inspection and plan review services for the District. CSG Consultants have been providing these services for Fresno County Fire. CSG will perform inspections on commercial occupancies in the metro area and provide plan review services for the District.

E) CDBG Citizen's Advisory Committee Meeting

Chief Henry stated he attended the Citizen's Advisory Committee meeting last night as the Committee reviewed the District's CDBG grant application. Chief Henry described the grant project of purchasing a new Type III Fire Engine for the District's Biola station to the Committee and answered the questions posed by the Committee.

**7. CALIFORNIA GOVERNOR'S OFFICE OF EMERGENCY SERVICES (OES)
COMMUNITY POWER RESILIENCY ALLOCATION TO SPECIAL DISTRICTS
GRANT PROGRAM**

A) Action item – Consider and grant the District's Deputy Chief the authority to execute an agreement including any amendments and extensions with the

OES Community Power Resiliency Allocation to Special District's Grant Program if the District is awarded funding.

Mr. Barcelos stated the District had the opportunity to apply for a grant offered by the Governor's Office of Emergency Services (Cal OES). The grant offered by Cal OES is through the Community Power Resiliency Allocation to Special District Program.

Mr. Barcelos explained the purpose of the grant program is to support California special districts with additional preparedness measures in response to power outage events. The District applied for \$120,000 in funds to purchase two station generators, one for station 56 and one to replace the generator at station 55.

The grant requires approval from the District Board to authorize the District's Deputy Chief to sign the grant Subaward if the District is awarded funds from this grant program.

Mr. Abrahamian called for a motion after some questions and discussion.

Motion: To authorize Deputy Fire Chief McAfee as the District official given authority to sign the grant Subaward if the District is awarded funds from the grant program.

Moved by: Mrs. Belluomini, second by Mr. Foglio

Mr. Abrahamian:	Mrs. Belluomini:	Mr. Foglio:	Mr. Nonini:	Ms. Souza:	Vote:
Aye	Aye	Aye	Aye	Aye	5/0

8. RESOLUTION NO. 20-11 AUTHORIZING THE DISPOSITION OF EXCESS DISTRICT PROPERTY

A) Consider and adopt Resolution No. 20-11 authorizing the disposition of excess District property.

Mr. Barcelos called the District Board's attention to the memo in their board packet listing all the surplus items and the pictures of all the items. He stated the District's Battalion Chiefs and engine companies have identified quite a few items at the District stations that need to be disposed of, donated or sold. The items have collected over the past few years and are no longer needed or are obsolete.

After the District Board reviewed the list and pictures, there were a few questions answered by Chief McAfee. After the discussion, Mr. Abrahamian called for a motion.

Motion: To adopt Resolution No. 20-11 declaring the listed items as surplus items and giving district staff authorization to sell, donate or dispose of the items.

Moved by: Ms. Souza, second by Mr. Nonini

Mr. Abrahamian:	Mrs. Belluomini:	Mr. Foglio:	Mr. Nonini:	Ms. Souza:	Vote:
Aye	Aye	Aye	Aye	Aye	5/0

9. BOARD MEMBER COMMENTS/REPORTS

Ms. Souza reported the plaque dedication for her father will be postponed again due to the current COVID-19 levels increasing again.

10. ANNOUNCEMENTS

A) Next Regular Board Meeting: Thursday, December 17, 2020 at 5:30 p.m.

11. CLOSED SESSION

A) CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
(Government Code 54956.9(d)(1).)
Name of Case: *Crivello v. North Central Fire Protection District* Case No. 20CECG03122

Report from Closed Session: There was no action to report out of closed session.

12. ADJOURNMENT

Motion: To adjourn the meeting at 6:46 p.m.

Moved by: Mr. Nonini, second by Mr. Foglio

Mr. Abrahamian: Mrs. Belluomini: Mr. Foglio: Mr. Nonini: Ms. Souza: Vote:
Aye Aye Aye Aye Aye 5/0

