



# Lathrop-Manteca Fire Protection District

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19001 Somerston Parkway, Lathrop, California 95330

• (209) 941-5100 • Fax (209) 941-5115 • [www.lmfire.org](http://www.lmfire.org) •

November 16, 2023

Regular Board Meeting

7:00 P.M.

Meeting Location: **Lathrop City Hall,  
390 Towne Centre Drive  
Lathrop, CA 95330**

## AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. DECLARATION OF CONFLICT OF INTEREST
5. PRESENTATIONS:
  - 5.1. Introduction of New Probationary Firefighters: Kevin Neuman and Brayden Gordon
  - 5.2. Fire Prevention Building & Construction Update

### 6. PUBLIC COMMENT

Persons who wish to speak to the Board regarding an item that is not on tonight's agenda, or wish to ask the Board to pull an item from the Consent Calendar may do so at this time.

Please submit the Public Comment form to the Board Secretary prior to the commencement of the Board Meeting. When called upon, please come to the podium, state your name and address, and limit your remarks to five (5) minutes.



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Please be aware the California Government Code prohibits the Board from taking any immediate action on an item which does not appear on the agenda, unless the item meets stringent statutory requirements. However, your concerns can be referred to the Staff for review and reported back to the Board at a later date.

Comments on agenda items, including items pulled from the Consent Calendar, will be allowed at this time or when they are being considered by the Board.

## 7. CONSENT CALENDAR

- 7.1. October 19, 2023 Regular Fire Board Meeting Minutes
- 7.2. October 2023 Register of Warrants
- 7.3. Receive and file Monthly / Year-to-Date Budget Reports

## 8. SCHEDULED ITEMS:

- 8.1. Receive and file Fiscal Year 2022-2023 Audit Report
- 8.2. Adopt a Resolution Authorizing the Fire Chief to Negotiate and Enter Into Annexation Mitigation Agreements

## 9. INFORMATION ITEMS:

### 9.1. CHIEFS REPORT

- a. Update on ALS Program
- b. Recruitment Update
- c. Public Relations Update

## 10. BOARD COMMENTS / REFERRALS



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11. **CLOSED SESSION:** *None*

12. **ADJOURNMENT**

Meeting adjourned to the next Regular Board Meeting scheduled for December 21, 2023, 7:00 p.m. at 390 Towne Centre Drive, Lathrop, CA.

*Dated: 11/09/2023*

Hailey Salazar  
Executive Assistant / Board Secretary

*This agenda was posted at the following locations: City Hall, website: [www.lmfire.org](http://www.lmfire.org), Fire Stations 31, 32, 33, 34, and 35.*

Note: A copy of the information packet for Board Members in preparation of this meeting is available for public view at: Administration Office, 19001 Somerston Parkway, Lathrop, CA  
**IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CALL (209) 941-5107.**  
**NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE FIRE DISTRICT TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING.**  
[28 CFR 35.102-35.104 ADA TITLE II]



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October 19, 2023

Regular Board Meeting

7:00 P.M.

Meeting Location: **Lathrop City Hall,  
390 Towne Centre Drive  
Lathrop, CA 95330**

## MINUTES

### 1. CALL TO ORDER

The meeting was called to order at 7:15 p.m.

### 2. ROLL CALL

**Present:** Chairperson Chuck Garcia, Director Jeremy Coe, Director Stephen Dresser, Director Gloryanna Rhodes and Fire Chief David A. Bramell

**Absent:** Vice-Chairperson Mark Elliott

### 3. PLEDGE OF ALLEGIANCE

The Board and attendees performed the Pledge of Allegiance

### 4. DECLARATION OF CONFLICT OF INTEREST: None

### 5. PRESENTATIONS: None

### 6. PUBLIC COMMENT

No requests for public comment



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## 7. CONSENT CALENDAR

- 7.1. September 21, 2023 Regular Fire Board Meeting Minutes
- 7.2. September 2023 Register of Warrants
- 7.3. Receive and file Monthly / Year-to-Date Budget Reports

Chief Bramell shared that for Item 7.3., the Measure C revenue was recorded in the wrong fund by the County. He advised that it would be corrected by next month.

Director Rhodes made a motion to approve Consent Calendar Item 7.1., 7.2. and 7.3.

Director Dresser seconded the motion.

### Roll Call Vote:

Ayes: Garcia, Dresser, Coe, Rhodes  
Noes: None  
Abstain: None  
Absent: Elliott

## 8. SCHEDULED ITEMS:

### 8.1. Approve and Adopt Resolution #2023-11, Transfer from the Measure C Fund to the General Fund

Chief Bramell shared that in order to cover expenses for operations as outlined in the Final Budget for Fiscal Year 2023-2024, a transfer of \$3,613,699 from the Measure-C Fund (Fund Number 49081) to the General Fund (Fund Number 49001), is requested to be authorized by the Board of Directors.

Director Coe made a motion to Approve and Adopt Resolution #2023-11, Transfer from the Measure C Fund to the General Fund

Director Dresser seconded the motion.



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**Roll Call Vote:**

Ayes: Garcia, Dresser, Coe, Rhodes

Noes: None

Abstain: None

Absent: Elliott

**8.2. Approve and Adopt Resolution #2023-12, Transfer from the General Fund to the Capital Outlay Fund**

The Fire Chief advised that in order to cover expenses for capital projects as outlined in the Final Budget for Fiscal Year 2023-2024, a transfer from the General Fund (Fund Number 49001) to the Capital Outlay Fund (Fund Number 49091) is requested to be authorized by the Board of Directors.

Director Coe made a motion to Approve and Adopt Resolution #2023-12, Transfer from the General Fund to the Capital Outlay Fund

Director Dresser seconded the motion.

**Roll Call Vote:**

Ayes: Garcia, Dresser, Coe, Rhodes

Noes: None

Abstain: None

Absent: Elliott

**8.3. Approve and Adopt Resolution #2023-13, Acknowledging Acceptance of a Report on the Lathrop-Manteca Fire District's Compliance with SB1205 and California Health and Safety Code Section 13146.4**

Division Chief Madoski explained that annually, the Lathrop-Manteca Fire District (LMFD) is required to conduct inspections of all schools, hotels, motels, lodging houses, and apartment/condominium buildings, in accordance with California Health and Safety Code Section 13146.2 and 13146.3 to mitigate known hazards, reduce community risk and remain in compliance with the California Fire Code. The Fire Chief shared that the Fire District completed 71.4% of its annual inspections of all known mandated buildings that are included within the mandate for fiscal year 2022-2023. In total, the Fire District conducted 35 of the 49 mandated annual inspections. There are processes that have been put implemented to improve our compliance for



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years to come. The Chief added that the acceptance of this compliance report and the recommended Resolution fulfill the statutory requirements contained in California Health and Safety Code Section 13146.2, 13146.3 and 13146.4, as amended by SB1205. Director Coe asked what classification the nine daycares were under. Chief Bramell shared that those were considered large family daycares. In addition, Director Coe asked if some were not done for over a year; Chief Bramell mentioned that several were done just outside of the parameters of this report (June 30, 2023) and were done in August and September. Director Dresser asked about the District's procedures for Electric Vehicle (EV) fires or inspections. The Fire Chief advised that our firefighters are aware of the increasing presence of EV's and have purchased special foam to fight EV fires. He added that our firefighters are continuously learning more about them and personnel use applications that identify electric vehicles, their batteries and helpful information for first responders.

Director Coe made a motion to Approve and Adopt Resolution #2023-13, Acknowledging Acceptance of a Report on the Lathrop-Manteca Fire District's Compliance with SB1205 and California Health and Safety Code Section 13146.4

Director Dresser seconded the motion.

## **Roll Call Vote:**

Ayes: Garcia, Dresser, Coe, Rhodes

Noes: None

Abstain: None

Absent: Elliott

## **8.4. Receive Analysis of the District's Photovoltaic Solar Systems**

Division Chief Madoski presented this item. He explained that in 2017, the Fire Board directed staff to review the opportunities for solar generation. Solar panels were gaining in popularity, wide spread installation, and efficiency. He continued that after significant internal and external review, the Board of Directors approved and authorized a plan that would lease our facilities for \$1 to a power generation company for the installation of solar; and, in-turn the District would enter into an agreement where the District would purchase the power being generated. Chief Madoski explained that this relationship is commonly known in the solar industry as a power purchase agreement (PPA). He shared that his analysis was going over the usage comparison from 2015 to 2022. He explained that through analysis of the District's usage, the result shows cost increases of 51.58% over the seven year period based on a per unit of purchase. Additionally, over this same period Fire Station 33 saw an



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increase in usage of 6.39% and over the same time period Fire Station 32 experienced a 23.51% increase in usage. Director Coe questioned why 2015 was chosen as the base year; Chief Madoski advised that it was a year that we were fully staffed. He added that factors that add to increases are items like new or more appliances, station alerting, etc. Director Dresser had a question about whether the system was generating what they say it is. Chief Madoski advised that we have identified a gap in that we have not been evaluation the production of solar. He added that we have had two instances where we received credit when the system does not generate what they said it would. Director Coe asked how often we are cleaning them to ensure efficiency and when are we looking to add solar to Station 32 and 33; Chief Madoski advised it's the provider's responsibility to clean them and we haven't explored the option of adding solar to those stations.

## 9. INFORMATION ITEMS:

### 9.1. CHIEFS REPORT

#### a. Update on ALS Program

Chief Bramell advised that there are more individuals completing their National Registry

#### b. Recruitment Update

The Fire Chief shared that he offered two Firefighter positions to two individuals and they accepted them.

#### c. Public Relations Update

Chief Bramell advised that the District has been providing EMT coverage at Dell'Osso Farms. In addition, Company 31 helped out with an event by Give Every Child a Chance at Joseph Widmer Elementary. Lastly, our Deputy Fire Marshal attended the Missionary Minnie Cotton Park dedication in the Lathrop Acres community. The Fire Chief shared some upcoming events with the Fire Board: Trunk or Treat Event on 10/21 at the Generations Center and the Veteran's Day Event on 11/11 at Valverde Park.

## 10. BOARD COMMENTS / REFERRALS

**Director Rhodes:** Commented that this year has gone by quick and that she's ready for the winter months!

**Director Dresser:** Shared that he is glad to see our firefighters are involved in all of our events.

**Director Coe:** Asked if we were recruiting at the corn maze since we were out there; Chief Bramell advised we have recruitment posters on the trailer at the farm. He shared that we have procured some items to start using at public events to use as a tool for recruitments.





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11. **CLOSED SESSION:** *None*

12. **ADJOURNMENT**

Meeting adjourned to the next Regular Board Meeting scheduled for November 16, 2023, 7:00 p.m. at 390 Towne Centre Drive, Lathrop, CA.

*Dated: 11/13/2023*

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Hailey Salazar  
Executive Assistant / Board Secretary



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Roll call vote of Board Members present for review and authorization of Wire transfers and warrants for the month of:

*10/1/2023 – Approved by Chief Bramell - Wire Transfer - \$113,063.12*

*10/6/2023 – Approved by Chief Bramell – Special Checks - \$15,146.20*

*10/30/2023 – Approved by Chief Bramell - \$215,512.12*

**Total amount for October 2023 Warrants: \$343,721.44**

Gloryanna Rhodes: \_\_\_\_\_ Date \_\_\_\_\_

Stephen Dresser: \_\_\_\_\_ Date \_\_\_\_\_

Jeremy Coe: \_\_\_\_\_ Date \_\_\_\_\_

Charles Garcia: \_\_\_\_\_ Date \_\_\_\_\_

Mark Elliott: \_\_\_\_\_ Date \_\_\_\_\_

David Bramell:  Date 11/2/2023

Roll Call:

Yes: \_\_\_\_\_

No: \_\_\_\_\_

Absent: \_\_\_\_\_

**Lathrop-Manteca Fire Protection District  
October 2023**

<b>49091 - Capital Outlay</b>	<b>Special Checks Request</b>			
<b>49090 - Fire Facility Fee</b>	<b>Wire Transfer</b>			
<b>49081 - Measure C</b>	<b>Bond</b>			
<b>49083 - Development Fund</b>				
<b>Salaries &amp; Wages - Regular</b>				
<b>49001-6001000000</b>	Lathrop Manteca F/F Association	General	September 2023	\$ 4,953.88
	American Fidelity	General	Salaries - Regular	\$ 2,102.55
	American Fidelity	General	Salaries - Regular (Flex)	\$ 1,091.64
			<b>Salaries &amp; Wages - Regular</b>	<b>\$ 8,148.07</b>
<b>Salaries-Extra Help</b>				
<b>49001-6002000000</b>	Grant, Steve	General	Reserve	\$ 125.00
	Huettis, Logan	General	Reserve	\$ 150.00
	Lau, Jose	General	Reserve	\$ 300.00
	Neuman, Kevin	General	Reserve	\$ 925.00
	Nunes, Jacob	General	Reserve	\$ 175.00
	Wallgren, Jake	General	Reserve	\$ 325.00
			<b>Salaries-Extra Help</b>	<b>\$ 2,000.00</b>
<b>Health Insurance</b>				
<b>49001-6050000000</b>	<b>CalPERS</b>	General	<b>Health Insurance - Medical</b>	<b>\$ 113,063.12</b>
	Sun Life Financial	General	Health Insurance - Dental	\$ 6,814.27
	Vision Service Plan (VSP)	General	Health Insurance - Vision	\$ 826.10
			<b>Health Insurance</b>	<b>\$ 120,703.49</b>
<b>Office Expense</b>				
<b>49001-6201000000</b>	Lucas Business Systems Inc.	General	CNB11872-01 / 31 - 34 (Billing Period 9/5/23 to 10/4/23)	\$ 650.87
	Cal Card - Rhodes, R.	General	Intuit QuickBooks	\$ 200.00
	Cal Card - Rhodes, R.	General	Standing Desk Riser	\$ 193.78
	Cal Card - Rhodes, R.	General	Office Expense	\$ 47.51
	Cal Card - Rhodes, R.	General	Office Expense	\$ 150.90
	Cal Card - Rhodes, R.	General	Office Expense	\$ 42.61
	Cal Card - Salazar, H.	General	Postage	\$ 13.05
	Cal Card - Neuman	General	Postage	\$ 110.91
	Cal Card - Norman	General	Postage	\$ 7.10
			<b>Office Expense</b>	<b>\$ 1,416.73</b>
<b>Communications</b>				
<b>49001-6206000000</b>	Verizon	General	October 2023	\$ 2,290.90
	AT&T Mobility LLC / Calnet	General	Dedicated Circuit to ECD (Station 34)	\$ 469.76
	Comcast	General	Station 34	\$ 31.49
	City of Lathrop - Finance Dept.	General	IT Service / Zoom	\$ 1,058.00
	TPX Communications	General	Communications - Statement Date: 10/9/23	\$ 1,566.03
	Cal Card - Rhodes, R.	General	Comcast (Station 31) Bill Date 9/9/23	\$ 306.60
	Cal Card - Rhodes, R.	General	Comcast (Station 33) Bill Date 9/9/23	\$ 89.44
	Cal Card - Rhodes, R.	General	DirecTv (Station 32) Statement Date 9/20/23	\$ 107.99
	Cal Card - Rhodes, R.	General	DirecTv (Station 35) Statement Date 9/30/23	\$ 186.98
			<b>Communications</b>	<b>\$ 6,107.19</b>

**Lathrop-Manteca Fire Protection District  
October 2023**

<b>49091 - Capital Outlay</b>	<b>Special Checks Request</b>				
<b>49090 - Fire Facility Fee</b>	<b>Wire Transfer</b>				
<b>49081 - Measure C</b>	<b>Bond</b>				
<b>49083 - Development Fund</b>					
<b>Memberships</b>					
<b>49001-6209000000</b>	Cal Card - Salazar, H.	General	Canva Subscription - October 2023	\$	12.99
			<b>Memberships</b>	<b>\$</b>	<b>12.99</b>
<b>Maintenance-Equipment</b>					
<b>49001-6211000000</b>	O'Reilly Auto Parts	General	Cores	\$	(44.00)
	O'Reilly Auto Parts	General	Core	\$	(22.00)
	O'Reilly Auto Parts	General	Replaced Wires (T30)	\$	26.08
	O'Reilly Auto Parts	General	Misc. Parts	\$	14.21
	O'Reilly Auto Parts	General	Drip Pan (E32)	\$	16.23
	O'Reilly Auto Parts	General	Grease (Station 34)	\$	18.47
	O'Reilly Auto Parts	General	Mount Tape (Vehicle 16-01)	\$	4.01
	O'Reilly Auto Parts	General	Capsule (E33)	\$	36.62
	Cab Air Systems Inc.	General	Service A/C Unit (E32)	\$	2,013.91
	All Star Heavy Haul & Towing, Inc	General	Tow (E32)	\$	393.75
	Honeywell Analytics	General	Annual Posicheck Calibration	\$	1,050.00
	Pape Kenworth	General	Annual Service (E30)	\$	678.04
	Cal Card - Madoski	General	Car Wash (Vehicle 15-02) - Sept 2023	\$	32.99
	Cal Card - Capper	General	Car Wash (Vehicle 19-02) - Oct 2023	\$	19.99
	Cal Card - Capper	General	Cell Phone Repair (E34)	\$	72.05
	Cal Card - Capper	General	Maintenance-Equipment	\$	57.06
	Cal Card - Jones	General	Car Wash (Vehicle 16-01) - Oct 2023	\$	32.99
	Cal Card - Salazar, H.	General	Car Wash (Vehicle 18-02) - Sept 2023	\$	32.99
	Cal Card - Salazar, H.	General	Car Wash (Vehicle 21-02) - Oct 2023	\$	32.99
	Cal Card - Salazar, H.	General	Car Wash (Vehicle 18-02) - Oct 2023	\$	32.99
	Cal Card - Mears	General	Car Wash (Vehicle 21-01) - Nov 2023	\$	17.95
	Cal Card - Elliott, J.	General	Car Wash (Vehicle 18-01) - Oct 2023	\$	32.99
	Cal Card - Neuman	General	Replacement Cots	\$	234.84
	Cal Card - Nussbaumer, S.	General	Rear Rotator Light Bulbs (E33)	\$	145.29
	Cal Card - Neely	General	Maintenance-Equipment	\$	300.00
			<b>Maintenance-Equipment</b>	<b>\$</b>	<b>5,230.44</b>
<b>Radio Maintenance</b>					
<b>49001-6211000100</b>	Cal Card - Jones	General	Radio Dongles	\$	255.65
			<b>Radio Maintenance</b>	<b>\$</b>	<b>255.65</b>
<b>Fuel, Oil &amp; Lube</b>					
<b>49001-6211000400</b>	County of San Joaquin Environmental Health	General	Used Oil - Station 31	\$	185.00
	Valley Pacific Petroleum Services, Inc.	General	Diesel (Station 31) - 9/28/23	\$	2,944.15
	Valley Pacific Petroleum Services, Inc.	General	Diesel (Station 31) - 10/12/23	\$	2,035.00
	Valley Pacific Petroleum Services, Inc.	General	Gas (Station 35) - 10/12/23	\$	1,436.91
	Valley Pacific Petroleum Services, Inc.	General	Diesel (Station 35) - 10/12/23	\$	1,338.33
			<b>Fuel, Oil &amp; Lube</b>	<b>\$</b>	<b>7,939.39</b>

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<b>49090 - Fire Facility Fee</b>	<b>Wire Transfer</b>			
<b>49081 - Measure C</b>	<b>Bond</b>			
<b>49083 - Development Fund</b>				
<b>Professional Services</b>				
<b>49001-6221000000</b>	Kelly Services, Inc	General	Clerical Assistance - Week Ending 9/24/23	\$ 1,152.00
	Kelly Services, Inc	General	Clerical Assistance - Week Ending 10/1/23	\$ 1,404.00
	Kelly Services, Inc	General	Clerical Assistance - Week Ending 10/8/23	\$ 1,440.00
	MacLeod Watts, Inc.	General	OPEB Report For Fiscal Year Ending June 30, 2022	\$ 7,530.00
	CALIFORNIA Department of Justice	General	Fingerprint Apps	\$ 320.00
	American Medical Response, Inc.	General	Meds Program - August 2023	\$ 156.00
	American Medical Response, Inc.	General	Meds Program - September 2023	\$ 169.00
	Creative Security Company, Inc.	General	Background Investigation	\$ 1,111.70
			<b>Professional Services</b>	<b>\$ 13,282.70</b>
<b>Dispatching</b>				
<b>49001-6221010100</b>	AT&T Mobility LLC	General	Dispatching - Issue Date: 9/8/23	\$ 684.29
			<b>Dispatching</b>	<b>\$ 684.29</b>
<b>Training</b>				
<b>49081-6226005800</b>	Cal Card - Capper	Measure C	EMS World Expo 2023 - Meal	\$ 75.92
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Meal	\$ 17.91
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Parking	\$ 50.00
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Meal	\$ 65.12
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Meal	\$ 66.92
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Meal	\$ 208.75
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Meal	\$ 76.47
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Meal	\$ 90.76
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Lodging	\$ 629.30
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Lodging	\$ 629.30
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Lodging	\$ 629.30
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Meal	\$ 51.19
	Cal Card - Capper	Measure C	EMS World Expo 2023 - Lodging	\$ (95.29)
	Cal Card - Ortiz	Measure C	EMS World Expo 2023 - Meal	\$ 22.95
	Cal Card - Ortiz	Measure C	EMS World Expo 2023 - Transportation	\$ 90.89
	Cal Card - Ortiz	Measure C	EMS World Expo 2023 - Transportation	\$ 46.96
	Cal Card - Ortiz	Measure C	EMS World Expo 2023 - Transportation	\$ 7.04
	Cal Card - Melloni	General	Dive Training	\$ 54.57
	Cal Card - Melloni	General	Dive Training	\$ 195.00
	Cal Card - Melloni	General	Dive Equipment	\$ 116.23
<b>49001-6226005800</b>	Target Solutions / Vector Solutions	General	Annual Renewal (11/1/23 to 10/31/24)	\$ 5,074.00
			<b>Training</b>	<b>\$ 8,103.29</b>

**Lathrop-Manteca Fire Protection District  
October 2023**

<b>49091 - Capital Outlay</b>	<b>Special Checks Request</b>				
<b>49090 - Fire Facility Fee</b>	<b>Wire Transfer</b>				
<b>49081 - Measure C</b>	<b>Bond</b>				
<b>49083 - Development Fund</b>					
<b>Public Relations</b>					
<b>49001-6226006000</b>	Cal Card - Salazar, H	General	Recruitment Posters	\$	104.38
				<b>Public Relations</b>	<b>\$ 104.38</b>
<b>Firefighter Physicals &amp; Shots</b>					
<b>49001-6226008800</b>	Co Occupational Medical Partners	General	Firefighter Physicals & Shots	\$	685.00
	Co Occupational Medical Partners	General	Firefighter Physicals & Shots	\$	80.00
	Co Occupational Medical Partners	General	Firefighter Physicals & Shots	\$	80.00
	Co Occupational Medical Partners	General	Firefighter Physicals & Shots	\$	80.00
	OCCU-MED	General	Firefighter Physicals & Shots	\$	172.00
			<b>Firefighter Physicals &amp; Shots</b>	<b>\$</b>	<b>1,097.00</b>
<b>Directors Expenses</b>					
<b>49001-6226010300</b>	Rhodes, Gloryanna	General	9/21/23 - Regular Board Meeting	\$	100.00
	Dresser, Stephen	General	9/21/23 - Regular Board Meeting	\$	100.00
	Coe, Jeremy	General	9/21/23 - Regular Board Meeting	\$	100.00
	Garcia, Charles	General	9/21/23 - Regular Board Meeting	\$	100.00
			<b>Directors Expenses</b>	<b>\$</b>	<b>400.00</b>
<b>Fire Fighting Supplies</b>					
<b>49001-6226011000</b>	Home Depot	General	Straps for Equipment Storage (E34)	\$	84.31
	Cal Card - Forbing	General	Spare Axe Handles	\$	89.84
	Cal Card - Stelle	General	Velcro Straps	\$	158.56
			<b>Fire Fighting Supplies</b>	<b>\$</b>	<b>332.71</b>
<b>Insurance Compensation</b>					
<b>49001-6232005100</b>	Fire Risk Management Services / FASIS	General	Workers' Compensation Contribution - 2023/2024 - 2nd Qtr - Payment 2 of 4	\$	128,400.50
			<b>Insurance Compensation</b>	<b>\$</b>	<b>128,400.50</b>
<b>Insurance Fire &amp; Liability</b>					
<b>49001-6236005330</b>	Dohrmann, An Alera Group Insurance Agency, LLC	General	Employment Practices Liability	\$	18,020.37
			<b>Insurance Fire &amp; Liability</b>	<b>\$</b>	<b>18,020.37</b>
<b>Household Expense</b>					
<b>49001-6246000000</b>	Ernest Packaging Solutions	General	FY 23-24 2nd Quarter Household Supplies	\$	918.40
	Cal Card - Jones	General	FY 23-24 2nd Quarter Household Supplies	\$	737.90
	Cal Card - Jones	General	Household Expense	\$	194.73
	Cal Card - Salazar, H.	General	Household Expense	\$	34.08
			<b>Household Expense</b>	<b>\$</b>	<b>1,885.11</b>
<b>Utilities</b>					
<b>49001-6249000000</b>	Lathrop Irrigation District	General	Utilities - (Station 35)	\$	2,288.84
	City of Lathrop - Water	General	Utilities - (Station 31)	\$	432.98
	City of Lathrop - Water	General	Utilities - (Station 34)	\$	145.95
	City of Lathrop - Water	General	Utilities - (Station 35)	\$	693.91
			<b>Utilities</b>	<b>\$</b>	<b>3,561.68</b>

**Lathrop-Manteca Fire Protection District  
October 2023**

<b>49091 - Capital Outlay</b>	<b>Special Checks Request</b>			
<b>49090 - Fire Facility Fee</b>	<b>Wire Transfer</b>			
<b>49081 - Measure C</b>	<b>Bond</b>			
<b>49083 - Development Fund</b>				
<b>Medical Supplies</b>				
<b>49001-6255050100</b>	Airgas	General	Oxygen Rental 9/30/23	\$ 589.83
	Airgas	General	Oxygen Rental 9/30/23	\$ 58.65
	Airgas	General	Medical Walk Abouts (Cylinders) 10/4/23	\$ 393.12
	Pacific Medical Waste	General	Bio Hazardous Waste Disposal 9/20/23	\$ 186.99
	Physio-Control, Inc. / Stryker	General	Lucas Hard Shell Carrying Case	\$ 550.93
	Cal Card - Jones	General	Medical Supplies	\$ 35.23
	Cal Card - Jones	General	Medical Supplies	\$ 128.12
	Cal Card - Neuman	General	EMT Recertification (Neuman, M.)	\$ 207.65
	Cal Card - Wootten	General	EMT Recertification (Norman, W.)	\$ 207.65
	Cal Card - Ortiz	General	ASHI	\$ 6.74
	Cal Card - Ortiz	General	ASHI	\$ 6.74
			<b>Medical Supplies</b>	<b>\$ 2,371.65</b>
<b>Maint-Structure &amp; Ground</b>				
<b>49001-6260000000</b>	Bay Alarm	General	Alarm - 10/1/23 to 12/31/23 (Station 31)	\$ 175.35
	Bay Alarm	General	Badge - 10/1/23 to 12/31/23 (Station 35)	\$ 510.00
	Bay Alarm	General	Fire - 10/1/23 to 12/31/23 (Station 35)	\$ 1,092.09
	Bay Alarm	General	Alarm - 10/1/23 to 12/31/23 (Station 35)	\$ 399.51
	Cal-Central Equipment Co	General	Yard Equipment Fuel (Station 35)	\$ 106.40
	Cal-Central Equipment Co	General	Weed Eater (Station 33)	\$ 60.00
	Home Depot	General	Shower Drain Grate (Station 32)	\$ 8.64
	Home Depot	General	Yard Equipment (Station 32)	\$ 54.10
	Home Depot	General	Station Supplies (Station 32)	\$ 43.69
	Home Depot	General	Station Supplies (Station 33)	\$ 40.37
	Clark Pest Control Inc.	General	Pest Control - 9/12/23 (Station 31)	\$ 130.00
	Clark Pest Control Inc.	General	Pest Control - 10/10/23 (Station 31)	\$ 130.00
	Clark Pest Control Inc.	General	Pest Control - 10/2/23 (Station 32)	\$ 78.00
	Clark Pest Control Inc.	General	Pest Control - 10/2/23 (Station 33)	\$ 89.00
	Clark Pest Control Inc.	General	Pest Control - 10/10/23 (Station 35)	\$ 243.00
	Knights Plumbing & Drain	General	Water Heater Install (Station 31)	\$ 7,263.08
	County of San Joaquin Environmental Health	General	Haz Material Business Plan Permit	\$ 234.00
	City of Lathrop - Finance Dept.	General	Residential Lighting Maintenance District	\$ 175.74
	City of Lathrop - Finance Dept.	General	Reimb. Batteries APC & UPS	\$ 1,631.22
	Schempers Strand Ace Hardware	General	Station Supplies - Winterizing Project (Station 33)	\$ 30.27
	Cal Card - Rhodes, R.	General	Organic Waste (Station 33)	\$ 84.50
	Cal Card - Rhodes, R.	General	Waste Services & Organics (Station 32)	\$ 429.34
	Cal Card - Rhodes, R.	General	Weed Eater Heads (Station 34)	\$ 40.39
	Cal Card - Kovacs	General	Filters (Station 32, 33 & 34)	\$ 452.52
	Cal Card - Kovacs	General	Filters (Station 32, 33 & 34)	\$ 150.84
	Cal Card - Forbing	General	Air Filter - Push Mower (Station 33)	\$ 11.76
			<b>Maint-Structure &amp; Ground</b>	<b>\$ 13,663.81</b>
			<b>TOTAL:</b>	<b>\$ 343,721.44</b>

**Lathrop-Manteca Fire Protection District  
October 2023**

<b>49091 - Capital Outlay</b>	<b>Special Checks Request</b>				
<b>49090 - Fire Facility Fee</b>	<b>Wire Transfer</b>				
<b>49081 - Measure C</b>	<b>Bond</b>				
<b>49083 - Development Fund</b>					
<b>10/1/23 Wire Transfer</b>	<b>CalPERS</b>	<b>General</b>	<b>Health Insurance - Medical</b>	<b>\$</b>	<b>113,063.12</b>
			<b>Wire Transfer Total:</b>	<b>\$</b>	<b>113,063.12</b>
<b>10/6/23 - Special Checks Request</b>	Sun Life Financial	General	Health Insurance - Dental	\$	6,814.27
	Vision Service Plan (VSP)	General	Health Insurance - Vision	\$	826.10
	Verizon	General	October 2023	\$	2,290.90
	AT&T Mobility LLC / Calnet	General	Dedicated Circuit to ECD (Station 34)	\$	469.76
	Comcast	General	Station 34	\$	31.49
	Kelly Services, Inc	General	Clerical Assistance - Week Ending 9/24/23	\$	1,152.00
	Lathrop Irrigation District	General	Utilities - (Station 35)	\$	2,288.84
	City of Lathrop - Water	General	Utilities - (Station 31)	\$	432.98
	City of Lathrop - Water	General	Utilities - (Station 34)	\$	145.95
	City of Lathrop - Water	General	Utilities - (Station 35)	\$	693.91
			<b>Special Checks Request Total:</b>	<b>\$</b>	<b>15,146.20</b>



County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49001-LATHROP-MANTECA FIRE PROTECT

Report: 13-D3

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
<b>Fund Balance - Beginning of the Fiscal Year</b>	-	-	<b>4,462,057.45</b>		
<b>Revenues</b>					
<b>REVENUES-GENERAL</b>	-	-	-		
4100100010 PROPERTY TAX-SECURED	-	23,451.16	23,451.16	7,267,886.00	0.32%
4100200070 PROPERTY TAX-SECURED-SB813	-	79,560.57	79,560.57	242,570.00	32.80%
4101000000 PROPERTY TAX-UNSECURED	-	(3,752.43)	(3,752.43)	380,819.00	-0.99%
4101000007 PROPERTY TAX-UNSECURED-SB813	-	1,499.55	1,499.55	7,408.00	20.24%
4101000020 PROPERTY TAX-SB 813-PRIOR	-	742.67	742.67	500.00	148.53%
4101000030 PROPERTY TAX-UNSECURED-PRIOR	-	4,015.57	4,015.57	5,000.00	80.31%
<b>TAXES</b>	-	105,517.09	105,517.09	7,904,183.00	1.33%
4204000900 LICENSE/PERMITS-FIRE	13,683.15	67,180.71	67,180.71	430,000.00	15.62%
<b>LICENSES, PERMITS, FRANCHISES</b>	13,683.15	67,180.71	67,180.71	430,000.00	15.62%
<b>FINES, FORFEITURES, PENALTIES</b>	-	-	-		
4400000000 INTEREST INCOME	32,178.00	78,958.00	78,958.00	75,000.00	105.28%
4410023700 RENT MDA	-	4,500.00	4,500.00	18,000.00	25.00%
4410041550 RENT - TOWER	1,576.63	20,122.52	20,122.52	42,045.00	47.86%
<b>USE OF MONEY AND PROPERTY</b>	33,754.63	103,580.52	103,580.52	135,045.00	76.70%
4505500000 ST-HOMEOWNER PROP TAX	-	-	-	23,497.00	0.00%
<b>INTERGOVERNMENTAL REVENUES</b>	-	-	-	23,497.00	0.00%
4605100000 SPECIAL ASSESSMENTS-PRIOR	-	1,609.98	1,609.98	424.00	379.71%
4605110000 SPECIAL ASSESSMENTS-CURRENT	-	1,096.82	1,096.82	2,785,791.00	0.04%
4625103000 PLAN CHECK FEE REV	120,912.85	234,457.60	234,457.60	410,000.00	57.18%
4625120150 HAZERDOUS MATERIAL RESPONSE	-	-	-	44,388.00	0.00%
4634200100 STANDBY FEES	-	-	-	5,000.00	0.00%
<b>CHARGES FOR SERVICES</b>	120,912.85	237,164.40	237,164.40	3,245,603.00	7.31%
4702008000 PRIVATE PARTIES CONT-DONATION	-	-	-	100.00	0.00%
4707000000 OTHER MISC REVENUES	2,197.30	7,133.47	7,133.47	5,000.00	142.67%
4711100010 CLSP-CFD-06	-	-	-	121,407.00	0.00%
4711100040 STRIKE TEAM OVERTIME	16,050.10	16,050.10	16,050.10	-	#DIV/0!
4711100030 STATION O&M	-	-	-	19,024.00	84.37%
4711100070 REPORT REQUESTS	196.50	1,171.50	1,171.50	2,750.00	0.00%
<b>MISCELLANEOUS REVENUES</b>	18,443.90	24,355.07	24,355.07	148,281.00	0.00%
4800000000 OPER TRANS-IN	3,613,699.00	3,613,699.00	3,613,699.00	3,613,699.00	100.00%
<b>TRANSFERS IN</b>	3,613,699.00	3,613,699.00	3,613,699.00	3,613,699.00	100.00%
<b>OTHER FINANCING SOURCES</b>	-	-	-		
4820700000 INSUR PREM-RETIRES	6,479.22	22,363.12	22,363.12	84,767.00	26.38%
<b>SELF INS FUND SPECIAL REVENUES</b>	6,479.22	22,363.12	22,363.12	84,767.00	26.38%
<b>MP-TEL-RADIO ISF REVENUES</b>	-	-	-		
<b>SOLID WASTE SPECIAL REVENUES</b>	-	-	-		
<b>HOSPITAL SPECIAL REVENUES</b>	-	-	-		
<b>AIRPORT SPECIAL REVENUES</b>	-	-	-		
<b>RETIREMENT FUND SPECIAL REV</b>	-	-	-		