Amanda Souza, Board Secretary
North Central Fire Protection District

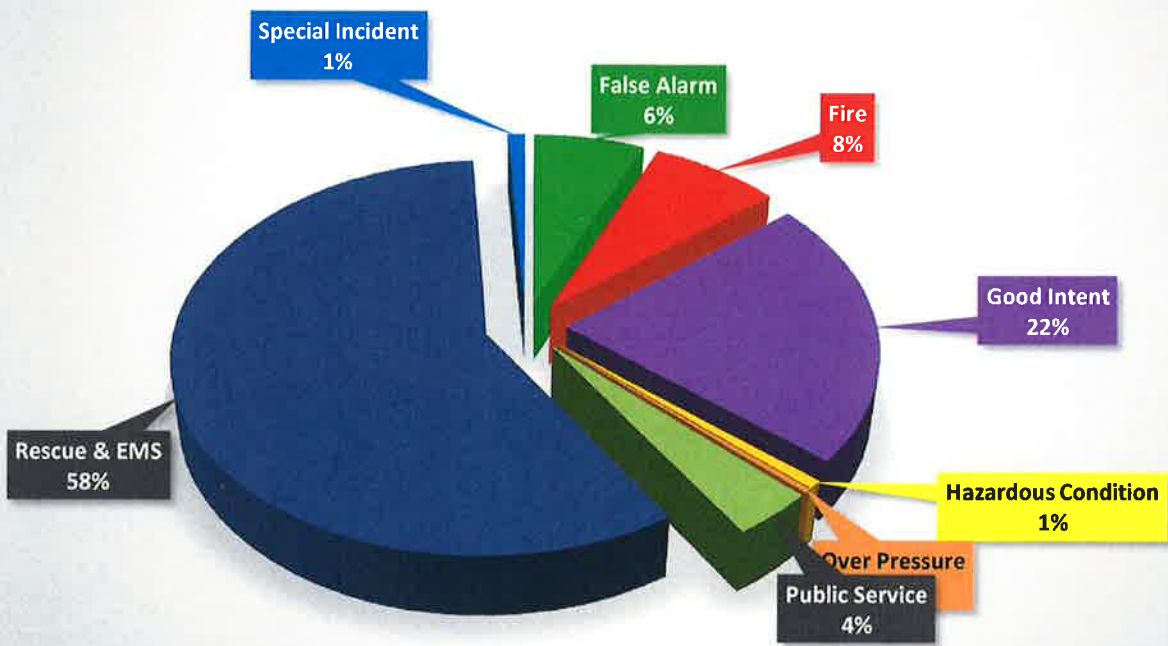
Date



NORTH CENTRAL FIRE PROTECTION DISTRICT

Fire Chief: Timothy V. Henry, CFO, EFO

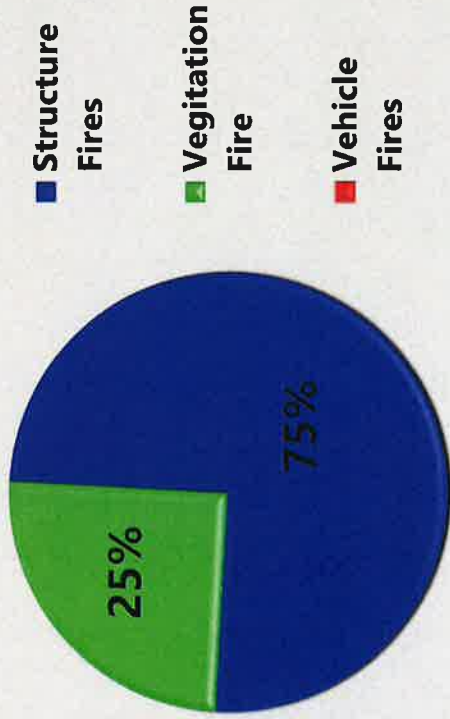
District Wide Incidents - November 2020
Total for the Month: 291



Incident Type	Incident Count	Month	Year
False Alarm	19	11	2020
Fire	22	11	2020
Good Intent	64	11	2020
Hazardous Condition	2	11	2020
Over Pressure	1	11	2020
Public Service	11	11	2020
Rescue & EMS	169	11	2020
Special Incident	3	11	2020

District Overall Fire Investigation Statistics for November 2020

INVESTIGATIONS BY TYPE

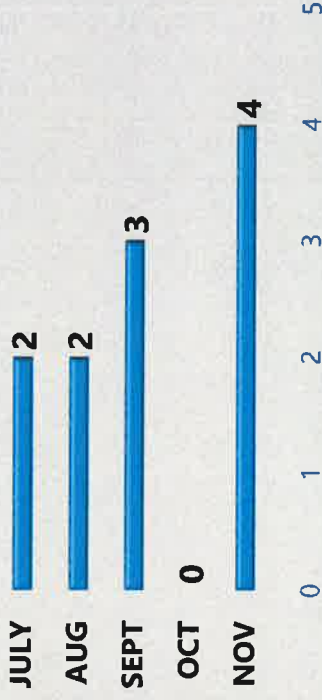


COST RECOVERY

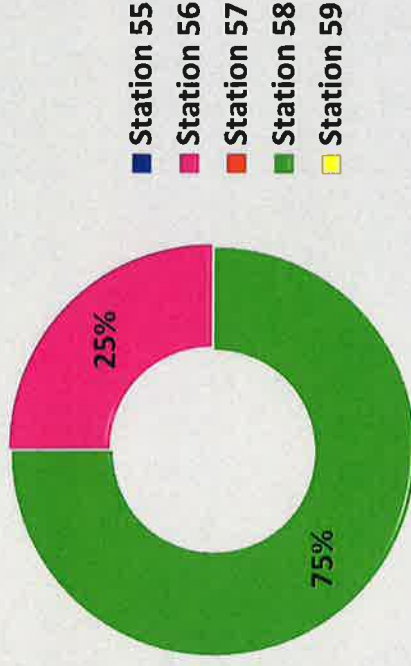
\$0.00



INVESTIGATION COUNT PER MONTH 2020 YR



PERCENT OF INVESTIGATIONS BY 1ST IN STATION



STATUS OF INVESTIGATION

1 - Open
3 - Closed
0 - Criminal

DOLLAR LOSS

\$14,000.00

0 Injuries

0 Fatalities

Hours Spent on Investigations

38

17 Field Hours

21 Office Hours



NORTH CENTRAL FIRE PROTECTION DISTRICT

Board of Directors: Ken Abrahamian • Cheryl Belluomini

Michael Foglio • Rusty Nonini • Amanda Souza

Fire Chief: Timothy V. Henry, CFO, EFO

Fire Headquarters
15850 W. Kearney Boulevard
Kerman, California 93630-9335
(559) 275-5531 • FAX (559) 846-3788
www.northcentralfire.org

MEMORANDUM

TO: North Central Board of Directors

FROM: Tim Henry, Fire Chief

DATE: December 17, 2020

SUBJECT: Board Meeting Dates for 2021

Below is a list of tentative dates set for the 2021 regular board meetings. All the meetings are scheduled for the fourth Thursday of each month, except the November and December meetings, and the May meeting which are all scheduled on the third Thursday of the month. All the meetings are scheduled for 5:30 p.m.

Please review the list for any possible conflicts with your schedules.

January 28, 2021	July 22, 2021
February 25, 2021	August 26, 2021
March 25, 2021	September 23, 2021
April 22, 2021	October 28, 2021
May 20, 2021	November 18, 2021
June 24, 2021	December 16, 2021

Recommended Action: Consider and approve the dates and times scheduled for the 2021 board meetings.



NORTH CENTRAL FIRE PROTECTION DISTRICT

Board of Directors: Ken Abrahamian • Cheryl Belluomini

Michael Foglio • Rusty Nonini • Amanda Souza

Fire Chief: Timothy V. Henry, CFO, EFO

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MEMORANDUM

TO: North Central Board of Directors

FROM: Tim Henry, Fire Chief

DATE: December 17, 2020

SUBJECT: Audit – Fiscal Year ending June 30, 2020

Attached is a copy of the audited financial statements for the Fiscal Year ending June 30, 2020. Mr. Bill Patterson with Sampson, Sampson and Patterson will present the audited financial statements.

GASB 34 regulations require the District complete a Management's Discussion and Analysis, which is included as part of the audit and can be used as an overview of the financial condition of the District.

Recommended Action: Approve the audit as submitted by Sampson, Sampson and Patterson for the fiscal year ending June 30, 2020.

NORTH CENTRAL FIRE PROTECTION DISTRICT

REPORT ON AUDITED
FINANCIAL STATEMENTS
AND
ADDITIONAL INFORMATION

YEAR ENDED JUNE 30, 2020

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	28-29



Sampson, Sampson & Patterson, LLP
 CERTIFIED PUBLIC ACCOUNTANTS

3148 Willow Avenue, Suite 102
 Clovis, California 93612-4739
 (559) 291-0277 • FAX (559) 291-6411

INDEPENDENT AUDITORS' REPORT

Board of Directors
 North Central Fire Protection District
 Kerman, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of North Central Fire Protection District (the District), State of California, as of and for the year ended June 30, 2020, 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable in financial audits contained in *Government Auditing Standards*, issued by the Comptroller general of the United States and the State Controller's Minimum Audit Requirements for California Special Districts. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
General Fund – Suppression	Unmodified
Governmental Fund – Emergency Medical Services	Unmodified
Governmental Fund – Capital Projects Fund	Unmodified

North Central Fire Protection District

Basis for Qualified Opinion on Governmental Activities

The District did not have an actuarial study performed to determine its outstanding pension liabilities, deferred outflows of resources, deferred inflows of resources, and pension expense as of and for the year ending June 30, 2020. Accordingly, this information, including the related note disclosures and required supplementary information, was omitted from the District's financial statements. Accounting principles generally accepted in the United States of America require a governmental entity to report this information on the Statement of Net Position, Statement of Activities, and in the related footnotes and supplementary information. The amount by which this departure would affect the liabilities, deferred outflow of resources, deferred inflow of resources, and expenses has not been determined.

Qualified Opinion

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of North Central Fire Protection District as of June 30, 2020, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, the financial position of each major fund of North Central Fire Protection District as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3 through 8 and the schedules of revenues, expenditures and changes in fund balances – budget and actual on pages 25 through 27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government Accounting Standards Board who considers them to be essential parts 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 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 Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2020 on our consideration of North Central Fire Protection District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Sampson, Sampson & Patterson, LLP

Clovis, California
November 25, 2020

NORTH CENTRAL FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

This discussion and analysis of the North Central Fire Protection District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2020. Please read it in conjunction with the accompanying financial statements and notes to those financial statements.

Financial Highlights

The District's total assets exceeded liabilities (net position) at the close of the fiscal year by \$13,163,590. Of this amount, \$6,838,515 is unrestricted net position, which is available to meet the District's ongoing commitments to residents and creditors.

The District's governmental funds ended the year with a combined fund balance of \$9,053,788 which is an increase of \$1,222,403 over June 30, 2019. Of this balance, \$9,053,788 is unrestricted and available for spending at the District's discretion.

The District's General Fund ended the year with a fund balance of \$6,605,735 an increase of \$1,948,960 over the previous fiscal year.

Overview of the Financial Statements

This annual report consists of a series of financial statements. These statements include all activities of the North Central Fire Protection District. The Statement of Net Position and Statement of Activities provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds.

Reporting the District as a Whole

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances. These statements include all assets and liabilities of the District using the accrual basis of accounting, which is similar to the accounting method used by most private sector companies.

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

The *statement of activities* presents information showing how the District's net position changed in the most recent fiscal year. All changes of net position are reported as soon as the underlying event giving rise to the event occurs. Thus, revenues and expenses are reported on this statement for some items that will result on cash flows in the future fiscal periods.

The government-wide financial statements of the District can be found on pages 9 – 10 of this report.

NORTH CENTRAL FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Management establishes other funds to control and manage money for particular purposes. The funds of the District can be divided into two categories: governmental funds and proprietary funds. The District has no proprietary funds and three governmental funds, the General fund, the EMS fund and a Capital projects fund. Fund financial statements can be found on pages 11 – 14 of this report.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on balances of spendable resources available at the end of the fiscal year. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash.

The governmental fund statement of revenues, expenditures, and changes in fund balances provides reconciliation between governmental funds and governmental activities. This reconciliation explains the relationship (or difference) between the fund statements and the government-wide statements.

The District adopts an annual appropriated budget for the District's governmental funds. Budgetary comparison statements are provided to demonstrate compliance to this budget in the supplementary information on pages 25 -27.

Notes to the Financial Statements

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

The notes to the financial statements can be found on pages 15 – 24 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain other supplementary information which can be found on pages 25 – 27.

NORTH CENTRAL FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

North Central Fire Protection District's Net Position

	Governmental Activities	Current Year Total	Prior Year Total
Current Assets	\$ 8,509,911	\$ 8,509,911	\$ 7,382,931
Other Assets	750,195	750,195	599,474
Capital Assets (net depreciation)	<u>6,588,846</u>	<u>6,588,846</u>	<u>6,373,271</u>
 Total Assets	 <u>15,848,952</u>	 <u>15,848,952</u>	 <u>14,355,676</u>
Current Liabilities	92,279	92,279	187,978
Deferred Liabilities	<u>2,593,083</u>	<u>2,593,083</u>	<u>2,860,542</u>
 Total Liabilities	 <u>2,685,362</u>	 <u>2,685,362</u>	 <u>3,048,520</u>
Net Position:			
Invested in Capital	6,325,075	6,325,075	6,061,170
Unrestricted	<u>6,838,515</u>	<u>6,838,515</u>	<u>5,245,986</u>
 Total Net Position	 <u>\$ 13,163,590</u>	 <u>\$ 13,163,590</u>	 <u>\$ 11,307,156</u>

Governmental activities

As of June 30, 2020, the District's governmental activities total assets exceeded liabilities (net position) by \$13,163,590. Net position as noted earlier may serve over time as a useful indicator of the District's financial position.