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49001-LATHROP-MANTECA FIRE PROTECT

Report: 13-D3

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
4950065000 SALES TAX-LATHROP MEASURE C	-	1,006,570.32	1,006,570.32	-	#DIV/0!
<b>AGENCY FUNDS - DEPOSITS</b>	-	1,006,570.32	1,006,570.32	-	#DIV/0!
<b>Total Revenues</b>	<b>3,806,972.75</b>	<b>5,180,430.23</b>	<b>5,180,430.23</b>	<b>15,585,075.00</b>	<b>33.24%</b>
<b>Expenditures</b>					
6001000000 SALARIES & WAGES-REGULAR	374,763.59	1,532,492.41	1,532,492.41	4,933,862.00	31.06%
6001210000 ADMINISTRATION BENEFITS	14,287.08	29,445.00	29,445.00	-	#DIV/0!
6001450000 SALARIES-LEAVE TIME PAYOFF	10,480.18	48,019.49	48,019.49	81,261.00	59.09%
6002000000 SALARIES-EXTRA HELP	7,120.00	55,405.00	55,405.00	78,625.00	70.47%
6003000000 SALARIES-OVERTIME	93,202.25	607,280.17	607,280.17	1,200,000.00	50.61%
6003100000 SALARIES-OVERTIME 12 PLAN	16.20	16.20	16.20	-	#DIV/0!
<b>SALARIES</b>	<b>499,869.30</b>	<b>2,272,658.27</b>	<b>2,272,658.27</b>	<b>6,293,748.00</b>	<b>36.11%</b>
6010300000 OTHER EMP BENEFITS-UNIFORM	9,000.00	37,125.00	37,125.00	44,100.00	84.18%
6020000000 RETIREMENT-EMPLOYER SHARE	338,925.75	1,289,264.23	1,289,264.23	4,244,179.00	30.38%
6030000000 SOCIAL SECURITY-OASDI	29,289.72	131,360.62	131,360.62	391,149.00	33.58%
6030100000 SOCIAL SECURITY-MEDICARE	7,317.26	31,495.57	31,495.57	-	#DIV/0!
6030200000 SOCIAL SECURITY-EXTRA H-OASDI	441.44	2,757.76	2,757.76	-	#DIV/0!
6030300000 MEDICARE-EXTRA HELP	103.24	644.96	644.96	-	#DIV/0!
6050000000 HEALTH INSURANCE	118,122.79	446,215.86	446,215.86	1,493,896.00	29.87%
6091000000 SAL & BENEFITS -SD	2,815.62	10,822.32	10,822.32	-	#DIV/0!
<b>FRINGE BENEFITS</b>	<b>506,015.82</b>	<b>1,949,686.32</b>	<b>1,949,686.32</b>	<b>6,173,324.00</b>	<b>31.58%</b>
Total Salaries and Benefits	1,005,885.12	4,222,344.59	4,222,344.59	12,467,072.00	33.87%
6201000000 OFFICE EXPENSE-GENERAL	-	4,512.66	4,512.66	20,400.00	22.12%
6206000000 COMMUNICATIONS	2,792.15	24,395.02	24,395.02	143,034.00	17.06%
6209000000 MEMBERSHIPS	-	3,464.30	3,464.30	27,650.00	12.53%
6211000000 MAINTENANCE-EQUIPMENT	-	67,447.31	67,447.31	245,887.00	27.43%
6211000100 RADIO MAINTENANCE	-	211.66	211.66	15,529.00	1.36%
6211000400 FUEL	-	33,480.87	33,480.87	152,834.00	21.91%
6211000500 TIRES & TUBES	-	7,359.85	7,359.85	33,082.00	22.25%
6220001000 AUDITORS PROLL AND A/P CHARGES	-	-	-	20,093.00	0.00%
6220009500 AUDITORS DRCT ASSMT SERV CHR	-	-	-	29,571.00	0.00%
6221000000 PROFESSIONALSVS	1,152.00	36,454.66	36,454.66	465,800.00	7.83%
6221010100 DISPATCHING	-	58,698.99	58,698.99	330,300.00	17.77%
6221010200 TAX ADMINISTRATION CHARGES	-	-	-	140,584.00	0.00%
6221030100 AUDIT	-	14,777.88	14,777.88	18,300.00	80.75%
6223000000 PUBLICATIONS & LEGAL NOTICES	-	281.25	281.25	-	#DIV/0!
6226005800 EMPLOYEE TRAINING	-	13,800.41	13,800.41	222,408.00	6.20%
6226006000 PUBLIC RELATIONS	-	10,088.49	10,088.49	21,315.00	47.33%
6226008800 FIRE FIGHTER PHYSICALS & SHOTS	-	4,040.35	4,040.35	7,031.00	57.46%
6226010300 DIRECTORS EXPENSES	-	1,100.00	1,100.00	8,250.00	13.33%
6226010400 FIRE PREVENTION	-	-	-	2,084.00	0.00%
6226011000 FIRE FIGHTING SUPPLIES	-	14,251.27	14,251.27	212,733.00	6.70%
6232005100 INSURANCE-COMPENSATION	-	111,053.50	111,053.50	515,559.00	21.54%
6236005330 INSURANCE-FIRE & LIABILITY	-	46,908.00	46,908.00	110,020.00	42.64%
6240010200 FIREFIGHTERS PPE & UNIFORMS	-	2,922.53	2,922.53	169,379.00	1.73%

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49001-LATHROP-MANTECA FIRE PROTECT

Report: 13-D3

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
6246000000 HOUSEHOLD EXPENSE	-	3,887.72	3,887.72	21,124.00	18.40%
6249000000 UTILITIES	3,561.68	32,886.58	32,886.58	180,441.00	18.23%
6255050100 MEDICAL SUPPLIES	-	10,400.78	10,400.78	60,893.00	17.08%
6260000000 MAINT-STRUCTURE & GROUND	-	21,444.74	21,444.74	126,803.00	16.91%
<b>SERVICES AND SUPPLIES-TOTAL</b>	<b>7,505.83</b>	<b>523,868.82</b>	<b>523,868.82</b>	<b>3,301,104.00</b>	<b>15.87%</b>
<b>OTHER CHARGES</b>	-	-	-		
<b>OTHER FINANCING USES</b>	-	-	-		
6451000000 EQUIPMENT	-	-	-	5,309.00	0.00%
<b>CAPITAL EXPENDITURES</b>	-	-	-	5,309.00	0.00%
<b>COST REIMBURSEMENTS</b>	-	-	-		
6601000000 OPER TRF-OUT	284,050.00	284,050.00	284,050.00	284,050.00	100.00%
<b>TRANSFERS OUT</b>	<b>284,050.00</b>	<b>284,050.00</b>	<b>284,050.00</b>	<b>284,050.00</b>	<b>100.00%</b>
<b>PROVISION FOR CONTINGENCY</b>	-	-	-		
<b>LOAN TO OTHER FUNDS</b>	-	-	-		
<b>CLEARING ACCOUNTS</b>	-	-	-		
<b>PUBLIC WORKS PROJECT EXP</b>	-	-	-		
<b>LIABILITY INSURANCE ISF EXP</b>	-	-	-		
<b>MEDICAL &amp; DENTAL INSUR ISF EXP</b>	-	-	-		
<b>RETIREMENT FUND EXP</b>	-	-	-		
<b>AGENCY FUND DISBURSEMENT</b>	-	-	-		
<b>Total Expenditures</b>	<b>1,297,440.95</b>	<b>5,030,263.41</b>	<b>5,030,263.41</b>	<b>16,057,535.00</b>	<b>31.33%</b>
<b>Net Changes</b>	<b>2,509,531.80</b>	<b>150,166.82</b>	<b>150,166.82</b>	<b>(472,460.00)</b>	<b>-31.78%</b>

Fund Balance - At the end of the Period

4,612,224.27

**FOR INFORMATION ONLY**

Designated Net Assets	-	-	-
Voucher/AP payables			-
Receivables			-
Inventories			-
Pre-paid Expenses			-
Cash- 1111000000 CASH IN BANK-TREASURY			4,619,135.88
Cash 1111010000 OUTSTANDING WARRANTS			(6,911.61)
<b>Auditor's Cash</b>			<u><u>4,612,224.27</u></u>

**Balance Sheet**

Cash-Treasurer	4,619,135.88
Outstanding Checks	(6,911.61)
Net Cash-Auditor's	<u>4,612,224.27</u>
Receivables	-
Inventories	-
Pre-paid expenses	-

**County of San Joaquin**  
**Fund Report - Year to Date (County Fiscal Year)**  
**As of October 31, 2023**  
**49001-LATHROP-MANTECA FIRE PROTECT**

**Report: 13-D3**

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
Total assets			4,612,224.27		
Voucher/Ap Payables			-		
Fund Equity (Fund Balance)			4,612,224.27		
Total liabilities and fund equity			4,612,224.27		

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49054-LATHRP-MNTCA FIRE PROTECT-HLTH

Report: 13-D3

	Activities for :		Balance
	Current Month	Year to Date	As of October 31, 2023
<b>Fund Balance - Beginning of the Fiscal Year</b>	-	-	<b>5,166.03</b>
<b>Revenues</b>			
REVENUES-GENERAL	-	-	-
TAXES	-	-	-
LICENSES, PERMITS, FRANCHISES	-	-	-
FINES, FORFEITURES, PENALTIES	-	-	-
4400000000 INTEREST INCOME	48.00	92.00	92.00
USE OF MONEY AND PROPERTY	48.00	92.00	92.00
INTERGOVERNMENTAL REVENUES	-	-	-
CHARGES FOR SERVICES	-	-	-
MISCELLANOUS REVENUES	-	-	-
TRANSFERS IN	-	-	-
OTHER FINANCING SOURCES	-	-	-
SELF INS FUND SPECIAL REVENUES	-	-	-
MP-TEL-RADIO ISF REVENUES	-	-	-
SOLID WASTE SPECIAL REVENUES	-	-	-
HOSPITAL SPECIAL REVENUES	-	-	-
AIRPORT SPECIAL REVENUES	-	-	-
RETIREMENT FUND SPECIAL REV	-	-	-
AGENCY FUNDS - DEPOSITS	-	-	-
<b>Total Revenues</b>	<b>48.00</b>	<b>92.00</b>	<b>92.00</b>
<b>Expenditures</b>			
SALARIES	-	-	-
FRINGE BENEFITS	-	-	-
Total Salaries and Benefits	-	-	-
SERVICES AND SUPPLIES-TOTAL	-	-	-
OTHER CHARGES	-	-	-
OTHER FINANCING USES	-	-	-
CAPITAL EXPENDITURES	-	-	-
COST REIMBURSEMENTS	-	-	-
TRANSFERS OUT	-	-	-
PROVISION FOR CONTINGENCY	-	-	-
LOAN TO OTHER FUNDS	-	-	-
CLEARING ACCOUNTS	-	-	-
PUBLIC WORKS PROJECT EXP	-	-	-

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49054-LATHRP-MNTCA FIRE PROTECT-HLTH

Report: 13-D3

	Activities for :		Balance
	Current Month	Year to Date	As of October 31, 2023
LIABILITY INSURANCE ISF EXP	-	-	-
MEDICAL & DENTAL INSUR ISF EXP	-	-	-
RETIREMENT FUND EXP	-	-	-
AGENCY FUND DISBURSEMENT	-	-	-
<b>Total Expenditures</b>	-	-	-
<b>Net Changes</b>	48.00	92.00	92.00
<b>Fund Balance - At the end of the Period</b>			<b>5,258.03</b>

<b>FOR INFORMATION ONLY</b>			
Designated Net Assets	-	-	-
Voucher/AP payables			-
Receivables			-
Inventories			-
Pre-paid Expenses			-
Cash- 111100000 CASH IN BANK-TREASURY			5,258.03
Cash 111101000 OUTSTANDING WARRANTS			-
<b>Auditor's Cash</b>			<b>5,258.03</b>

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49081-LATHROP-MTCA FIRE - MEASURE C

Report: 13-D3

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
<b>Fund Balance - Beginning of the Fiscal Year</b>	-	-	<b>5,029,686.20</b>		
<b>Revenues</b>					
<b>REVENUES-GENERAL</b>	-	-	-		
<b>TAXES</b>	-	-	-		
<b>LICENSES, PERMITS, FRANCHISES</b>	-	-	-		
<b>FINES, FORFEITURES, PENALTIES</b>	-	-	-		
4400000000 INTEREST INCOME	46,711.00	83,932.00	83,932.00	60,000.00	139.89%
<b>USE OF MONEY AND PROPERTY</b>	46,711.00	83,932.00	83,932.00	60,000.00	139.89%
<b>INTERGOVERNMENTAL REVENUES</b>	-	-	-		
<b>CHARGES FOR SERVICES</b>	-	-	-		
<b>MISCELLANEOUS REVENUES</b>	-	-	-		
<b>TRANSFERS IN</b>	-	-	-		
<b>OTHER FINANCING SOURCES</b>	-	-	-		
<b>SELF INS FUND SPECIAL REVENUES</b>	-	-	-		
<b>MP-TEL-RADIO ISF REVENUES</b>	-	-	-		
<b>SOLID WASTE SPECIAL REVENUES</b>	-	-	-		
<b>HOSPITAL SPECIAL REVENUES</b>	-	-	-		
<b>AIRPORT SPECIAL REVENUES</b>	-	-	-		
<b>RETIREMENT FUND SPECIAL REV</b>	-	-	-		
4950065000 SALES TAX-LATHROP MEASURE C	-	-	-	4,000,000.00	0.00%
<b>AGENCY FUNDS - DEPOSITS</b>	-	-	-	4,000,000.00	0.00%
<b>Total Revenues</b>	<b>46,711.00</b>	<b>83,932.00</b>	<b>83,932.00</b>	<b>4,060,000.00</b>	<b>2.07%</b>
<b>Expenditures</b>					
<b>SALARIES</b>	-	-	-		
<b>FRINGE BENEFITS</b>	-	-	-		
Total Salaries and Benefits	-	-	-		
6209000000 MEMBERSHIPS	-	6,714.92	6,714.92	-	
6226005800 EMPLOYEE TRAINING	-	120.00	120.00	37,280.00	0.32%
6226011000 FIRE FIGHTING SUPPLIES	-	-	-	65,400.00	0.00%
6255050100 MEDICAL SUPPLIES	-	4,104.57	4,104.57	61,585.00	6.66%
<b>SERVICES AND SUPPLIES-TOTAL</b>	-	10,939.49	10,939.49	164,265.00	6.66%
<b>OTHER CHARGES</b>	-	-	-		
<b>OTHER FINANCING USES</b>	-	-	-		
<b>CAPITAL EXPENDITURES</b>	-	-	-		
<b>COST REIMBURSEMENTS</b>	-	-	-		
6601000000 OPER TRF-OUT	3,613,699.00	3,613,699.00	3,613,699.00	3,613,699.00	100.00%
<b>TRANSFERS OUT</b>	3,613,699.00	3,613,699.00	3,613,699.00	3,613,699.00	100.00%
<b>PROVISION FOR CONTINGENCY</b>	-	-	-		
<b>LOAN TO OTHER FUNDS</b>	-	-	-		
<b>CLEARING ACCOUNTS</b>	-	-	-		
<b>PUBLIC WORKS PROJECT EXP</b>	-	-	-		

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49081-LATHROP-MTCA FIRE - MEASURE C

Report: 13-D3

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
LIABILITY INSURANCE ISF EXP	-	-	-		
MEDICAL & DENTAL INSUR ISF EXP	-	-	-		
RETIREMENT FUND EXP	-	-	-		
AGENCY FUND DISBURSEMENT	-	-	-		
<b>Total Expenditures</b>	3,613,699.00	3,624,638.49	3,624,638.49	3,777,964.00	95.94%
<b>Net Changes</b>	(3,566,988.00)	(3,540,706.49)	(3,540,706.49)	282,036.00	-1255.41%

Fund Balance - At the end of the Period

1,488,979.71

**FOR INFORMATION ONLY**

Designated Net Assets	-	-	-		
Voucher/AP payables				-	
Receivables				-	
Inventories				-	
Pre-paid Expenses				-	
Cash- 111100000 CASH IN BANK-TREASURY				1,488,979.71	
Cash 111101000 OUTSTANDING WARRANTS				-	
<b>Auditor's Cash</b>				<u><u>1,488,979.71</u></u>	

**Balance Sheet**

Cash-Treasurer				1,488,979.71	
Outstanding Checks				-	
Net Cash-Auditor's				<u>1,488,979.71</u>	
Receivables				-	
Inventories				-	
Pre-paid expenses				-	
<b>Total assets</b>				<u><u>1,488,979.71</u></u>	
Voucher/Ap Payables				-	
Fund Equity (Fund Balance)				<u>1,488,979.71</u>	
<b>Total liabilities and fund equity</b>				<u><u>1,488,979.71</u></u>	



County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49083-LATHROP-MTCA FIRE -DEVELOPMENT