The majority of the District's long-term liabilities can be attributed to the District's debt service requirements secured in 2010 through a private-placement loan to pay a settlement payment to Fresno County Employees Retirement Association. In April 2017, the District refunded the loan at a better interest rate to realize significant savings over the term of the loan. Additional information on the District's annual debt service can be found on page 22 and continuing on page 23 in the notes to the financial statements.

Investment in Capital assets amount to \$6,325,075 or 48 percent of the total net position.

Unrestricted net position as of June 30, 2020, are \$6,838,515 and may be used to meet the District's ongoing commitments to residents and creditors.

NORTH CENTRAL FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

North Central Fire Protection District's Changes in Net Position

	Governmental Activities	Current Year Total	Prior Year Total
Revenues:			
Charges for services	\$ 97,997	\$ 97,997	\$ 105,759
Property taxes	9,700,478	9,700,478	9,235,194
Interest & Use of Property	190,332	190,332	210,129
Other revenues	<u>83,027</u>	<u>83,027</u>	<u>479</u>
Total Revenues	<u>10,071,834</u>	<u>10,071,834</u>	<u>9,551,561</u>
Expenses:			
Suppression	7,170,095	7,170,095	9,350,642
EMS	972,398	972,398	945,410
Interest	<u>72,907</u>	<u>72,907</u>	<u></u>
Total Expenses	<u>8,215,400</u>	<u>8,215,400</u>	<u>10,296,052</u>
Increase (Decrease) in Net Position	1,856,434	1,856,434	(744,491)
Net Position – Beginning	<u>11,307,156</u>	<u>11,307,156</u>	<u>12,051,647</u>
Net Position – Ending	<u>\$ 13,163,590</u>	<u>\$ 13,163,590</u>	<u>\$ 11,307,156</u>

Total governmental activities revenue for the year was \$10,071,834 with property tax revenue accounting for \$9,700,478 or 96.3 percent of the District's governmental activities revenue.

Total governmental expenses for the year were \$8,215,400. Expenditures for personnel account for \$5,394,665 or 65.7 percent of the total governmental expenses. Operations expenditures account for \$2,088,805 or 25.4 percent and other expenses account for 8.9 percent of the total governmental expenses.

Financial Analysis of the District's Funds

The purpose of the District's governmental fund financial statements (pages 11 - 14), 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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2020, the District's governmental funds reported a combined ending balance of \$9,053,788, an increase of \$1,222,403 from the previous fiscal year.

NORTH CENTRAL FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

The general fund is the chief operating fund of the District. As of June 30, 2020, the total fund balance of the general fund was \$6,605,735. The general fund total balance increased \$1,948,960 from the previous fiscal year.

General Fund – Budgetary Highlights

The statement of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual on pages 25 – 27 outline the differences between the budget and actual numbers.

District revenues were above budget projections by \$41,551 and expenditures were under budget by \$63,836.

Capital Assets

The District's investment in Capital assets for its governmental activities as of June 30, 2020, totals \$6,588,846 net of accumulated depreciation. The District's capital assets include land, structures and improvements, equipment, apparatus and vehicles. Additional information on the District's capital assets can be found on page 21 in the notes to the financial statements.

Long-term Debt

On June 9, 2010, the District closed a \$4,100,000 private placement loan with Bank of America for the financing of a settlement payment for the District's portion of the unfunded actuarial accrued liability owed to Fresno County Employee's Retirement Association. The District began paying debt service payments in February 2011 and will make semi-annual payments for fifteen years ending August 2025. The loan has a fixed interest rate of 7.45 percent. In April of 2017, the District refunded the 2010 loan at a fixed rate of 2.7 percent. The District will continue to make semi-annual payments on the refunded loan which will mature in August of 2025.

On December 5, 2015, the District entered into a capital lease totaling \$417,645 to purchase a new water tender and began making annual payments of \$49,161 on August 1, 2016. The term of the capital lease is ten years.

Additional information on the District's debt service can be found starting on the bottom of page 22 and continuing on page 23 in the notes to the financial statements.

NORTH CENTRAL FIRE PROTECTION DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2020

Economic Factors and Next Year's Budget

Property tax revenue accounts for 97 percent of the District's operating revenue. Since the recession that negatively affected the District's property tax revenues from fiscal years 2009 through 2013, the District has experienced moderate increases in fiscal years 2014 through 2019. In the 2019-2020 fiscal year, the District again received another moderate increase in property tax revenue of 4.87 percent. The tax roll released for the 2020-2021 fiscal year, shows a similar increase in assessed values in the entire County of Fresno which includes the District. The District is a small area of Fresno County, so it is difficult to predict the increase of property tax revenue for the District in the 2020-2021 fiscal year. However, the District has experienced a 5.39 percent average increase in property tax revenue over the past six fiscal years. This indicates assessed values have experienced a steady increase over time and continue to remain stable.

Requests for Information

This financial report is designed to provide our residents, taxpayers, and customers with a general overview of North Central Fire Protection District's finances and to demonstrate the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Joe Barcelos, Business Manager, North Central Fire Protection District, 15850 W. Kearney Blvd., Kerman CA 93630, (559) 275-5531.

NORTH CENTRAL FIRE PROTECTION DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2020

ASSETS	
Cash	\$ 8,509,911
Receivables:	
Taxes	126,912
Accounts	68,873
Interest	36,859
Prepaid expense	517,551
Capital assets (net of accumulated depreciation)	<u>6,588,846</u>
Total Assets	<u>15,848,952</u>
LIABILITIES	
Accounts payable	25,896
Accrued payroll and related liabilities	30,607
Accrued interest payable	35,776
Non-Current Liabilities:	
Due within one year	462,723
Due in more than one year	<u>2,130,360</u>
Total Liabilities	<u>2,685,362</u>
NET POSITION	
Invested in capital assets, net of related debt	6,325,075
Unrestricted	<u>6,838,515</u>
Total Net Position	<u>\$13,163,590</u>

See independent auditors' report and notes to financial statements.