Report: 13-D3

	Activities for :		Balance
	Current Month	Year to Date	As of October 31, 2023
<b>Fund Balance - Beginning of the Fiscal Year</b>	-	-	<u>813.49</u>
<b>Revenues</b>			
REVENUES-GENERAL	-	-	-
TAXES	-	-	-
LICENSES, PERMITS, FRANCHISES	-	-	-
FINES, FORFEITURES, PENALTIES	-	-	-
4400000000 INTEREST INCOME	8.00	15.00	15.00
USE OF MONEY AND PROPERTY	8.00	15.00	15.00
INTERGOVERNMENTAL REVENUES	-	-	-
CHARGES FOR SERVICES	-	-	-
MISCELLANOUS REVENUES	-	-	-
TRANSFERS IN	-	-	-
OTHER FINANCING SOURCES	-	-	-
SELF INS FUND SPECIAL REVENUES	-	-	-
MP-TEL-RADIO ISF REVENUES	-	-	-
SOLID WASTE SPECIAL REVENUES	-	-	-
HOSPITAL SPECIAL REVENUES	-	-	-
AIRPORT SPECIAL REVENUES	-	-	-
RETIREMENT FUND SPECIAL REV	-	-	-
AGENCY FUNDS - DEPOSITS	-	-	-
<b>Total Revenues</b>	<u>8.00</u>	<u>15.00</u>	<u>15.00</u>
<b>Expenditures</b>			
SALARIES	-	-	-
FRINGE BENEFITS	-	-	-
Total Salaries and Benefits	-	-	-
SERVICES AND SUPPLIES-TOTAL	-	-	-
OTHER CHARGES	-	-	-
OTHER FINANCING USES	-	-	-
CAPITAL EXPENDITURES	-	-	-
COST REIMBURSEMENTS	-	-	-
TRANSFERS OUT	-	-	-
PROVISION FOR CONTINGENCY	-	-	-
LOAN TO OTHER FUNDS	-	-	-
CLEARING ACCOUNTS	-	-	-
PUBLIC WORKS PROJECT EXP	-	-	-

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49083-LATHROP-MTCA FIRE -DEVELOPMENT

Report: 13-D3

	Activities for :		Balance
	Current Month	Year to Date	As of October 31, 2023
LIABILITY INSURANCE ISF EXP	-	-	-
MEDICAL & DENTAL INSUR ISF EXP	-	-	-
RETIREMENT FUND EXP	-	-	-
AGENCY FUND DISBURSEMENT	-	-	-
<b>Total Expenditures</b>	-	-	-
<b>Net Changes</b>	8.00	15.00	15.00
<b>Fund Balance - At the end of the Period</b>			<b>828.49</b>

FOR INFORMATION ONLY			
Designated Net Assets	-	-	-
Voucher/AP payables			-
Receivables			-
Inventories			-
Pre-paid Expenses			-
Cash- 111100000 CASH IN BANK-TREASURY			828.49
Cash 111101000 OUTSTANDING WARRANTS			-
<b>Auditor's Cash</b>			<b>828.49</b>

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49090-LATHROP-MANTECA FIRE FACILITY

Report: 13-D3

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
<b>Fund Balance - Beginning of the Fiscal Year</b>	-	-	<b>4,349,201.57</b>		
<b>Revenues</b>					
<b>REVENUES-GENERAL</b>	-	-	-		
<b>TAXES</b>	-	-	-		
<b>LICENSES, PERMITS, FRANCHISES</b>	-	-	-		
<b>FINES, FORFEITURES, PENALTIES</b>	-	-	-		
4400000000 INTEREST INCOME	43,558.00	89,895.00	89,895.00	60,000.00	149.83%
<b>USE OF MONEY AND PROPERTY</b>	43,558.00	89,895.00	89,895.00	60,000.00	149.83%
<b>INTERGOVERNMENTAL REVENUES</b>	-	-	-		
4630600000 IMPACT MITIGATION FEE-PRIVATE	135,133.21	324,318.85	324,318.85	1,339,968.00	24.20%
<b>CHARGES FOR SERVICES</b>	135,133.21	324,318.85	324,318.85	1,339,968.00	24.20%
<b>MISCELLANEOUS REVENUES</b>	-	-	-		
<b>TRANSFERS IN</b>	-	-	-		
<b>OTHER FINANCING SOURCES</b>	-	-	-		
<b>SELF INS FUND SPECIAL REVENUES</b>	-	-	-		
<b>MP-TEL-RADIO ISF REVENUES</b>	-	-	-		
<b>SOLID WASTE SPECIAL REVENUES</b>	-	-	-		
<b>HOSPITAL SPECIAL REVENUES</b>	-	-	-		
<b>AIRPORT SPECIAL REVENUES</b>	-	-	-		
<b>RETIREMENT FUND SPECIAL REV</b>	-	-	-		
<b>AGENCY FUNDS - DEPOSITS</b>	-	-	-		
<b>Total Revenues</b>	<b>178,691.21</b>	<b>414,213.85</b>	<b>414,213.85</b>	<b>1,399,968.00</b>	<b>29.59%</b>
<b>Expenditures</b>					
<b>SALARIES</b>	-	-	-		
<b>FRINGE BENEFITS</b>	-	-	-		
Total Salaries and Benefits	-	-	-		
6211000000 MAINTENANCE-EQUIPMENT	-	26,023.32	26,023.32	-	#DIV/0!
<b>SERVICES AND SUPPLIES-TOTAL</b>	-	26,023.32	26,023.32	-	#DIV/0!
<b>OTHER CHARGES</b>	-	-	-		
6331000400 INTEREST-DEBT SERVICE	-	26,637.38	26,637.38	36,622.00	72.74%
6341000200 PRINCIPAL-DEBT SERVICE	-	154,601.61	154,601.61	1,219,778.00	12.67%
<b>OTHER FINANCING USES</b>	-	181,238.99	181,238.99	1,256,400.00	14.43%
<b>CAPITAL EXPENDITURES</b>	-	-	-		
<b>COST REIMBURSEMENTS</b>	-	-	-		
<b>TRANSFERS OUT</b>	-	-	-		
<b>PROVISION FOR CONTINGENCY</b>	-	-	-		
<b>LOAN TO OTHER FUNDS</b>	-	-	-		
<b>CLEARING ACCOUNTS</b>	-	-	-		
<b>PUBLIC WORKS PROJECT EXP</b>	-	-	-		
<b>LIABILITY INSURANCE ISF EXP</b>	-	-	-		
<b>MEDICAL &amp; DENTAL INSUR ISF EXP</b>	-	-	-		
<b>RETIREMENT FUND EXP</b>	-	-	-		
<b>AGENCY FUND DISBURSEMENT</b>	-	-	-		

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49090-LATHROP-MANTECA FIRE FACILITY

Report: 13-D3

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
<b>Total Expenditures</b>	-	207,262.31	207,262.31	1,256,400.00	16.50%
<b>Net Changes</b>	178,691.21	206,951.54	206,951.54	143,568.00	144.15%
<b>Fund Balance - At the end of the Period</b>			<b>4,556,153.11</b>		

**FOR INFORMATION ONLY**

<b>Designated Net Assets</b>	-	-	-	
<b>Voucher/AP payables</b>				-
<b>Receivables</b>				-
<b>Inventories</b>				-
<b>Pre-paid Expenses</b>				-
<b>Cash- 1111000000 CASH IN BANK-TREASURY</b>			4,556,153.11	
<b>Cash 1111010000 OUTSTANDING WARRANTS</b>				-
<b>Auditor's Cash</b>			4,556,153.11	

**Balance Sheet**

Cash-Treasurer	4,556,153.11
Outstanding Checks	-
Net Cash-Auditor's	4,556,153.11
Receivables	-
Inventories	-
Pre-paid expenses	-
<b>Total assets</b>	<b>4,556,153.11</b>
Voucher/Ap Payables	-
Fund Equity (Fund Balance)	4,556,153.11
<b>Total liabilities and fund equity</b>	<b>4,556,153.11</b>

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49091-LATHROP-MNTCA FIRE PRO-CAP OUT

Report: 13-D3

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
<b>Fund Balance - Beginning of the Fiscal Year</b>	-	-	198,222.37		
<b>Revenues</b>					
<b>REVENUES-GENERAL</b>	-	-	-		
<b>TAXES</b>	-	-	-		
<b>LICENSES, PERMITS, FRANCHISES</b>	-	-	-		
<b>FINES, FORFEITURES, PENALTIES</b>	-	-	-		
4400000000 INTEREST INCOME	1,622.00	3,335.00	3,335.00	5,000.00	66.70%
<b>USE OF MONEY AND PROPERTY</b>	1,622.00	3,335.00	3,335.00	5,000.00	66.70%
<b>INTERGOVERNMENTAL REVENUES</b>	-	-	-		
<b>CHARGES FOR SERVICES</b>	-	-	-		
<b>MISCELLANEOUS REVENUES</b>	-	-	-		
4800000000 OPER TRANS-IN	284,050.00	284,050.00	284,050.00	284,050.00	100.00%
<b>TRANSFERS IN</b>	284,050.00	284,050.00	284,050.00	284,050.00	100.00%
<b>OTHER FINANCING SOURCES</b>	-	-	-		
<b>SELF INS FUND SPECIAL REVENUES</b>	-	-	-		
<b>MP-TEL-RADIO ISF REVENUES</b>	-	-	-		
<b>SOLID WASTE SPECIAL REVENUES</b>	-	-	-		
<b>HOSPITAL SPECIAL REVENUES</b>	-	-	-		
<b>AIRPORT SPECIAL REVENUES</b>	-	-	-		
<b>RETIREMENT FUND SPECIAL REV</b>	-	-	-		
<b>AGENCY FUNDS - DEPOSITS</b>	-	-	-		
<b>Total Revenues</b>	285,672.00	287,385.00	287,385.00	289,050.00	99.42%
<b>Expenditures</b>					
<b>SALARIES</b>	-	-	-		
<b>FRINGE BENEFITS</b>	-	-	-		
Total Salaries and Benefits	-	-	-		
<b>SERVICES AND SUPPLIES-TOTAL</b>	-	-	-		
<b>OTHER CHARGES</b>	-	-	-		
6331000200 INT EXPENSE ON TAX & REV NOTES	-	-	-	150,541.00	0.00%
6331000400 INTEREST-DEBT SERVICE	-	59,540.63	59,540.63	133,509.00	44.60%
<b>OTHER FINANCING USES</b>	-	59,540.63	59,540.63	284,050.00	20.96%
<b>CAPITAL EXPENDITURES</b>	-	-	-		
<b>COST REIMBURSEMENTS</b>	-	-	-		
<b>TRANSFERS OUT</b>	-	-	-		
<b>PROVISION FOR CONTINGENCY</b>	-	-	-		
<b>LOAN TO OTHER FUNDS</b>	-	-	-		
<b>CLEARING ACCOUNTS</b>	-	-	-		
<b>PUBLIC WORKS PROJECT EXP</b>	-	-	-		
<b>LIABILITY INSURANCE ISF EXP</b>	-	-	-		
<b>MEDICAL &amp; DENTAL INSUR ISF EXP</b>	-	-	-		

County of San Joaquin  
Fund Report - Year to Date (County Fiscal Year)  
As of October 31, 2023  
49091-LATHROP-MNTCA FIRE PRO-CAP OUT

Report: 13-D3

	Activities for :			Fiscal Year 2023 - 2024 Budget Amount	% of Budget
	Current Month	Year to Date	Balance As of October 31, 2023		
RETIREMENT FUND EXP	-	-	-		
AGENCY FUND DISBURSEMENT	-	-	-		
<b>Total Expenditures</b>	-	59,540.63	59,540.63	284,050.00	20.96%
<b>Net Changes</b>	285,672.00	227,844.37	227,844.37	5,000.00	4556.89%

Fund Balance - At the end of the Period

**426,066.74**

**FOR INFORMATION ONLY**

Designated Net Assets	-	-	-		
Voucher/AP payables				-	
Receivables				-	
Inventories				-	
Pre-paid Expenses				-	
Cash- 1111000000 CASH IN BANK-TREASURY				426,066.74	
Cash 1111010000 OUTSTANDING WARRANTS				-	
<b>Auditor's Cash</b>				<b>426,066.74</b>	

**Balance Sheet**

Cash-Treasurer	426,066.74
Outstanding Checks	-
Net Cash-Auditor's	426,066.74
Receivables	-
Inventories	-
Pre-paid expenses	-
<b>Total assets</b>	<b>426,066.74</b>
Voucher/Ap Payables	-
Fund Equity (Fund Balance)	426,066.74
<b>Total liabilities and fund equity</b>	<b>426,066.74</b>



# Lathrop-Manteca Fire Protection District

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19001 Somerston Parkway, Lathrop, CA 95330

• (209) 941-5100 • Fax (209) 941-5115 • [www.lmfire.org](http://www.lmfire.org) •

## STAFF REPORT

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TO: Board of Directors

MEETING DATE: November 16, 2023

PREPARED BY: Nicole Solari, Financial Analyst

APPROVED BY: David A. Bramell, Fire Chief

ITEM 8.1: RECEIVE AND FILE ANNUAL AUDIT REPORT FOR FISCAL YEAR ENDING  
JUNE 30, 2023

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### **EXECUTIVE SUMMARY**

The Lathrop-Manteca Fire District (District) has finalized the Annual Financial Audit for fiscal year ending June 30, 2023. The District's auditor, Maze and Associates will provide an audit overview and answer questions from the public and from the Board.

### **BACKGROUND**

The Lathrop-Manteca Fire District (District) engaged a certified public accountant to audit the financial statements of the District. Staff prepared the financial statements for the fiscal year ending June 30, 2023. The financial statements have been audited by Maze and Associates and they have prepared a letter to the Board discussing their audit engagement and the procedures they performed.

### **DISCUSSION**

This report includes no audit findings. Based upon the audit procedures performed, Maze and Associates has rendered their opinion that the Districts' financial statements present fairly the District's financial position at June 30, 2023, and the results of the governmental activities and the budgetary comparison information for the year then ended, in accordance with generally accepted accounting principles. This is generally referred to as a "clean" or "unqualified" audit opinion.

### **FISCAL IMPACTS**

There is no fiscal impact in receiving the audit report.

### **RECOMMENDATION**

Staff recommends the Lathrop-Manteca Fire District (District) Board receive and file the Annual Financial Report for fiscal year ending June 30, 2023.

## **ATTACHMENTS**

1. Audit Presentation 2023
2. Lathrop-Manteca Fire District (District) Annual Audit as of June 30, 2023.



**LATHROP-MANTECA  
FIRE PROTECTION DISTRICT**

**FINANCIAL STATEMENTS WITH  
INDEPENDENT AUDITOR'S REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**LATHROP-MANTECA FIRE PROTECTION DISTRICT JUNE 30, 2023**

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**BOARD OF DIRECTORS**

Charles Garcia  
Chair

Mark Elliott Vice Chair

Gloryanna Rhodes | Stephen Dresser | Jeremy Coe

\* \* \* \*

Fire Chief  
David A. Bramell

Board Secretary Hailey Salazar

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
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**JUNE 30, 2023**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Lathrop-Manteca Fire Protection District  
Lathrop, California

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lathrop-Manteca Fire Protection District (District), California, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the Table of Contents.

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

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards* and State Controller's Minimum Audit Requirements for California Special Districts, we:

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

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

***Required Supplementary Information***

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2023, on our consideration of the 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 solely 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 the effectiveness of the District’s 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.



Pleasant Hill, California  
November 1, 2023

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# LATHROP-MANTECA FIRE PROTECTION DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2023

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This Management Discussion and Analysis provides an overview of the Lathrop-Manteca Fire Protection District's financial activities based on current known facts, decisions, and conditions. This information is presented in conjunction with the audited basic financial statements, which follow this section.

### **Financial Highlights for Fiscal Year 2022-2023**

The District's government-wide total assets and deferred outflows increased by \$3,962,604, to \$43,335,609, mainly due to increase in current assets and capital assets, net of \$1,170,746 and an increase in deferred outflows in the current year of \$2,791,858.

Total net position increased by \$1,524,151 to (\$7,594,772). Revenues increased by \$1,282,321 in 2022-2023 and expenses also increased by \$5,971,516.

Included in the required supplemental information section is a General Fund budgetary comparison schedule. That schedule indicates that we had an excess variance of \$1,013,940. Variance details are listed on the schedule on page 39.

### **Overview of the Financial Statements**

This annual report consists of financial statements for the District as a whole with more detailed information about the District's major funds. The statement of net position and the statement of activities provide information about the activities of the District as a whole and present a long-term view of the District's finances and include capital assets and long-term liabilities. The fund financial statements present a short term view of the District's activities and therefore include only current assets expected to be collected in the very near future and liabilities expected to be paid in the very near future.

The Balance Sheet presents a snapshot of the assets of the District, the District's liabilities and the net difference reflected as its fund balance at the end of the fiscal year.

The Statement of Revenues, Expenditures and Changes in Fund Balance measures the extent to which the District's operating cost were funded from general revenues.

The Notes to Financial Statements provides additional disclosures and information to assist the reader in understanding the District's financial condition

### **The District as a Whole**

One important question asked about the District's finances is, "Is the District better or worse off as a result of the year's activities?" The information in the government-wide financial statements helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting (and reports depreciation on capital assets), which is similar to the basis of accounting used by most private-sector companies.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**JUNE 30, 2023**

The change in net position (the difference between total assets and total liabilities) over time is one indicator of whether the District’s financial health is improving or deteriorating. However, one must consider other nonfinancial factors in making an assessment of the District’s health, such as changes in the economy, changes in the District’s tax base, and changes in the District’s boundaries, etc. to assess the overall health of the District.

**Capital Assets**

The District owns real property at each of its five fire station locations. The Administration Office is located at Station 35 in the River Islands Development in Lathrop. In addition, the District owns a considerable amount of vehicles and specialized equipment used by fire district personnel in performing fire, rescue and EMS activities. These fixed assets, net of accumulated depreciation, are reflected in the District’s government-wide financial statements.

**Long-Term Liabilities**

Long-term liabilities reflected in the government-wide financial statements were \$5,072,589 higher than the prior year due mainly to increase in Net Pension Liability of \$7,043,850 and a decrease in Station 35 reimbursement of \$1,300,000 and decrease in Net OPEB liability of \$571,827.