NORTH CENTRAL FIRE PROTECTION DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2020

	<u>Expense</u>	<u>Charges for Services</u>	<u>Program Revenue</u>		<u>Net Revenue/ (Expense)</u>
			<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental Activities					
Fire suppression	\$7,170,095	\$97,997	\$8,319	\$	\$ (7,063,779)
Emergency medical services	972,398				(972,398)
Interest	<u>72,907</u>				<u>(72,907)</u>
Total Governmental Activities	<u>8,215,400</u>	<u>97,997</u>	<u>8,319</u>		<u>(8,109,084)</u>
General Revenue					
Property taxes					9,625,305
Intergovernmental					75,173
Interest earnings					190,332
Other					<u>74,708</u>
Total General Revenue					9,965,518
Change in Net Position					<u>1,856,434</u>
Net Position, Beginning of Year					<u>11,307,156</u>
Net Position, End of Year					<u>\$13,163,590</u>

See independent auditor's report and notes to financial statements.

NORTH CENTRAL FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2020

	<u>General Fund - Suppression</u>	<u>Emergency Medical Services</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash	\$6,063,980	\$616,856	\$1,829,075	\$8,509,911
Interest receivable	1,718	264	673	2,655
Taxes receivable	10,116	1,185		11,301
Accounts receivable	68,873			68,873
Prepaid expense	<u>517,551</u>	_____	_____	<u>517,551</u>
Total Assets	<u>6,662,238</u>	<u>618,305</u>	<u>1,829,748</u>	<u>9,110,291</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable	25,896			25,896
Accrued payroll liabilities	<u>30,607</u>	_____	_____	<u>30,607</u>
Total Liabilities	<u>56,503</u>	_____	_____	<u>56,503</u>
Fund balances:				
Assigned		618,305	1,829,748	2,448,053
Unassigned	<u>6,605,735</u>	_____	_____	<u>6,605,735</u>
Total Fund Balances	<u>6,605,735</u>	<u>618,305</u>	<u>1,829,748</u>	<u>9,053,788</u>
Total Liabilities and Fund Balances	<u>\$6,662,238</u>	<u>\$618,305</u>	<u>\$1,829,748</u>	<u>\$9,110,291</u>

See independent auditor's report and notes to financial statements.

NORTH CENTRAL FIRE PROTECTION DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE
SHEET TO NET POSITION OF GOVERNMENTAL ACTIVITIES
JUNE 30, 2020

Amounts reported for governmental activities in the Statement of net position are different because:

Total fund balances – total governmental funds	\$ 9,053,788
Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds	6,588,846
Other long-term assets are not available to pay for current-period expenditures, and, therefore, are deferred in the funds	149,815
Long-term portion of accrued compensated absences and health benefits are not due and payable in the current period and, therefore, are not reported in the funds	(209,312)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds	(2,383,771)
Interest on long-term liabilities is not due and payable in the current period and therefore are not reported in the funds	<u>(35,776)</u>
Net Position of Governmental Activities	<u>\$13,163,590</u>

See independent auditor's report and notes to financial statements.

NORTH CENTRAL FIRE PROTECTION DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2020

	<u>General Fund - Suppression</u>	<u>Emergency Medical Services</u>	<u>Capital Projects Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Property taxes	\$ 8,483,143	\$1,010,838	\$ 15,713	\$ 9,509,694
Intergovernmental	67,388	7,785		75,173
Charges for services	97,997			97,997
Use of money and property	108,852	9,980	37,296	156,128
Other	<u>83,009</u>	<u>18</u>		<u>83,027</u>
Total Revenues	<u>8,840,389</u>	<u>1,028,621</u>	<u>53,009</u>	<u>9,922,019</u>
EXPENDITURES				
Current:				
Operations	1,831,206	257,599	23	2,088,828
Personnel	4,702,004	692,661		5,394,665
Capital outlay	749,841			749,841
Debt service:				
Principal	342,067	50,126		392,193
Interest	<u>64,620</u>	<u>9,469</u>		<u>74,089</u>
Total Expenditures	<u>7,689,738</u>	<u>1,009,855</u>	<u>23</u>	<u>8,699,616</u>
Excess of Revenues Over Expenditures	<u>1,150,651</u>	<u>18,766</u>	<u>52,986</u>	<u>1,222,403</u>
OTHER FINANCING SOURCES/(USES)				
Operating transfers in	1,798,309		1,000,000	2,798,309
Operating transfers out	<u>(1,000,000)</u>		<u>(1,798,309)</u>	<u>(2,798,309)</u>
Total Other Financing Sources (Uses)	<u>798,309</u>		<u>(798,309)</u>	
Net Change in Fund Balances	1,948,960	18,766	(745,323)	1,222,403
Fund Balances, Beginning of Year	<u>4,656,775</u>	<u>599,539</u>	<u>2,575,071</u>	<u>7,831,385</u>
Fund Balances, End of Year	<u>\$ 6,605,735</u>	<u>\$ 618,305</u>	<u>\$ 1,829,748</u>	<u>\$ 9,053,788</u>

See independent auditor's report and notes to financial statements.

NORTH CENTRAL FIRE PROTECTION DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS STATEMENT OF
REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
TO CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Amounts reported for government activities in the statement of activities are different because:

Net change in fund balances – total governmental funds	\$1,222,403
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 outlay exceeded depreciation in the current period	215,575
Governmental funds report principal reductions of long-term liabilities as expenditures. However, in the government-wide financial statements principal reductions of long-term liabilities reduce debt and are not included within the statement of activities. This is the amount of net principal reductions of long-term debt during the current period	392,193
Revenues in the statement of activities that do not provide current financial resources and are not reported as revenues in the funds	149,815
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	(124,734)
Governmental funds report interest payments on long-term liabilities as expenditures. However, in the government-wide financial statements, interest expense on long-term debt is recognized as it is incurred. This is the difference between the methods of interest recognition	<u>1,182</u>
Change in Net Position of Governmental Activities	<u>\$1,856,434</u>

See independent auditor's report and notes to financial statements.