**Net Position**

**Condensed Statement of Net Position**

	2023	2022	Dollar Change	Percentage Change
<b>ASSETS</b>				
Current assets	\$ 14,485,122	\$ 12,567,600	\$ 1,917,522	15.26%
Capital assets, net	16,758,382	17,505,158	(746,776)	-4.27%
Total assets	<u>31,243,504</u>	<u>30,072,758</u>	<u>1,170,746</u>	<u>3.89%</u>
Pension related	10,326,619	7,553,554	2,773,065	36.71%
OPEB related	1,765,486	1,746,693	18,793	1.08%
DEFERRED OUTFLOWS OF RESOURCES	<u>12,092,105</u>	<u>9,300,247</u>	<u>2,791,858</u>	<u>30.02%</u>
<b>LIABILITIES</b>				
Current liabilities	108,402	160,812	(52,410)	-32.59%
Long-term liabilities	44,314,607	39,242,018	5,072,589	12.93%
Total liabilities	<u>44,423,009</u>	<u>39,402,830</u>	<u>5,020,179</u>	<u>12.74%</u>
Pension related	4,371,206	7,977,726	(3,606,520)	-45.21%
OPEB related	2,136,166	1,111,372	1,024,794	92.21%
DEFERRED INFLOWS OF RESOURCES	<u>6,507,372</u>	<u>9,089,098</u>	<u>(2,581,726)</u>	<u>-28.40%</u>
<b>NET POSITION</b>				
Net investment in capital assets	8,439,829	7,582,642	857,187	11.30%
Restricted	5,020,469	3,581,904	1,438,565	40.16%
Unrestricted	(21,055,070)	(20,283,469)	771,601	3.80%
Total net position	<u>\$ (7,594,772)</u>	<u>\$ (9,118,923)</u>	<u>\$ (1,524,151)</u>	<u>-16.71%</u>

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**

**MANAGEMENT’S DISCUSSION AND ANALYSIS**

**JUNE 30, 2023**

<b>Condensed Statement of Activities</b>				
	2023	2022	Dollar Change	Percentage Change
<b>REVENUES</b>				
Program revenues				
Charges for services	\$ 990,476	\$ 1,567,597	\$ (577,121)	-36.82%
Operating grants and contributions	(532)	540,439	(540,971)	-100.10%
General revenues				
Property taxes	7,626,076	6,562,524	1,063,552	16.21%
Special assessments	2,679,053	2,440,110	238,943	9.79%
Impact mitigation fees	1,087,725	2,685,100	(1,597,375)	-59.49%
Measure C taxes	4,164,037	4,157,516	6,521	0.16%
Rental income	58,359	57,991	368	0.63%
Interest and investment earnings	205,950	28,413	177,537	624.84%
Miscellaneous	66,169	119,944	(53,775)	-44.83%
<b>Total revenues</b>	<b>16,877,313</b>	<b>18,159,634</b>	<b>(1,282,321)</b>	<b>-7.06%</b>
<b>EXPENSES</b>				
Fire protection services	14,869,593	8,877,363	5,992,230	67.50%
Administration	332,455	342,205	(9,750)	-2.85%
Interest on long-term debt	151,114	162,078	(10,964)	-6.76%
<b>Total expenses</b>	<b>15,353,162</b>	<b>9,381,646</b>	<b>5,971,516</b>	<b>63.65%</b>
 Change in Net Position	 1,524,151	 8,777,988	 (7,253,837)	 -82.64%
Total Net Position - Beginning of Year	(9,118,923)	(17,896,911)	8,777,988	-49.05%
Total Net Position - End of Year	<b>\$ (7,594,772)</b>	<b>\$ (9,118,923)</b>	<b>\$ 1,524,151</b>	<b>-16.71%</b>

**Economic Outlook**

The Lathrop-Manteca Fire Protection District’s financial position has continued to be positively impacted by the amount of growth and development in both residential housing and commercial businesses that are taking place within the District’s jurisdictional limits. The District is anticipating continued growth in new construction, along with revenues from tax measures. The District continually seeks additional funding opportunities through state and federal grant programs. The Lathrop-Manteca Fire Protection District employs budget and planning strategies that include ways to build up reserves and to ensure equipment, apparatus and station maintenance are being addressed.

We are projecting that the District will experience revenue growth in 2023 despite potential projected economic slowdowns. This financial assumption is based upon continued significant development of master planned residential communities, the influx of commercial/industrial projects, changes in population and other service-level indicators. The District is geographically located in an advantageous region for continued growth in the logistics industry which generates property and special assessment revenue. Although the rate of property tax revenue from residential growth may slow from the previous fiscal year, it is anticipated to still result in a net positive to the District, year over year.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**JUNE 30, 2023**

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**Additional Financial Information**

This financial report is designed to provide the District's financial statement users with an overview of the District's financial operations and financial condition. Additional information can be obtained from the Lathrop-Manteca Fire Protection District, in care of Fire Chief David Bramell, 19001 Somerston Parkway, Lathrop, California 95330.

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## **BASIC FINANCIAL STATEMENTS**

LATHROP-MANTECA FIRE PROTECTION DISTRICT  
STATEMENT OF NET POSITION  
AS OF JUNE 30, 2023

	Governmental Activities
<b>ASSETS</b>	
Cash and cash equivalents	\$ 14,088,571
Accounts receivable	396,551
Capital assets not being depreciated	334,000
Capital assets, net of accumulated depreciation	16,424,382
Total Assets	31,243,504
<b>DEFERRED OUTFLOWS</b>	
Pension related	10,326,619
OPEB related	1,765,486
Total Deferred Outflows	12,092,105
<b>LIABILITIES</b>	
Accounts payable and other current liabilities	108,402
Long-term liabilities	348,615
Due within one year	732,337
Due in more than one year	43,233,655
Total liabilities	44,423,009
<b>DEFERRED INFLOWS</b>	
Pension related	4,371,206
OPEB related	2,136,166
Total Deferred Inflows	6,507,372
<b>NET POSITION</b>	
Net investment in capital assets	8,439,829
Restricted	5,020,469
Unrestricted	(21,055,070)
Total net position	\$ (7,594,772)

See accompanying notes to financial statements



LATHROP-MANTECA FIRE PROTECTION DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2023

	Program Revenues				Net (Expense) Revenues and Changes in Net Position
Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	
Governmental Activities					
Fire Protection Services	\$ 14,869,593	\$ 990,476	\$ (532)	\$ -	\$ (13,879,649)
Administration	332,455	-	-	-	(332,455)
Interest on long-term debt	151,114	-	-	-	(151,114)
Total governmental activities	\$ 15,353,162	\$ 990,476	\$ (532)	\$ -	(14,363,218)
General Revenue					
Taxes and subventions:					
Property taxes					7,626,076
Special assessments					2,679,053
Measure C taxes					4,164,037
Impact mitigation fees					1,087,725
Rental income					58,359
Interest and investment earnings					205,950
Miscellaneous					66,169
Total general revenues					15,887,369
Change in net position					1,524,151
NET POSITION-BEGINNING OF THE YEAR					(9,118,923)
NET POSITION-END OF THE YEAR					\$ (7,594,772)

See accompanying notes to financial statements

LATHROP-MANTECA FIRE PROTECTION DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2023

	General Fund	Capital Outlay Fund	Measure C Fund	Facility Fee Fund	Debt Service Fund	Non-Major Developer Account Fund	Health and Safety Fund	Total
<b>ASSETS</b>								
Cash	\$ 4,332,207	\$ 198,297	\$ 5,029,686	\$ 4,522,402	\$ -	\$ 813	\$ 5,166	\$ 14,088,571
Accounts receivable	216,879	-	-	179,672	-	-	-	396,551
<b>Total assets</b>	<b>\$ 4,549,086</b>	<b>\$ 198,297</b>	<b>\$ 5,029,686</b>	<b>\$ 4,702,074</b>	<b>\$ -</b>	<b>\$ 813</b>	<b>\$ 5,166</b>	<b>\$ 14,485,122</b>
<b>LIABILITIES</b>								
Accounts payable	\$ 89,885	\$ -	\$ 9,217	\$ -	\$ -	\$ -	\$ -	\$ 99,102
Accrued wages	348,615	-	-	-	-	-	-	348,615
<b>Total liabilities</b>	<b>438,500</b>	<b>-</b>	<b>9,217</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>447,717</b>
<b>FUND BALANCE</b>								
Restricted	-	-	5,020,469	-	-	-	-	5,020,469
Assigned	-	198,297	-	4,702,074	-	813	5,166	4,906,350
Unassigned	4,110,586	-	-	-	-	-	-	4,110,586
<b>Total fund balance</b>	<b>4,110,586</b>	<b>198,297</b>	<b>5,020,469</b>	<b>4,702,074</b>	<b>-</b>	<b>813</b>	<b>5,166</b>	<b>14,037,405</b>
<b>Total liabilities and fund balances</b>	<b>\$ 4,549,086</b>	<b>\$ 198,297</b>	<b>\$ 5,029,686</b>	<b>\$ 4,702,074</b>	<b>\$ -</b>	<b>\$ 813</b>	<b>\$ 5,166</b>	<b>\$ 14,485,122</b>

See accompanying notes to financial statements

LATHROP-MANTECA FIRE PROTECTION DISTRICT  
Reconciliation of the  
GOVERNMENTAL FUNDS BALANCE SHEET  
with the  
STATEMENT OF NET POSITION  
JUNE 30, 2023

Total fund balances reported on the governmental fund balance sheet \$ 14,037,405

Amounts reported for Governmental Activities in the Statement of Net Position are different from those reported in the Governmental Funds above because of the following:

Capital assets used in Governmental Activities are not current assets or financial resources and therefore are not reported in the Governmental Funds. 16,758,382

Ambulance service, property tax receivable and intergovernmental, that are not available to pay current period expenditures and therefore are deferred in the balance sheet.

Certain liabilities are not due and payable in the current period and therefore they are not reported in the Governmental Funds Balance Sheet.

Interest payable	(9,300)
State loan payable - Chapter 1168/85	(33,476)
Capital leases payable	(863,825)
Station 35 Loan	(4,011,252)
Certificates of Participation	(3,410,000)
Compensated absences payable	(374,990)
Deferred outflow related to pension	10,326,619
Net pension liability	(25,912,372)
Deferred inflow related to pension	(4,371,206)
Deferred outflow related to OPEB	1,765,486
Net OPEB liability	(9,360,077)
Deferred inflow related to OPEB	(2,136,166)
	<u>(7,594,772)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ (7,594,772)

See accompanying notes to basic financial statements

LATHROP-MANTECA FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED JUNE 30, 2023

	General Fund	Capital Outlay Fund	Measure C Fund	Facility Fee Fund	Non-Major			Total
					Debt Service Fund	Developer Account Fund	Health and Safety Fund	
<b>REVENUES:</b>								
Property taxes	\$ 7,626,076	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,626,076
Special assessments	2,679,053	-	-	-	-	-	-	2,679,053
Measure C Taxes	-	-	4,164,037	-	-	-	-	4,164,037
Federal grant	(532)	-	-	-	-	-	-	(532)
Impact mitigation fee	-	-	-	1,087,725	-	-	-	1,087,725
Licenses/permits	234,194	-	-	-	-	-	-	234,194
Plan check and service fees	449,319	-	-	-	-	-	-	449,319
Other services	306,963	-	-	-	-	-	-	306,963
Interest income	61,537	4,065	55,135	85,118	-	12	83	205,950
Miscellaneous income	66,169	-	-	-	-	-	-	66,169
<b>Total revenues</b>	<b>11,422,779</b>	<b>4,065</b>	<b>4,219,172</b>	<b>1,172,843</b>	<b>-</b>	<b>12</b>	<b>83</b>	<b>16,818,954</b>
<b>EXPENDITURES:</b>								
Salaries and wages	5,616,604	-	-	-	-	-	-	5,616,604
Employee benefits	5,151,036	-	-	-	-	-	-	5,151,036
Insurance	577,712	-	-	-	-	-	-	577,712
Maintenance	251,973	-	33,324	38,509	-	-	-	323,806
Administration charges	132,565	-	-	158	-	-	-	132,723
Fuel, lube and tires	144,673	-	-	-	-	-	-	144,673
Communication	84,998	-	-	-	-	-	-	84,998
Director's expense	6,325	-	-	-	-	-	-	6,325
Dispatching	208,310	-	-	-	-	-	-	208,310
Firefighter supplies	204,435	-	37,647	180,415	-	-	-	422,497
Legal and professional services	235,668	-	-	-	-	-	-	235,668
Office expense	32,965	-	-	-	-	-	-	32,965
Public relations and training	78,810	-	41,828	-	-	-	-	120,638
Utilities	129,493	-	-	-	-	-	-	129,493
Capital Outlay	-	-	-	-	-	-	-	-
Debt service - principal	-	148,691	-	1,455,272	-	-	-	1,603,963
Debt service - interest	-	137,759	-	18,200	-	-	-	155,959
Miscellaneous expense	153,796	-	6,646	-	-	-	-	160,442
<b>Total expenditures</b>	<b>13,009,363</b>	<b>286,450</b>	<b>119,445</b>	<b>1,692,554</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,107,812</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(1,586,584)</b>	<b>(282,385)</b>	<b>4,099,727</b>	<b>(519,711)</b>	<b>-</b>	<b>12</b>	<b>83</b>	<b>1,711,142</b>
<b>OTHER FINANCING SOURCES (USES)</b>								
Operating transfers in	2,661,162	452,000	-	-	-	-	-	3,113,162
Operating transfers out	(452,000)	-	(2,661,162)	-	-	-	-	(3,113,162)
Rental income	58,359	-	-	-	-	-	-	58,359
<b>Total other financing sources (uses)</b>	<b>2,267,521</b>	<b>452,000</b>	<b>(2,661,162)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58,359</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>680,937</b>	<b>169,615</b>	<b>1,438,565</b>	<b>(519,711)</b>	<b>-</b>	<b>12</b>	<b>83</b>	<b>1,769,501</b>
Fund balances, beginning	3,429,649	28,682	3,581,904	5,221,785	-	801	5,083	12,267,904
Fund balances, ending	\$ 4,110,586	\$ 198,297	\$ 5,020,469	\$ 4,702,074	\$ -	\$ 813	\$ 5,166	\$ 14,037,405

See accompanying notes to basic financial statements

LATHROP-MANTECA FIRE PROTECTION DISTRICT  
 Reconciliation of the  
 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUND  
 with the  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2023

The schedule below reconciles the Net Change in Fund Balances reported on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS \$ 1,769,501

Amounts reported for governmental activities in the Statement of Activities are different because of the following:

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

The capital outlay expenditures are therefore added back to fund balance 270,615  
 Depreciation expense is deducted from the fund balance (1,017,391)

The amounts below included in the Statement of Activities do not provide or (require) the use of current financial resources and therefore are not reported as revenue or expenditures in governmental funds (net change):

Compensated absences (8,943)  
 Net OPEB liability and related deferred inflows and outflows (434,174)  
 Net pension liability and related deferred inflows and outflows (664,265)

Debt principal transactions reported in the governmental fund statement of revenue but not considered an operating activity in the statement of activities (but only as changes in liabilities)

Principal repayments on note payable 1,603,963

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 1,524,151

See accompanying notes to basic financial statements

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**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

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

**A. ORGANIZATION**

The Lathrop-Manteca Rural County Fire Protection District was established in 1936 to provide fire protection for the township of Lathrop, rural Lathrop and rural Manteca. The Fire District was organized under the laws of the State of California, Health and Safety Code section 13800, known as the Fire Protection District law of 1987. It is governed by a five member Board of Directors who are elected at-large to serve a four-year term. Since 1936 the District has developed into a proactive Fire Department covering 100 square miles including the recently incorporated City of Lathrop.

The District staffs five strategically located fire stations with career personnel, as well as volunteer firefighters. In February of 2002, the Board of Directors changed the name to the Lathrop-Manteca Fire Protection District.

**B. BASIS OF PRESENTATION**

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. In the government-wide Statement of Net Position, the governmental activities are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts — net investment in capital assets; restricted net position; and unrestricted net position.

*Program revenues:* Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Districts general revenues.

*Allocation of indirect expenses:* The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is allocated to General Government function and reported in total in the Statement of Activities. Interest on general long-term liabilities is considered an indirect expense and is reported separately on the Statement of Activities.

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column. The District has three non-major funds: Debt Service Fund, Developer Account Fund and Health & Safety Fund.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. BASIS OF PRESENTATION (Continued)**

Basic Financial Statements

The basic financial statements include Management’s Discussion and Analysis (MD&A), providing an analysis of the District's overall financial position and results of operations, financial statements prepared using full accrual accounting for all of the District's activities, including infrastructure, and a change in the fund financial statements to focus on the major funds.

Reporting Entity

The reporting entity for the Lathrop-Manteca Fire Protection District includes all the funds and operations under the jurisdiction of the District.

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING**

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of Governmental Accounting Standards Board Codification Section (GASB Cod. Sec.) N50.118-121.

Governmental Fund Financial Statements

Governmental fund financial statements (i.e. balance sheet and statement of revenues, expenditures and changes in fund balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, “available” means collectible within the current period or within 60 days after year-end.



**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)**

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used, or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Budgets and Budgetary Accounting

The Board of Directors annually adopts a District-wide budget resolution. The preliminary budget may be amended by the Board of Directors and is adopted by resolution by the Board of Directors on or before June 30. The final budget is then adopted by the Board of Directors on or before October 1. Budget appropriations lapse at the end of the year. The budget is prepared on a cash basis, which does not vary significantly from the basis of accounting used in the financial statements. Management can transfer budgeted amounts between expenditure accounts with a resolution approved by the Board of Directors.

**D. FUND ACCOUNTING**

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The District funds are as follows:

Major Funds:

**General Fund** – The General Fund is the general operating fund of the District and accounts for all revenues and expenditures of the District not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (Continued)**

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used, or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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Major Funds:

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**LATHROP-MANTECA FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**D. FUND ACCOUNTING (Continued)**

**Capital Outlay Fund** – The Capital Outlay Fund is used to support the capital improvement plan designed to fund future capital purchases.