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020

Note 1 - Summary of Significant Accounting Policies

A. Financial Reporting Entity

The North Central Fire Protection District was formed by resolution of the Board of Supervisors of Fresno County on December 11, 1945, under the provisions of Section 14001 et seq. of the Health and Safety Code. Effective September 6, 1966, the District was automatically considered as reorganized and operating under the Fire Protection Law of 1961 covered in Section 13801-13998 of the Health and Safety Code. The District is governed by a Board of Directors. The District has no component units.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the activities of the primary government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes 1) charges to customer or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District revenues are available if they are collected within 60 days of the end of the current period. Expenditures generally are recorded when liabilities are incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020
(continued)

The District reports the following major governmental funds:

The General Fund is the District's major operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Emergency Medical Services (EMS) – Zone 1 Fund accounts for the activities of the District's emergency medical services operations.

The Capital Project Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by EMS – Zone 1 Fund).

Amounts reported as program revenue include charges to customers for goods and services, operating grants and contributions and capital grants and contributions.

D. Assets, Liabilities and Net Position or Equity

1. Cash and Investments

The District invests its excess cash principally with the Fresno County Treasury. The County pools these funds with those of other entities in the County and invests the cash in accordance with California Government Codes. Generally, investments with the County are available for withdrawal on demand.

2. Receivables

Receivables consist primarily of billed, but unpaid amounts, property taxes and interest on funds deposited with the County Treasury.

3. Capital assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of five years. All material fixed assets are valued at historical cost. Donated fixed assets are valued at their estimated fair value on the date donated. When an asset is disposed of, cost and related accumulated depreciation is removed and any gain or loss arising from its disposal is credited or charged to operations.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Depreciation is recorded by using the straight-line method. The book value of each asset is reduced by equal amounts over its estimated useful life as follows:

Buildings	50 years
Land Improvements	1-20 years
Equipment	5-20 years

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020
(continued)

4. Fund Equity

Net position presents the difference between assets and liabilities in the statement of net position. Net position invested in capital assets are reduced by the outstanding balances of any borrowings used for the acquisition or improvement of those assets.

In the fund financial statements, governmental funds report fund balance amounts in the following classifications: Nonspendable, restricted, committed, assigned and unassigned. Nonspendable amounts represents inventories, prepaid items and long-term receivables. Restricted amounts have been restricted by external bodies. Committed amounts have been restricted by the District's governing board. Assigned amounts represent tentative designations by the District. Unassigned amounts are spendable and are not restricted, committed or assigned.

The District will spend the funds restricted for their purpose within those funds first followed by assigned funds for their intended purposes prior to spending any unassigned funds.

5. Net Position

Net position comprises the various net earnings from operating income, nonoperating revenue and expense and capital contributions. Net positions are classified in the following three components:

Invested in capital assets, net of related debt – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net asset components as the unspent proceeds.

Restricted – This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position – This component of net position consists of net position that do not meet the definition of restricted or invested in capital assets, net of related debt.

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the District's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

E. Estimates

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

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020
(continued)

F. Budgets and Budgetary Accounting

The District established a budget for its governmental fund for the year ended June 30, 2020. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

G. Reconciliation of government-wide and fund financial statements

1. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The government-wide fund balance sheet includes reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “the long-term portion of accrued compensated absences and health benefits are not due and payable in the current period and therefore, are not reported in the funds.” The details of the \$(209,312) difference are as follows:

Accrued health benefits	\$ (26,233)
Accrued compensated absences	<u>(183,079)</u>
Net adjustment to reduce fund balance-total governmental funds to arrive at net position-governmental activities	<u><u>\$(209,312)</u></u>

2. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances-total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains “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.” The details of the \$215,575 difference are as follows:

Capital outlay	\$ 749,841
Depreciation expense	<u>(534,266)</u>
Net adjustment to increase net changes in fund balance-total Governmental funds to arrive at changes in net assets-Governmental activities	<u><u>\$ 215,575</u></u>

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020
(continued)

Note 2 – Cash and Investments

Cash and investments as of June 30, 2020 consist of the following:

Cash on hand	\$ 3,229
Deposits with financial institutions	989,239
Deposits with county treasury	<u>7,517,443</u>
Total Cash and investments	<u>\$8,509,911</u>

Bank deposit accounts are insured up to \$250,000 per institution by the Federal Depository Insurance Corporation (FDIC). All of the District's cash balances held by financial institutions are fully insured or collateralized.

Cash in County Treasury

Within the guidelines of Government Code Section 53601, the District maintains substantially all of its cash in the Fresno County Treasury as part of the common investment pool. Assumptions made in determining the fair value of the pooled investment portfolios are available from the County Treasurer. The County is restricted by Government Code Section 53635 pursuant to Section 53601 to invest in time deposits, U.S. government securities, state registered warrants, notes or bonds, State Treasurer's investment pool, bankers' acceptances, commercial paper, negotiable and non-negotiable certificates of deposit, repurchase agreements, and mortgage-backed pass through securities.

Investments Authorized by the California Government Code

The District does not have an investment policy independent of what is allowed under the California Government Code. The table below identifies the investment types that are authorized by the Code. The table also identifies certain provisions of the Code that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 years	None	None
Reverse Repurchase Agreements	92 days	20% of base value	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	None
Mortgage Pass-through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
JPA Pools (other investment pools)	N/A	None	None

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020
(continued)

The Fresno County Treasury Investment Pool Statement of Investment Policy is more stringent than the California Government Code. As of June 30, 2020, the Investment Pool portfolio complied with its statement of Investment Policy.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

As of June 30, 2020, the weighted average maturity of the investments contained in the Fresno County Treasury Investment Pool is 1.91% years. 36.6% of the portfolio matures within 12 months, 31.5% matures between 1 and 3 years, and 31.9% matures between 3 and 5 years.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Fresno County Treasury Investment Pool does not have a rating provided by a nationally recognized statistical rating organization. However, the assets of the portfolio held by the pool as of June 30, 2020 and June 30, 2019 had an average dollar weighted quality rating of "AA+."

Concentration of Credit Risk

There are no investments in any one issuer that represent 5% or more of total District investments.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by the state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2020, none of the District's deposits in excess of FDIC limits were held in uncollateralized accounts.

Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as the Fresno County Treasury Investment Pool).

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020
(continued)

Investment in Fresno County Treasury Investment Pool

The District is a voluntary participant in the Fresno County Treasury Investment Pool that is regulated by the California Government Code under the oversight of the Auditor-Controller/Treasurer-Tax Collector of Fresno County. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by the Treasury Investment Pool for the entire Treasury Investment Pool portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the Treasury Investment Pool, which are recorded on an amortized cost basis.

Note 3 – Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 122,762	\$	\$	\$ 122,762
Construction/projects in process	<u>417,720</u>	<u>417,720</u>	<u> </u>	<u>417,720</u>
Total capital assets, not being depreciated	<u>122,762</u>	<u>417,720</u>	<u> </u>	<u>540,482</u>
Capital assets being depreciated:				
Structures and improvements	3,779,215	103,585		3,882,800
Equipment, furniture and fixtures	944,923	67,185		1,012,108
Apparatus and vehicles	<u>6,060,916</u>	<u>161,351</u>	<u>(34,474)</u>	<u>6,187,793</u>
Total capital assets, being depreciated	<u>10,785,054</u>	<u>332,121</u>	<u>(34,474)</u>	<u>11,082,701</u>
Less accumulated depreciation for:				
Structures and improvements	(1,514,953)	(114,939)		(1,629,892)
Equipment, furniture and fixtures	(756,654)	(68,334)		(824,988)
Apparatus and vehicles	<u>(2,262,938)</u>	<u>(350,993)</u>	<u>34,474</u>	<u>(2,579,457)</u>
Total accumulated depreciation	<u>(4,534,545)</u>	<u>(534,266)</u>	<u>34,474</u>	<u>(5,034,337)</u>
Total capital assets, being depreciated, net	<u>6,250,509</u>	<u>(202,145)</u>	<u> </u>	<u>6,048,364</u>
Governmental activities capital assets, net	<u>\$ 6,373,271</u>	<u>\$ 215,575</u>	<u>\$</u>	<u>\$ 6,588,846</u>

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020
(continued)

Note 4 – Long-Term Debt

The following is a summary of long-term debt for the year ended June 30, 2020.

	Beginning Balance	Additions/ Adjustments	Reductions	Ending Balance	Classification	
					Due in One Year	Due in More Than One Year
2017 Lease agreement	\$2,473,000	\$	\$353,000	\$2,120,000	\$363,000	\$1,757,000
Capital lease	302,964		39,193	263,771	40,483	223,288
Health benefits	20,227	10,322	4,316	26,233	4,316	21,917
Compensated absences	64,351	125,163	6,435	183,079	54,924	128,155
	<u>\$2,860,542</u>	<u>\$135,485</u>	<u>\$402,944</u>	<u>\$2,593,083</u>	<u>\$462,723</u>	<u>\$2,130,360</u>

2017 Lease Agreement

In April, 2018, the District secured financing to defease and pay the outstanding balance of a lease obligation due to Bank of America. The amount due to Bank of America at the time of defeasement was \$2,849,424. The new obligation is due to JP Morgan chase Bank and commenced at \$3,179,000. Terms of the new lease call for an initial payment of \$218,081 on August 1, 2018 with subsequent semi-annual payments of approximately \$208,700 due each February 1st and August 1st through August 1, 2025. The lease bears interest at the rate of 2.70 percent per annum. Interest paid on the lease for the year ended June 30, 2020 amounted to \$64,121. Real property and improvements subject to the lease were used as collateral for the financing.

The annual debt service requirements for the financing at June 30, 2020, are as follows:

Year Ending June 30,	Principal	Interest	Total
2021	\$ 363,000	\$ 54,810	\$ 417,810
2022	372,000	44,941	416,941
2023	383,000	34,830	417,830
2024	393,000	24,422	417,422
2025	403,000	13,743	416,743
2026	<u>206,000</u>	<u>2,781</u>	<u>208,781</u>
	<u>\$2,120,000</u>	<u>\$175,527</u>	<u>\$2,295,527</u>

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020
(continued)

Capital Lease

On December 5, 2015, the District entered into a capital lease for the acquisition of a new water tender (fire engine) and related equipment. The water tender had a cost of \$417,645 and was delivered to the District in August, 2016. The lease matures on August 1, 2025. Interest paid for the year ended June 30, 2020 for the lease was \$9,968 the lease calls for annual payments of \$49,161 which are due each August 1st as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 40,483	\$ 8,678	\$ 49,161
2022	41,814	7,347	49,161
2023	43,190	5,970	49,160
2024	44,611	4,550	49,161
2025	46,079	3,082	49,161
2026	<u>47,594</u>	<u>1,566</u>	<u>49,160</u>
	<u>\$263,771</u>	<u>\$31,193</u>	<u>\$294,964</u>

Note 5 – Retirement Plans

In 2004, the County of Fresno issued pension obligation bonds to extinguish a portion of the County’s unfunded actuarial accrued liability in the Fresno County Employers Retirement Association. The District remains obligated to make contributions to the County for its portion of the pension obligation bonds relating to unfunded liabilities for the years in which the District had employees participating in the County’s retirement plan. The District’s pension obligation bond contributions to the County of Fresno were \$340,038 for the year ended June 30, 2020. The District’s pension obligation bond amounts, adjusted annually for inflation, are expected to be paid by the District through June 30, 2035.

Note 6 – Interfund Transfers

The following is a summary of District operating transfers for the year ended June 30, 2020.

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund – Suppression	\$1,798,309	\$1,000,000
Capital Projects Fund	<u>1,000,000</u>	<u>1,798,309</u>
	<u>\$2,798,309</u>	<u>\$2,798,309</u>

NORTH CENTRAL FIRE PROTECTION DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2020
(continued)

Note 7 – Joint Venture

The District participates in one joint venture under the joint powers agreement (JPA); the Fire Agencies Insurance Risk Authority. The relationship between the District and the JPA is such that the JPA is not a component unit of the District for financial reporting purposes.