**Measure C Fund** – The Measure C Fund is used to account for the collection of Measure C tax dollars, which provides funding restricted for public safety within the boundaries of the City of Lathrop.

**Facility Fee Capital Project Fund** – The Facility Fee Fund is used to account for the collection of fire facility fees, which provides funding assigned for public safety within the boundaries of the District.

Non-Major Fund:

**Debt Service Fund** – The Debt Service Fund is used to account for the Certificates of participation transactions. The Fund is also treated as a cash reserve that is used to pay principal and interest related to the Certificates of participation.

**Developer Account Fund** – The Developer Account Fund is used to account for billing for services provided during development projects. This account is to fund any and all billing that will be required to research, acquire outside services and provide staff time to facilitate the developments when requested.

**Health & Safety Fund** – The Health and Safety Fund is used as a reserve fund to account for the OPEB unfunded liability. Based on each year’s financial performance, the District will determine if a transfer can be made to this fund to reduce the OPEB unfunded liability.

**E. CAPITAL ASSETS**

Capital assets purchased or acquired, with an original cost of \$5,000 or more, are recorded at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. The District has assigned the useful lives listed below to capital assets:

Land Improvements	20 years
Buildings	40 years
Buildings Improvements	20 years
Office Equipment	5 years
Computer Equipment	5 years
Furniture	7 years
Vehicles	5 years
Fire Apparatus	15 years
Fire Fighting Equipment	5 years

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. INTERFUND ACTIVITY**

Interfund activity is reported as loans, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

**G. COMPENSATED ABSENCES**

The District accrues the cost for compensated absences when such time is earned. Employees have a vested interest in accrued vacation time. All vacation hours will eventually either be used or paid by the District. For those employees who do not use their accrued balances during the current fiscal year, their balances carry over to the next fiscal year. As this occurs, the District incurs an obligation to pay for these unused hours. All compensated absences for governmental activities are paid out of the general fund.

**H. GOVERNMENT-WIDE NET POSITION**

*Net investment in capital assets* consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

*Restricted net position* consists of amounts that are restricted by the Districts creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.

*Unrestricted* – remaining net position not identified as invested in capital assets or restricted.

**I. FUND BALANCE**

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*," the District is required to report fund balances in the following categories: Nonspendable, Restricted, Committed, Assigned and/or Unassigned.

*Nonspendable Fund Balance* reflects assets not in spendable form, either because they will never convert to cash (prepaid expense) or must remain intact pursuant to legal or contractual requirements.

*Restricted Fund Balance* reflects amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

*Committed Fund Balance* reflects amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority: the Board of Directors. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Directors.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**I. FUND BALANCE (Continued)**

*Assigned Fund Balance* reflects amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Under the District's adopted policy, only the Board of Directors is authorized to assign amounts for specific purposes.

*Unassigned Fund Balance* represents the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

When expenditures are incurred for purposes of which restricted, committed, assigned and unassigned fund balances are available, the District considers restricted funds to have been spent first, followed by committed, assigned and unassigned, respectively.

**J. PROPERTY TAXES**

Secured property taxes are attached as an enforceable lien on property as of January 1. Taxes are due in two installments on or before November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are due in one installment on or before July 1 and become delinquent on August 31. The County of San Joaquin bills and collects taxes for the District. Tax revenues are recognized by the District when received.

**K. CASH AND CASH EQUIVALENTS**

For presentation in the financial statements, all cash and investments with an original maturity of three months or less at the time they are purchased by the District are considered to be cash equivalents.

**L. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

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

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

**M. PENSIONS**

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

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. OTHER POSTEMPLOYMENT BENEFITS**

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Lathrop-Manteca Fire Protection District's OPEB plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the District. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**O. ENCUMBRANCES**

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated at June 30.

**P. USE OF ESTIMATES**

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures or expenses during the reporting period. Accordingly, actual results may differ from those estimates.

**Q. LEASE ACCOUNTING**

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial assets (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include building, land vehicles, and equipment. The District has set a lease capitalization threshold based on 5% of the average of annual assets and revenue for lease contracts to be recorded under GASB 87. Any lease with a present value at inception less than that amount will be deemed immaterial in relation to the financial statements as a whole and, thereby, excluded. As of June 30, 2023, the District did not have any leases meeting this threshold.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 2 – CASH AND INVESTMENTS**

The District's total pooled cash balance at June 30, 2023 is \$14,088,312 which is held in the San Joaquin County Treasury.

**Pooled Funds**

The District maintains the majority of its cash in the San Joaquin County Treasury. The County pools and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited quarterly into participating funds. Any investment losses are proportionately shared by all funds in the pool.

Because the deposits are maintained in a recognized pooled investment fund under the care of a third party and the share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial risk classifications is required.

In accordance with applicable State laws, the San Joaquin County Treasurer may invest in derivative securities. However, at June 30, 2023, the San Joaquin County Treasurer has represented that the Treasurer's pooled investment fund contained no derivatives or other investments with similar risk profiles.

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. The District manages its exposure to interest rate risk by investing in the county pool and/or having the pool purchase a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

Concentration of Credit Risk

The District's investment policy limits the amount it may invest with certain issuers. At June 30, 2023, the District had no concentration of credit risk and complied with the requirements of the District's investment policy.

**NOTE 3 – INTERFUND TRANSACTIONS**

Interfund transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended. Interfund transfers for the year ended June 30, 2023 consisted of transfers of \$2,661,162 from Measure C Fund to the General Fund; to cover payroll expenditures and \$452,000 from the General Fund to the Capital Outlay Fund to prefund future budgeted construction purchases as outlined in the Capital Improvement Plan.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 4 – CAPITAL ASSETS**

A schedule of changes in Governmental Activities capital assets for the year ended June 30, 2023 is as follows:

	Balance at June 30, 2022	Additions	Deletions	Balance at June 30, 2023
Capital assets, not being depreciated:				
Land	\$ 334,000	\$ -	\$ -	\$ 334,000
Construction in progress	3,991,418	270,614	(4,262,032)	-
Total capital assets not being depreciated	<u>4,325,418</u>	<u>270,614</u>	<u>(4,262,032)</u>	<u>334,000</u>
Capital assets being depreciated:				
Land Improvements	779,014	23,481	-	802,495
Buildings	9,762,769	4,152,889	-	13,915,658
Buildings Improvements	529,290	85,662	-	614,952
Office Equipment	29,382	-	-	29,382
Computer Equipment	1,027,767	-	-	1,027,767
Furniture	66,469	-	-	66,469
Vehicles	565,956	-	-	565,956
Fire Apparatus	6,421,998	-	-	6,421,998
Fire Fighting Equipment	557,508	-	-	557,508
Total capital assets being depreciated	<u>19,740,153</u>	<u>4,262,032</u>	<u>-</u>	<u>24,002,185</u>
Less accumulated depreciation for:				
Land Improvements	114,330	40,027	-	154,357
Buildings	1,713,126	339,240	-	2,052,366
Buildings Improvements	81,911	30,391	-	112,302
Office Equipment	5,386	5,876	-	11,262
Computer Equipment	748,842	112,435	-	861,277
Furniture	30,861	9,496	-	40,357
Vehicles	422,311	61,887	-	484,198
Fire Apparatus	3,222,003	323,582	-	3,545,585
Fire Fighting Equipment	221,642	94,457	-	316,099
Total accumulated depreciation	<u>6,560,412</u>	<u>1,017,391</u>	<u>-</u>	<u>7,577,803</u>
Net capital assets being depreciated	<u>13,179,741</u>	<u>3,244,641</u>	<u>-</u>	<u>16,424,382</u>
Total capital assets, net	<u>\$ 17,505,159</u>	<u>\$ 3,515,255</u>	<u>\$ (4,262,032)</u>	<u>\$ 16,758,382</u>

The entire amount of depreciation expense is allocated to fire protection services in the statement of activities.



**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 5 – LONG-TERM LIABILITIES**

A schedule of changes in long-term liabilities for the fiscal year ended June 30, 2023 is as follows:

	Balance June 30, 2022	Additions	Retirements	Balance June 30, 2023	Amount due within one year
State Loan -Chapter 1168/85	\$ 33,476	\$ -	\$ -	\$ 33,476	\$ -
Capital Lease Obligations	1,087,788	-	223,963	863,825	231,652
Station 35 Reimbursement	5,311,252	-	1,300,000	4,011,252	420,685
Certificates of Participation	3,490,000	-	80,000	3,410,000	80,000
Net OPEB Liability	9,931,904	-	571,827	9,360,077	-
Net Pension Liability	18,868,522	7,043,850	-	25,912,372	-
Compensated Absences	366,047	373,958	365,015	374,990	-
	<u>\$ 39,088,989</u>	<u>\$ 7,417,808</u>	<u>\$ 2,540,805</u>	<u>\$ 43,965,992</u>	<u>\$ 732,337</u>

State Loan – Chapter 1168/85

The District applied for and received a state loan in the amount of the shortfall in funding received through supplemental roll tax revenue during the 1984-85 fiscal year. The loan is interest free and was to be repaid from the 1984-85 fiscal year supplemental roll tax revenue received by the District after January 15, 1986. No due date has been assigned to the loan. The balance due on the loan at June 30, 2023 is \$33,476.

Capital Lease Obligations

During the year ended June 30, 2023, the District had three capital leases for the purchase of fire apparatuses. The following are the lease-purchases and their terms in place during the year ended June 30, 2023:

Asset	Maturity Date	Interest Rate	Purchase Price	Balance July 1, 2023	Payments	Balance June 30, 2023
2021 Pierce 1500 Impel PUC Pumper	1/15/2030	2.69%	\$ 668,975	\$ 578,985	\$ 68,691	\$ 510,294
2019 Pierce Impel PUC Pumper	9/27/2024	3.25%	634,558	318,230	92,915	225,315
2019 Pierce Wildland Pumper	5/31/2025	4.52%	419,260	190,573	62,357	128,216
Total			<u>\$ 1,722,793</u>	<u>\$ 1,087,788</u>	<u>\$ 223,963</u>	<u>\$ 863,825</u>

**LATHROP-MANTECA FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023**

**NOTE 5 – LONG-TERM LIABILITIES (Continued)**

The annual debt service payments required to amortize the capital leases outstanding as of June 30, 2023, are as follows:

For the Year Ending June 30	Principal	Interest	Total
2024	\$ 231,652	\$ 26,790	\$ 258,442
2025	239,616	18,825	258,441
2026	74,394	10,575	84,969
2027	76,398	8,571	84,969
2028	78,456	6,513	84,969
2029-2030	163,309	6,629	169,938
Totals	<u>\$ 863,825</u>	<u>\$ 77,903</u>	<u>\$ 941,728</u>

Accrued interest of \$9,300 is included in the he government-wide financial statements.

Station 35 Reimbursement Agreement

The District entered into a reimbursement agreement with River Islands Development for the purchase and construction of the River Islands Fire Station during the 2018-19 fiscal year. The Fire Facility Fees collected will be used to pay the reimbursement agreement after the District’s use of fire facilities fees for fire equipment and trucks. All remaining fire facilities fees collected in any applicable calendar year shall be used to pay River Islands Development until such time that they have been reimbursed the full amount. The agreement is interest free and is to be repaid prior to the conveyance of the fire station to the District. The District made a payment of \$1,300,000 during the year ended June 30, 2023. The balance due on the loan at June 30, 2023 is \$4,011,252.

Certificates of Participation for Station 31 Renovation Project

In 2021, the District issued Certificates of Participation in the amount of \$3,570,000 for the purpose of providing funds to (a) finance a portion of the costs of renovation of Fire Station 31, (b) purchase a reserve fund municipal bond insurance policy in lieu of cash funding a reserve fund for the Certificates, and (c) pay the delivery costs incurred in connection with the execution, delivery and sale of the Certificates, including purchasing a municipal bond insurance policy for the Certificates. The agreement also contains that in an event of default, lessor may: (1) declare all lease payments and other amounts payable to be due, (2) terminate payment schedule and reclaim possession of property being leased and (3) take any action that is permitted by applicable law. The current interest and yield vary, ranging from 3.0% to 4.0%. The Certificates are scheduled to mature on May 1, 2051.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023**

**NOTE 5 – LONG-TERM LIABILITIES (Continued)**

The annual payments required to amortize the Certificates of Participation outstanding as of June 30, 2023, are as follows:

For the Year Ending June 30	Principal	Interest	Total
2024	\$ 80,000	\$ 119,081	\$ 199,081
2025	85,000	116,681	201,681
2026	85,000	115,831	200,831
2027	85,000	114,981	199,981
2028	85,000	114,131	199,131
2029-2033	455,000	548,951	1,003,951
2034-2038	535,000	465,600	1,000,600
2039-2043	650,000	350,000	1,000,000
2044-2048	790,000	209,400	999,400
2049-2051	560,000	45,400	605,400
Totals	<u>\$ 3,410,000</u>	<u>\$ 2,200,056</u>	<u>\$ 5,610,056</u>

**NOTE 6 – FUND BALANCES**

The District follows GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. The following schedule is a summary of the components of the ending fund balance by fund type at June 30, 2023:

Fund Balance Classifications	General Fund	Capital Outlay Fund	Measure C Fund	Facility Fee Fund	Developer Account Fund	Health & Safety Fund	Total
Restricted for:							
Capital Projects and Approved Employee Expenditures	\$ -	\$ -	\$ 5,020,469	\$ -	\$ -	\$ -	\$ 5,020,469
Total Restricted	-	-	5,020,469	-	-	-	5,020,469
Assigned for:							
Capital Projects	-	198,297	-	-	813	-	199,110
Fire Facilities	-	-	-	4,702,074	-	-	4,702,074
Health & OPEB Reserve	-	-	-	-	-	5,166	5,166
Total Assigned	-	-	-	4,702,074	813	5,166	4,906,350
Unassigned:							
Unassigned	4,110,586	-	-	-	-	-	4,110,586
Total Unassigned Fund	4,110,586	-	-	-	-	-	4,110,586
Total Fund Balances	<u>\$ 4,110,586</u>	<u>\$ -</u>	<u>\$ 5,020,469</u>	<u>\$ 4,702,074</u>	<u>\$ 813</u>	<u>\$ 5,166</u>	<u>\$ 14,037,405</u>

**LATHROP-MANTECA FIRE PROTECTION DISTRICT  
 NOTES TO THE FINANCIAL STATEMENTS  
 For the Year Ended June 30, 2023**

**NOTE 7 – EMPLOYEE RETIREMENT PLAN**

Plan Description

The District contributes to the San Joaquin County Employees’ Retirement Association (SJCERA), a cost-sharing multiple-employer defined benefit pension plan administered by the Board of Retirement. The Association provides retirement, disability, death, and survivor benefits to plan members and beneficiaries. The County Employee’s Retirement Act of 1937 is the statutory basis for the Association. The Board of Retirement has the authority to establish and amend benefit provisions. The Association issues a publicly available financial report that includes financial statements and required supplementary information for the Association. The Plan issues a separate annual audited financial statement report. Copies of the report are available on SJCERA’s website [www.sjcera.org](http://www.sjcera.org)

Funding Policy

Contribution rates for the employers and employees were determined in accordance with actuarially determined contribution requirements by an actuarial valuation performed as of January 1, 2022. Employee contributions are payable over each employee’s future working lifetime. The employer rates reflect the entry age normal funding method. Under this method, the normal cost is being paid over the future working lifetimes of the members. For the year ended June 30, 2023, contribution rates as a percentage of the annual covered payroll were as follows:

Hire date	Prior to July 1, 2012	On or after July 1, 2012
Required employee contribution rates		
Tier 1	4.89% - 9.60%	6.18% - 15.89%
Tier 2	9.47% -	9.47% - 14.67%
Required employer contribution rates		
Tier 1 Safety Members	84.60%	79.85%
Tier 2 Safety Members	70.50%	70.50%
Tier 1 Miscellaneous Members	47.28%	47.28%
Tier 2 Miscellaneous Members	37.57%	37.57%

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 7 – EMPLOYEE RETIREMENT PLAN (Continued)**

Member contribution rates depend on the member’s age upon joining the plan and the plan in which they participate.

Contributions

The employers’ actual contributions to the Plan for the years ending June 30, 2023, 2022, and 2021 were \$3,081,019, \$2,969,028, and \$2,760,478, respectively, and equaled the required contributions for each year.

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

At June 30, 2023, the District reported a liability of \$25,912,372, for its proportional share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability was based on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating organizations, actuarially determined. The District’s proportionate share of the net pension liability as of December 31, 2021 and 2022 was as follows:

Proportion - December 31, 2022	1.52460%
Proportion - December 31, 2021	<u>1.54760%</u>
Change - Increase (Decrease)	<u><u>-0.02300%</u></u>

For the year ended June 30, 2023, the District recognized pension expense of \$3,856,891. As of June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 15,096	\$ 974,820
Changes in assumptions	872,308	716,551
Changes in proportion	1,621,653	269,337
Changes in proportion and difference between District contributions and proportionate share of contributions		2,410,498
Actual FY 22-23 contributions (post measurement date)	3,081,019	
Net difference between projected and actual earnings on pension plan investments	<u>4,736,543</u>	
<b>Total Deferred Inflows and Outflows</b>	<u><u>\$ 10,326,619</u></u>	<u><u>\$ 4,371,206</u></u>

The amounts reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023**

**NOTE 7 – EMPLOYEE RETIREMENT PLAN (Continued)**

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

Year ended June 30	Annual Amortization
2024	\$ 220,505
2025	734,182
2026	359,753
2027	1,559,954
Total	\$ 2,874,394

Actuarial Assumptions

The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	January 1, 2021
Measurement Date	December 31, 2022
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions	
Discount Rate	7.00% net of investment expenses
Inflation	2.75%
Amortization Growth Rate	3.00%
Salary Increases	3.00% plus merit component
COLA increases	2.60%
Post-Retirement Mortality	Sex distinct tables from the Society of Actuaries' new Public mortality tables, with generational mortality improvements projected from 2010 using Projection Scale MP-2018A

Discount Rate

The discount rate used to measure the total pension liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from organizations will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 7 – EMPLOYEE RETIREMENT PLAN (Continued)**

Asset Allocation

The allocation of investment assets within SJCERA’s portfolio is approved by the Board. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the defined benefit pension plans. The long-term expected rate of return on defined benefit pension plan investment assets was determined using a building-block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adjusted for inflation. The following table displays the Board-approved asset allocation policy for 2022 and the long-term expected real rates of return.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Aggressive Growth	16%	9.65%
Traditional Growth	34%	5.45%
Stabilized Growth	30%	3.75%
Principal Protection	7%	-0.25%
Crisis Risk Offset (CRO)	13%	1.95%
Cash	0%	-1.05%
Total	100%	

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

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 6.75%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1- percentage-point higher (7.75%) than the current rate:

Description	1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
Net Pension Liability (Asset)	\$ 37,097,479	\$ 25,912,372	\$ 16,691,195

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued SJCERA financial reports.