The Fire Agencies Insurance Risk Authority (FAIRA) arranges for liability and property insurance for its members, all of which are fire districts located within California. FAIRA is governed by a board of directors consisting of representatives from member districts. The board controls operations of FAIRA, including selection of management and approval of operating budgets, independent of any influence by the member districts through their representation on the board. Each member district pays a premium commensurate with the level of coverage required and shares surpluses and deficits proportionately to their participation in FAIRA.

Note 8 – City of Fresno Service Agreement

In February, 2019, the District entered into a contract with the City of Fresno to provide fire protection and emergency services to the District, beginning July 1, 2019. The contract, which is effective through June 30, 2022, supersedes the 2006 Agreement with the City of Fresno. Annual payments for the three-year agreement are \$1,003,735 for the year ending June 30, 2020, and \$1,035,102 and \$1,066,468 for the subsequent two years.

Note 9 – Assigned Fund Balance

The following is an analysis of assigned fund balance as of June 30, 2020:

Assigned for emergency medical activities	\$ 618,305
Assigned for fire apparatus and capital improvements	<u>1,829,748</u>
	<u>\$2,448,053</u>

Note 10 – Subsequent Events

The District has reviewed the results of operations and evaluated subsequent events for the period of time from its year ended June 30, 2020 through the date of the accountants' report.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH CENTRAL FIRE PROTECTION DISTRICT
GENERAL FUND – SUPPRESSION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance
	<u>Original</u>	<u>Final</u>		Final Budget- Positive (Negative)
REVENUES				
Property and sales taxes	\$8,361,993	\$8,505,049	\$8,483,143	\$ (21,906)
Intergovernmental	64,806	65,898	67,388	1,490
Charges for services	65,000	68,203	97,997	29,794
Use of money and property	116,428	117,096	108,852	(8,244)
Other	<u>28,742</u>	<u>42,592</u>	<u>83,009</u>	<u>40,417</u>
Total Revenues	<u>8,636,969</u>	<u>8,798,838</u>	<u>8,840,389</u>	<u>41,551</u>
EXPENDITURES				
Current:				
Operations	1,873,900	1,835,282	1,831,206	4,076
Personnel	5,308,371	4,713,295	4,702,004	11,291
Capital outlay	1,133,435	798,310	749,841	48,469
Debt service:				
Principal	342,067	342,067	342,067	
Interest	<u>65,169</u>	<u>64,620</u>	<u>64,620</u>	
Total Expenditures	<u>8,722,942</u>	<u>7,753,574</u>	<u>7,689,738</u>	<u>63,836</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(85,973)</u>	<u>1,045,264</u>	<u>1,150,651</u>	<u>105,387</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in/(out)	<u>1,133,435</u>	<u>798,309</u>	<u>798,309</u>	
Net Change in Fund Balance	1,047,462	1,843,573	1,948,960	105,387
Fund Balance, Beginning of Year	<u>4,656,775</u>	<u>4,656,775</u>	<u>4,656,775</u>	
Fund Balance, End of Year	<u>\$5,704,237</u>	<u>\$6,500,348</u>	<u>\$6,605,735</u>	<u>\$105,387</u>

NORTH CENTRAL FIRE PROTECTION DISTRICT
EMS – ZONE 1 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	Budgeted Amounts		Amounts	Variance Final Budget- Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	\$ 986,731	\$1,013,383	\$1,010,838	\$(2,545)
Use of money and property	15,000	12,512	9,980	(2,532)
Intergovernmental	7,591	7,609	7,785	176
Other	300	18	18	
Total Revenues	<u>1,009,622</u>	<u>1,033,522</u>	<u>1,028,621</u>	<u>(4,901)</u>
EXPENDITURES				
Current:				
Operations	260,241	255,235	257,599	(2,364)
Personnel	743,397	693,061	692,661	400
Debt service:				
Principal	50,126	50,126	50,126	
Interest	<u>9,550</u>	<u>9,469</u>	<u>9,469</u>	
Total Expenditures	<u>1,063,314</u>	<u>1,007,891</u>	<u>1,009,855</u>	<u>(1,964)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(53,692)</u>	<u>25,631</u>	<u>18,766</u>	<u>(6,865)</u>
Fund Balances, Beginning of Year	<u>599,539</u>	<u>599,539</u>	<u>599,539</u>	
Fund Balances, End of Year	<u>\$ 545,847</u>	<u>\$ 625,170</u>	<u>\$ 618,305</u>	<u>\$(6,865)</u>

NORTH CENTRAL FIRE PROTECTION DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2020

	<u>Budgeted Amounts</u>		<u>Amounts</u>	<u>Variance Final Budget- Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 16,000	\$ 15,713	\$ 15,713	\$
Use of money and property	<u>56,000</u>	<u>53,107</u>	<u>37,296</u>	<u>(15,811)</u>
Total Revenues	<u>72,000</u>	<u>68,820</u>	<u>53,009</u>	<u>(15,811)</u>
EXPENDITURES				
Current:				
Operations		23	23	
Personnel				
Total Expenditures		<u>23</u>	<u>23</u>	
Excess of Revenues Over Expenditures	<u>72,000</u>	<u>68,797</u>	<u>52,986</u>	<u>(15,811)</u>
OTHER FINANCING SOURCES (USES):				
Operating transfers in/(out)	<u>(1,133,435)</u>	<u>(798,309)</u>	<u>(798,309)</u>	
Net Change in Fund Balances	<u>(1,061,435)</u>	<u>(729,512)</u>	<u>(745,323)</u>	<u>(15,811)</u>
Fund Balances, Beginning of Year	<u>2,575,071</u>	<u>2,575,071</u>	<u>2,575,071</u>	
Fund Balances, End of Year	<u>\$1,513,636</u>	<u>\$1,845,559</u>	<u>\$1,829,748</u>	<u>\$(15,811)</u>



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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

Board of Directors
North Central Fire Protection District
Kerman, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of North Central Fire Protection District (the District) as of and for the year ended June 30, 2020 and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 25, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered North Central Fire Protection District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether North Central Fire Protection District’s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal Control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sampson, Sampson & Patterson, LLP

Clovis, California
November 25, 2020