Payable to the Pension Plan

As of June 30, 2023, the District had no outstanding required contributions to the pension plan.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (OPEB)**

*Plan Description.* The District provides retiree health benefits for eligible retired employees. The District reported two different retiree healthcare benefit programs:

1. The first program is a negotiated benefit under which unused sick leave hours can be converted, by formula, to months of District-paid medical, dental and/or vision premiums. Under this arrangement, once the credited hours are depleted, the retiree becomes responsible for the 100% of the ongoing premium cost, if he or she opts to continue it.
2. The second arrangement is defined based on the terms of a resolution executed with CalPERS upon joining that medical program in 2006. This resolution provides for the District to pay 100% of the monthly medical premiums for the retiree and all eligible dependents for their lifetime, *but not more than* the PERS Choice plan premiums charged in the Bay Area region. Eligibility for coverage and this benefit is determined based on strict requirements per the Public Employees' Medical and Hospital Care Act (PEMHCA).

*Benefits Provided.* The District offers retiree access to retiree medical, dental and vision coverage. Under the Public Employees' Medical and Hospital Care Act (PEMHCA), the District is obligated to contribute toward the cost of retiree medical coverage for the retiree's lifetime or until coverage is discontinued; if a surviving spouse is entitled to survivor pension benefits, he or she may continue coverage and receive the PEMHCA benefit as well. The District's contribution toward the medical plan premiums is the PEMHCA minimum employer contribution (MEC) of \$143 per month in 2021, \$149 per month in 2022, and \$151 per month in 2023.

- Any retiree who satisfies the requirement for access to coverage described below and elects medical coverage through CalPERS is entitled to this MEC benefit from the District.
- For those hired on or before July 1, 2012 and who do not cash out any unused sick leave at the time of retirement, the District will provide one month of medical, dental and/or vision coverage for every 24 hours of accumulated sick leave. The benefit covers the premium for any coverage level up to but not exceeding the applicable PERS Choice Bay Area premium rate.

*Access to coverage.* Coverage requires the employee to satisfy the requirements for retirement under the San Joaquin County Employees' Retirement Association (SJCERA). Retirement eligibility under SJCERA is as follows:

- Members who joined SJCERA for the first time prior to January 1, 2013: (1) age 50 and 10 years of service, or (2) 20 years of service (30 years of service for General employees), regardless of age, or (3) for General employees, age 70, regardless of service.
- Members who joined SJCERA for the first time on or after January 1, 2013: (1) age 50 (age 52 for General employees) and 5 years of service, or (2) age 70, regardless of service.



**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

*Employees covered by benefit.* At June 30, 2023, the following employees were covered by the benefit terms:

Active plan members	42
Inactive employees or beneficiaries currently receiving benefit payments	15
Inactive employees entitled to but not yet receiving benefit payments	<u>1</u>
Total	<u><u>58</u></u>

**Net OPEB Liability**

The District’s net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2022.

*Actuarial assumptions.* The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the actuarial assumptions shown in the following table, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Funding Method	Entry Age Normal Cost, level percent of pay
Discount Rate	2.16% as of June 30, 2021 3.54% as of June 30, 2022
Salary Increases	3.00%
Inflation rate	2.50%
Healthcare cost trend rates	Actual average increases for 2024, 6.2% in 2024, decreasing to 3.9% by 20

The demographic actuarial assumptions used in the valuation are based on those applicable to “general” employees as shown in the report on the January 1, 2023, actuarial valuation of the San Joaquin County Employees’ Retirement Association program. The mortality rates (prior to projection) were those described by SJCERA in their 2023 study (and are based on CalPERS mortality assumptions), except for the basis used to project mortality improvement.

*Discount rate.* The discount rate used to measure the total OPEB liability was 3.54 percent. The discount rate used is based on the Bond Buyer GO 20 Year High Grade Index.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

**Changes in the Net OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability/(Asset)
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2022 (6/30/21 measurement date)	\$ 9,931,904	\$ -	\$ 9,931,904
Changes Recognized for the Measurement Period:	-	-	-
Service Cost	618,143	-	618,143
Interest Cost	223,979	-	223,979
Changes in benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	(1,364,617)	-	(1,364,617)
Plan Experience	311,961	-	311,961
Contributions from the employer	-	361,293	(361,293)
Net investment income	-	-	-
Benefit payments and refunds	(361,293)	(361,293)	-
Net Changes	(571,827)	-	(571,827)
Balance at June 30, 2023 (6/30/22 measurement date)	<u>\$ 9,360,077</u>	<u>\$ -</u>	<u>\$ 9,360,077</u>

*Sensitivity of the net OPEB liability to changes in the discount rate.* The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.54 percent) or 1-percentage-point higher (4.54 percent) than the current discount rate:

Plan's Net OPEB Liability/(Asset)		
Discount Rate -1% (2.54%)	Current Discount Rate (3.54%)	Discount Rate +1% (4.54%)
<u>\$ 10,615,736</u>	<u>\$ 9,306,077</u>	<u>\$ 8,305,147</u>

*Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates.* The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (9.95 percent) or 1-percentage-point higher (11.95 percent) than the current healthcare cost trend rates:

Plan's Net OPEB Liability/(Asset)		
Discount Rate -1% (9.95%)	Current Health Care Cost Trend Rates (10.95%)	Discount Rate +1% (11.95%)
<u>\$ 8,064,060</u>	<u>\$ 9,360,077</u>	<u>\$ 10,971,831</u>

*OPEB plan fiduciary net position.* The Plan has no assets.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023**

**NOTE 8 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)**

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2023, the District recognized OPEB expense of \$698,842. At June 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 278,015	\$ (209,310)
Changes of assumptions	1,222,803	(1,926,856)
Employer contributions made subsequent to the measurement date	264,668	-
Total	\$ 1,765,486	\$ (2,136,166)

The District will recognize the contributions made subsequent to the measurement date in the next fiscal year. In addition, future recognition of these deferred resources is shown below:

Measurement Period Ended June 30	Annual Amortization
2024	\$ (143,280)
2025	(143,280)
2026	(143,280)
2027	(112,732)
2028	(70,556)
Thereafter	(22,220)
Total	\$ (635,348)

**Payable to the OPEB Plan**

The District had no outstanding amount of contributions to the Plan required for the year ended June 30, 2023.

**LATHROP-MANTECA FIRE PROTECTION DISTRICT  
NOTES TO THE FINANCIAL STATEMENTS  
For the Year Ended June 30, 2023**

**NOTE 9 – JOINT VENTURE**

The District is a member with other fire districts in a Joint Powers Authority, Fire Agencies Self Insurance System (FASIS), which provides coverage for workers’ compensation. FASIS provides first dollar coverage up to a limit of \$500,000 per occurrence. This coverage is extended to provide excess coverage above \$500,000 to statutory coverage limits through FASIS participation in the Local Agency Workers’ Compensation Excess Joint Powers Authority. FASIS is governed by a Board of Directors consisting of representatives from member districts. The Board controls the operations of FASIS, including selection of management and approval of operating budgets. Member contributions paid by the District to FASIS for the year ended June 30, 2023 was \$475,737. The following is a summary of the audited financial information of FASIS as of June 30, 2022, which was the last audited financial statements:

Total Assets	<u>\$ 69,768,290</u>
Total Liabilities	50,269,832
Net Position	19,498,458
 Total Liabilities and Net Position	 <u>\$ 69,768,290</u>
 Total Revenues	 \$ 18,325,796
Total Expenditures	<u>18,826,006</u>
Change in Net Position	<u>\$ (500,210)</u>

The relationship between Lathrop-Manteca Fire Protection District and the Joint Powers Authority are such that they are not component units of the District for financial reporting purposes.

**NOTE 10 – EXCESS EXPENDITURES**

The District incurred unanticipated expenditures in excess of appropriations in expenditure classifications for which the budget was not revised.

Excess of expenditures over appropriations for the year ended June 30, 2023 were as follows:

	Excess Expenditures
Employee benefits	\$ 233,516
Insurance	134,105
Administration charges	19,921
Dispatching	26,310
Utilities	3,868
Total	<u>\$ 417,720</u>

**LATHROP-MANTECA FIRE PROTECTION DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2023**

**NOTE 11 – POWER PURCHASE AGREEMENT (PPA)**

In 2017, the District entered into a 20-year contract with American Renewable Capital (ARC), Inc. for a solar power generating system for approximately 50,000 kWh per year. The District will purchase 100% of the electricity produced by the system. ARC owns title to the system. At the end of the 20-year contract term, the District must exercise one of the following options: (a) purchase the system for the then fair market value of the system, not to be less than ten percent (10%) of the system purchase price under the installation contract; (b) extend the term of the agreement for five (5) years at the same kWh rate; (c) terminate the agreement and require ARC to remove the system from the site within one hundred twenty (120) days of the agreement termination date, at ARC's expense; or (d) any other arrangement as mutually agreed to between the District and ARC. If the District has not exercised and consummated any of the above options prior to the expiration of this agreement, the term of this agreement will be automatically extended for two (2) years.

**NOTE 12 – CONTINGENCIES**

The District is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the District.

**REQUIRED SUPPLEMENTARY  
INFORMATION**

LATHROP-MANTECA FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND  
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Current Year Budget</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Property taxes - secured and unsecured	\$ 7,112,096	\$ 7,046,456	\$ 7,626,076	\$ 579,620
Special assessments	2,436,785	2,509,888	2,679,053	169,165
Federal grants	540,439	365,825	(532)	(366,357)
Licenses/permits	125,000	255,000	234,194	(20,806)
Plan check and service fees	550,000	587,000	449,319	(137,681)
Other services	270,876	198,038	306,963	108,925
Interest income	15,000	6,000	61,537	55,537
Miscellaneous income	120,475	59,254	66,169	6,915
Total revenues	<u>11,170,671</u>	<u>11,027,461</u>	<u>11,422,779</u>	<u>395,318</u>
<b>EXPENDITURES</b>				
Salaries and wages	5,619,150	5,653,545	5,616,604	36,941
Employee benefits	3,948,555	4,917,520	5,151,036	(233,516)
Insurance	441,204	443,607	577,712	(134,105)
Maintenance	292,668	268,876	251,973	16,903
Administration charges	112,644	112,644	132,565	(19,921)
Fuel, lube and tires	214,739	214,739	144,673	70,066
Communication	74,815	95,714	84,998	10,716
Director's expense	8,000	8,000	6,325	1,675
Dispatching	175,000	182,000	208,310	(26,310)
Firefighter supplies	377,959	420,750	204,435	216,315
Legal and professional services	279,200	279,200	235,668	43,532
Office expense	40,000	40,000	32,965	7,035
Public relations and training	163,438	157,057	78,810	78,247
Utilities	125,625	125,625	129,493	(3,868)
Capital Outlay	326,238	39,785	-	39,785
Miscellaneous expense	168,189	169,569	153,796	15,773
Total expenditures	<u>12,367,424</u>	<u>13,128,631</u>	<u>13,009,363</u>	<u>119,268</u>
Excess (deficiency) of revenues over expenditures	<u>(1,196,753)</u>	<u>(2,101,170)</u>	<u>(1,586,584)</u>	<u>514,586</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	2,192,894	2,161,162	2,661,162	500,000
Operating transfers out	-	(452,000)	(452,000)	-
Rental income	54,587	59,005	58,359	(646)
Total other financing sources (uses)	<u>2,247,481</u>	<u>1,768,167</u>	<u>2,267,521</u>	<u>499,354</u>
Net change in fund balances	1,050,728	(333,003)	680,937	1,013,940
Fund balance, July 1, 2022	<u>1,928,801</u>	<u>1,928,801</u>	<u>3,429,649</u>	<u>1,500,848</u>
Fund balance, June 30, 2023	<u>\$ 2,979,529</u>	<u>\$ 1,595,798</u>	<u>\$ 4,110,586</u>	<u>\$ 2,514,788</u>

See accompanying notes to the required supplementary information

LATHROP-MANTECA FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL - MEASURE C SPECIAL REVENUE FUND  
FOR THE YEAR ENDED JUNE 30, 2023

	<u>Current Year Budget</u>		<u>Actual</u>	Variance with Final Budget
	<u>Original</u>	<u>Final</u>		Positive (Negative)
<b>REVENUES</b>				
Measure C Taxes	\$ 3,005,000	\$ 2,405,000	\$ 4,164,037	\$ 1,759,037
Interest income	-	-	55,135	55,135
Total revenues	<u>3,005,000</u>	<u>2,405,000</u>	<u>4,219,172</u>	<u>1,814,172</u>
<b>EXPENDITURES</b>				
Maintenance	-	-	33,324	(33,324)
Firefighter supplies	-	-	37,647	(37,647)
Public relations and training	-	175,000	41,828	133,172
Miscellaneous expense	327,000	327,000	6,646	320,354
Total expenditures	<u>327,000</u>	<u>502,000</u>	<u>119,445</u>	<u>382,555</u>
Excess (deficiency) of revenues over expenditures	<u>2,678,000</u>	<u>1,903,000</u>	<u>4,099,727</u>	<u>2,196,727</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers out	<u>(2,192,894)</u>	<u>(2,161,162)</u>	<u>(2,661,162)</u>	<u>(500,000)</u>
Total other financing sources (uses)	<u>(2,192,894)</u>	<u>(2,161,162)</u>	<u>(2,661,162)</u>	<u>(500,000)</u>
Net change in fund balances	485,106	(258,162)	1,438,565	1,696,727
Fund balance, July 1, 2022	<u>(843,743)</u>	<u>(843,743)</u>	<u>3,581,904</u>	<u>4,425,647</u>
Fund balance, June 30, 2023	<u>\$ (358,637)</u>	<u>\$ (1,101,905)</u>	<u>\$ 5,020,469</u>	<u>\$ 6,122,374</u>

See accompanying notes to the required supplementary information



**SCHEDULE OF CHANGES IN THE DISTRICT'S OPEB LIABILITY AND RELATED RATIOS**  
Last 10 years\*

Measurement Date	6/30/22	6/30/21	6/30/20	6/30/19	6/30/18	6/30/17
<b>Total OPEB Liability</b>						
Service Cost	\$ 618,143	\$ 593,177	\$ 367,183	\$ 328,018	\$ 399,590	\$ 452,515
Interest	223,979	216,105	279,076	279,760	283,280	238,226
Changes of benefit terms	-	-	-	-	-	-
Differences between expected and actual experience	311,961	-	(106,679)	-	(255,754)	-
Changes in assumptions	(1,364,617)	65,588	1,320,585	352,347	(870,515)	(696,692)
Benefit payments, including refunds of member contributions	(361,293)	(256,569)	(260,549)	(294,126)	(267,914)	(282,056)
<b>Net change in total OPEB liability</b>	(571,827)	618,301	1,599,616	665,999	(711,313)	(288,007)
<b>Total OPEB liability - beginning</b>	9,931,904	9,313,603	7,713,987	7,047,988	7,759,301	8,047,308
<b>Total OPEB liability - ending (a)</b>	9,360,077	9,931,904	9,313,603	7,713,987	7,047,988	7,759,301
<b>OPEB fiduciary net position</b>						
Contributions - employer	\$ 361,293	\$ 256,569	\$ 260,549	\$ 294,126	\$ 267,914	\$ 282,056
Net investment income	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(361,293)	(256,569)	(260,549)	(294,126)	(267,914)	(282,056)
Administrative expense	-	-	-	-	-	-
<b>Net change in plan fiduciary net position</b>	-	-	-	-	-	-
<b>Plan fiduciary net position - beginning</b>	-	-	-	-	-	-
<b>Plan fiduciary net position - ending (b)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending (a)-(b)	\$ 9,360,077	\$ 9,931,904	\$ 9,313,603	\$ 7,713,987	\$ 7,047,988	\$ 7,759,301
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered payroll	\$ 5,571,508	\$ 5,876,197	\$ 4,888,757	\$ 4,635,326	\$ 3,345,919	\$ 3,345,919
Net OPEB liability as a percentage of covered payroll	168.00%	169.02%	190.51%	166.42%	210.64%	231.90%

**Notes to schedule:**

\* - Fiscal year 2017 was the first year of implementation.

**Schedule of the District's Proportionate Share of the Net Pension Liability (Asset)**  
**Last 10 years\***

<b>Measurement Date</b>	<b>6/30/2022</b>	<b>6/30/2021</b>	<b>6/30/2020</b>	<b>6/30/2019</b>	<b>6/30/2018</b>
District's proportionate share	1.5246%	1.5476%	1.4907%	1.3516%	1.3047%
Proportionate share of the net pension liability	\$ 25,912,372	\$ 18,868,522	\$ 24,997,459	\$ 22,829,316	\$ 24,263,171
Covered payroll	\$ 3,737,284	\$ 3,630,094	\$ 3,743,525	\$ 3,513,665	\$ 3,298,966
Net pension liability (asset) as a percentage of covered payroll	693.35%	519.78%	667.75%	649.73%	735.48%
Plan fiduciary net position as a percentage of the total pension liability	69.20%	77.50%	66.00%	64.40%	59.60%

<b>Measurement Date</b>	<b>6/30/2017</b>	<b>6/30/2016</b>	<b>6/30/2015</b>	<b>6/30/2014</b>
District's proportionate share	1.2440%	1.1424%	1.0494%	1.0103%
Proportionate share of the net pension liability	\$ 17,786,633	\$ 19,050,054	\$ 16,143,338	\$ 13,310,655
Covered payroll	\$ 2,782,702	\$ 2,599,290	\$ 2,537,964	\$ 2,301,028
Net pension liability (asset) as a percentage of covered payroll	639.19%	732.89%	636.07%	578.47%
Plan fiduciary net position as a percentage of the total pension liability	64.54%	60.51%	61.07%	65.18%

**Schedule of Contributions**  
**Cost-Sharing Defined Benefit Pension**  
**As of June 30**  
**Last 10 years, subject to available information**  
**(first year of implementation was Fiscal Year ended June 30, 2015)**

	<u>Fiscal Year 2021-22</u>	<u>Fiscal Year 2020-21</u>	<u>Fiscal Year 2019-20</u>	<u>Fiscal Year 2018-19</u>	<u>Fiscal Year 2017-18</u>
Contractually required contribution	\$ 3,081,019	\$ 2,969,028	\$ 2,760,478	\$ 2,069,953	\$ 2,018,992
Contributions in Relation to the Contractually required contribution	<u>3,081,019</u>	<u>2,969,028</u>	<u>2,760,478</u>	<u>2,069,953</u>	<u>2,018,992</u>
Contribution Deficiency/ (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 3,737,284	\$ 3,630,094	\$ 3,743,525	\$ 3,513,665	\$ 3,298,966
Contributions as a percentage of covered payroll	82.44%	81.79%	73.74%	58.91%	61.20%

**Notes to Schedule**

Valuation Date / Timing 6/30/2021 (for Contributions made in fiscal year FY 2022-2023)

**Key Methods and Assumptions Used to Determine Contribution Rates (for fiscal year 2022-23):**

Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percentage of payroll with separate period for Extraordinary Actuarial Loss from 2009
Remaining Amortization period	Unfunded liability - 11 years / Extraordinary Actuarial Loss - 19 years
Asset valuation method	5-year smoothed market, 80%/120% corridor around market
Inflation	2.75%
Salary increases	3.00% plus merit component based on employee classification and years of service
Investment Rate of Return	7.00% net of investment expenses
Retirement Age	Classic Tiers: Safety - 50-55, Miscellaneous - 55; PEPRA Tiers: Safety - 57, Miscellaneous - 62
Healthy Mortality	CalPERS 2017 Post-Retirement Healthy Mortality rates, adjusted by 90% for Males (Miscellaneous and Safety), with a generational improvements from a base year of 2014 using scale MP-2017.
Disabled Mortality	Set distinct tables from the Society of Actuaries' new Public mortality tables, with generational mortality improvements projected from 2020 using Projection Scale MP-2018

<u>Fiscal Year 2016-17</u>	<u>Fiscal Year 2015-16</u>	<u>Fiscal Year 2014-15</u>	<u>Fiscal Year 2013-14</u>
\$ 1,962,065	\$ 1,715,421	\$ 1,551,709	\$ 1,436,038
<u>1,962,065</u>	<u>1,715,421</u>	<u>1,551,709</u>	<u>1,436,038</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 2,782,702	\$ 2,599,290	\$ 2,537,964	\$ 2,816,052
70.51%	66.00%	61.14%	50.99%

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**LATHROP-MANTECA FIRE PROTECTION DISTRICT  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

**PURPOSE OF SCHEDULES**

Schedule of Revenues, Expenditures and Changes in Fund Balance Budget (Non-GAAP) and Actual – General Fund

The District employs budget control by account codes and by individual appropriation accounts. The budgets are revised during the year by the Board of Directors to provide for revised priorities. Expenditures cannot legally exceed appropriations by object level, which is a category of account codes such as salaries and benefits or charges for services. The originally adopted and final revised budgets for the General Fund are presented as Required Supplementary Information. The budgeting is on the cash basis which is another comprehensive basis of accounting.

Schedule of Changes in the District’s Net OPEB Liability and Related Ratios

GASB 75 requires presentation of the 10-year history of changes in the Net OPEB Liability. 2017 was the first year of implementation. Additional years will be added in the future.

Schedule of Proportionate Share of the Net Pension Liability

Fiscal year 2015 was the first year of implementation. Additional years will be added in the future.

**Changes in assumptions**

In 2020, amounts reported as changes in assumptions resulted primarily from adjustments to expected retirement ages of general employees.

Schedule of Pension Contributions

If an employer's contributions to the plan are actuarially determined or based on statutory or contractual requirements, the employer's actuarially determined contribution to the pension plan (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll.

Valuation Date	January 1, 2021
Measurement Date	December 31, 2022
Actuarial Cost Method	Entry-Age Normal
Actuarial Assumptions	
Discount Rate	7.00% net of investment expenses
Inflation	2.75%
Amortization Growth Rate	3.00%
Salary Increases	3.00% plus merit component
COLA increases	2.60%
Post-Retirement Mortality	Sex distinct tables from the Society of Actuaries' new Public mortality tables, with generational mortality improvements projected from 2010 using Projection Scale MP-2018A

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**INDEPENDENT AUDITOR’S 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***

To the Board of Directors  
Lathrop-Manteca Fire Protection District  
Lathrop, California

We have audited, in accordance with the 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 basic financial statements of the Lathrop-Manteca Fire Protection District (District), California, as of and for the year ended June 30, 2023, and have issued our report thereon dated November 1, 2023.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing 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 a 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 or significant deficiencies may exist that have not been identified.



### ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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*.

We have also issued a separate Memorandum on Internal Control dated November 1, 2023 which is an integral part of our audit and should be read in conjunction with this report.

### ***Purpose of this 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.

*Maze + Associates*

Pleasant Hill, California  
November 1, 2023



# Lathrop-Manteca Fire Protection District

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19001 Somerston Parkway, Lathrop, CA 95330

• (209) 941-5100 • Fax (209) 941-5115 • [www.lmfire.org](http://www.lmfire.org) •

## STAFF REPORT

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TO: Board of Directors

MEETING DATE: November 16, 2023

PREPARED BY: David A. Bramell, Fire Chief

APPROVED BY: David A. Bramell, Fire Chief

ITEM 8.2: **ADOPT A RESOLUTION AUTHORIZING THE FIRE CHIEF TO NEGOTIATE AND ENTER INTO ANNEXATION MITIGATION AGREEMENTS**

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### EXECUTIVE SUMMARY

The Lathrop Manteca Fire District (District) receives notice of pending annexations from neighboring jurisdictions, primarily the City of Manteca. The annexation/reorganization process is regulated by San Joaquin County Local Agency Formation Commission (LAFCo). When such annexation requests are received, the applicant is required to mitigate the financial impact to the District in accordance with LAFCo policy. This item would authorize the Fire Chief to negotiate and enter into annexation mitigation agreements with the relevant parties without further Board approval.

### BACKGROUND

The Lathrop-Manteca Fire District (District) has a jurisdictional area that includes unincorporated areas of San Joaquin County. These unincorporated areas are subject to annexation and subsequent detachment from the District when neighboring jurisdictions seek to develop and expand their boundaries. When parcels are annexed into another jurisdiction (e.g. City of Manteca), the newly annexed area “detaches” from the current service area (District) and the new service provider is responsible for fire service.

In recent months and years, there have been a number of annexation applications received by LAFCo that resulted in detachment from the District. When annexation applications are approved by LAFCo, the applicant is responsible to mitigate the impact of the loss of revenue to the affected District.

LAFCo policy states the following:

*Change of Organization Policies and Procedures – General Standards for Annexation and Detachment, Section 12, Adverse Impact of Annexation on Other Agencies, “LAFCo will consider any significant adverse effects upon other service recipients or other agencies serving the area and may condition any approval to mitigate such impacts.*

LAFCo is now requiring applicants to negotiate a mitigation agreement prior to their processing their applications. This has resulted in an influx of developers contacting the District to negotiate these agreements. Often, they are pressing to meet timelines associated with hearings as scheduled by LAFCo. The authorization of the Fire Chief to execute these agreements without bringing it before the District Board would expedite this process. Should the District Board choose not to authorize the Fire Chief to execute the agreements, then each individual agreement will continue to come before the Board of Directors for approval.

### **FISCAL IMPACTS**

The amount of negotiated mitigation is relative to the current tax increment received on the parcels in question. Parcels with improvements such as commercial, residential homes, and agricultural buildings, will yield a higher annual tax increment of ad valorem and District special tax. Unimproved agricultural parcels typically generate minimal ad valorem property taxes to the District. Depending on the area, the annual loss can range from as low as \$500 per year up to thousands per year.

Previous agreements have negotiated terms of 10-15 years to calculate the annual loss of revenue requiring mitigation. Typically the mitigation includes the annual increment as currently received, an annual assumption for escalation in value, multiplied by the 10-15 year term. Parties generally desire to pay the mitigation in one lump sum. The fiscal impact to the District would be realized once the term is expired and the District no longer receives any increment from the detached parcels. The amount of lost revenue is largely dependent on the specific site. Mitigation agreements will likely result in one-time revenues to the District once the annexation is recorded and the area is detached from the District's tax roll.

### **RECOMMENDATION**

Staff recommends the Lathrop-Manteca Fire District (District) Board adopt a resolution authorizing the Fire Chief to negotiate and enter into annexation mitigation agreements.

### **ATTACHMENTS**

1. LAFCo Policy – Change of Organization Policies and Procedures (Including Annexations and Reorganizations)

**CHANGE OF ORGANIZATION POLICIES AND PROCEDURES**  
**(Including Annexations and Reorganizations)**

(Adopted September 21, 2007)

Amended 10/16/2009, Amended 10/21/2011, Amended 12/14/12

**GENERAL STANDARDS FOR ANNEXATION AND DETACHMENT**

These standards govern LAFCo determinations regarding annexations and detachments to and from all agencies. The annexations or detachments must be consistent with the general policies set forth in these Policies and Procedures.

1. Spheres and Municipal Service Reviews

The annexation or detachment must be consistent with the internal planning horizon of the sphere of influence. The land subject to annexation shall normally lie within the first planning increment (5-10 year) boundary. The annexation must also consider the applicable Municipal Service Review. An annexation shall be approved only if the Municipal Services Review and the Sphere of Influence Plan demonstrates that adequate services can be provided with the timeframe needed by the inhabitants of the annexed area. If detachment occurs, the sphere will be modified.

LAFCo generally will not allow spheres of influence to be amended concurrently with annexation proposals.

Proposed annexations of land that lie outside of the first planning horizon (5-10 year) are presumed to be inconsistent with the Sphere Plan. In such a case the agency must first request LAFCo to consider a sphere amendment pursuant to the above policies. If the amendment is approved, the agency may then proceed with the annexation proposal. A change of organization or reorganization will not be approved solely because an area falls within the SOI of any agency.

As an exception to the presumed inconsistency mentioned above, Master Plan and Specific Plan developments may span several planning horizons of the sphere of influence. Annexation of the entire project area may be desirable in order to comprehensively plan and finance infrastructure and provide for amenity-based improvements. In these cases, no amendment of the planning horizon is necessary provided project phasing is recognized in the Sphere of Influence Plan.

2. Plan for Services

Every proposal must include a Plan for Services that addresses the items identified in Section 56653 of the Government Code. The Plan for Services must be consistent with the Municipal Service Review of the Agency.

Proponents must demonstrate that the city or special district is capable of meeting the need for services.

3. Contiguity  
Territory proposed to be annexed to a city must be contiguous to the annexing city or district unless specifically allowed by statute. Territory is not contiguous if the only connection is a strip of land more than 300 feet long and less than 200 wide, that width to be exclusive of highways. The boundaries of a proposed annexation or reorganization must not create or result in areas that are difficult to serve.
4. Development within Jurisdiction  
Development of existing vacant or non-prime agricultural lands for urban uses within the existing jurisdiction or within the sphere of influence should be encouraged before any proposal is approved which would allow for or lead to the development of existing open space lands for non-open space uses which are outside of the existing jurisdiction of the local agency or outside of the existing sphere of influence of the local agency. (Section 56377)
5. Progressive Urban Pattern  
Annexations to agencies providing urban services shall be progressive steps toward filling in the territory designated by the affected agency's adopted sphere of influence. Proposed growth shall be from inner toward outer areas.
6. Piecemeal Annexation Prohibited  
LAFCo requires annexations and detachments to be consistent with the schedule for annexation that is contained in the agency's Sphere of Influence Plan. LAFCo will modify small piece-meal or irregular annexations, to include additional territory in order to promote orderly annexation and logical boundaries, while maintaining a viable proposal. In such cases, detailed development plans may not be required for those additional areas but compliance with CEQA is required.
7. Annexations to Eliminate Islands  
Proposals to annex islands or to otherwise correct illogical distortion of boundaries will normally be approved unless they would violate another provision of these standards. In order to avoid the creation of an island or to encourage the elimination an existing island, detailed development plans may not be required for the remnant areas.
8. Annexations that Create Islands  
An annexation will not be approved if it will result in the creation of an island of unincorporated territory of otherwise cause or further the distortion of existing boundaries. The Commission may nevertheless approve such an annexation where it finds that the application of this policy would be detrimental to the orderly development of the community and that a reasonable effort has been made to include the island in the annexation but that inclusion is not feasible at this time.
9. Substantially Surrounded  
For the purpose of applying the provisions of the Cortese-Knox-Hertzberg Act regarding island annexation without protest hearings (Section 56375.5), the subject

territory of an annexation proposal shall be deemed “substantially surrounded” if it is within the sphere of influence of the affected city and two-thirds (66-2/3%) of its boundary is surrounded by the affected city.

10. Definite and Certain Boundaries

All boundaries shall be definite and certain and conform to lines of assessment or ownership. The Commission’s approval of boundary change proposals containing split parcels will typically be subject to a condition requiring the recordation of a parcel map, lot line adjustment or other instrument to avoid creating remnants of legal lots.

11. Service Requirements

An annexation shall not be approved merely to facilitate the delivery of one or a few services to the detriment of the delivery of a larger number of services or service more basic to public health and welfare.

12. Adverse Impact of Annexation on the Other Agencies

LAFCo will consider any significant adverse effects upon other service recipients or other agencies serving the area and may condition any approval to mitigate such impacts. Significant adverse effects shall include the effect of proposals that negatively impact special districts’ budgets or services or require the continuation of services without the provision of adequate funding. LAFCo will not approve detachments from special districts or annexations that fail to provide adequate mitigation of the adverse impact on the district. LAFCo may determine an appropriate temporary mitigation, if any, and impose that temporary mitigation to the extent it is within its powers. If the needed mitigation is not within LAFCo’s authority and approval would, in the opinion of the Commission, seriously impair the District’s operation, the Commission may choose to deny the application.

13. District’s Proposal to Provide new, different, or Divestiture of a Particular Function or Class of Services

In addition to the plan for services specified in Section 2 of these Policies and Procedures any application for a new, different, or divestiture of a service shall also include the requirements outlined in Section 56824.12 of the Government Code. Applications for such request will be considered a change of organization and shall follow the requirements of such an application as outlined in the Cortese-Knox-Hertzberg Act and within these policies and procedures. The factors enumerated in Sections 56668 and 56824.14 of the Government Code shall be considered by the Commission at the time of consideration of the application for such functions.

14. Disadvantaged Unincorporated Communities

Disadvantaged Unincorporated Communities (DUCs) are those territories shown in Exhibit A or as may be shown in a city municipal service review and sphere of influence plan.

The Commission shall not approve an annexation to a city or any territory greater than 10 acres where there exists a disadvantaged unincorporated community (DUC)

that is contiguous to the area of proposed annexation, unless a concurrent application to annex all or a portion of the DUC to the subject city has been filed. An application to annex a DUC shall not be required if either of the following applies:

1. A prior application for annexation of the territory has been made in the preceding five years.
2. The Commission finds, based upon written evidence, that a majority of the registered voters within the DUC are opposed to annexation.

Written evidence can be a scientific survey conducted by an academic institution or professional polling company.

15. Protest Procedures

The Commission delegates the conducting authority functions and responsibilities to the LAFCo Executive Officer pursuant to Government Code Section 57000.

## **CITY ANNEXATIONS**

1. Annexation of Streets

Annexations shall reflect the logical allocation of streets and rights of way as follows:

- Territory should be included within the annexation to assure that the city reasonably assumes the burden of providing adequate roads to the property to be annexed. LAFCo will require cities to annex streets where adjacent lands that are in the city will generate additional traffic or where the annexation will isolate sections of county road. Cities shall include all contiguous public roads that can be included without fragmenting governmental responsibility by alternating city and county road jurisdiction over short section of the same roadway.
- When a street is a boundary line between two cities the centerline of the street may be used as the boundary or may follow a boundary reached by agreement of the affected cities.

2. Pre-zoning Required

The Cortese-Knox-Hertzberg Act requires the city to pre-zone territory to be annexed, and prohibits subsequent changes to the General Plan and /or pre-zoning designations for a period of two years after completion of the annexation, unless the city council makes a finding at a public hearing consistent with the provisions of Governments Code Section 56375(e). In instances where LAFCo amends a proposal to include additional territory, the Commission's approval of the annexation will be conditioned upon the pre-zoning of the new territory.