



**San Diego County**  
**Local Agency Formation Commission**  
 Regional Service Planning | Subdivision of the State of California

**5b**

**AGENDA REPORT**  
 Business | Discussion

March 20, 2020

**TO:** Special Districts Advisory Committee

**FROM:** Keene Simonds, Executive Officer  
 John Traylor, Local Governmental Consultant

**SUBJECT: Draft Municipal Service Review on County Service Area No. 135**

**SUMMARY**

The Special Districts Advisory Committee (“Committee”) will review a draft municipal service review on County Service Area (CSA) No. 135. The draft has been prepared as part of the adopted workplan and represents an independent assessment of CSA No. 135 and its active municipal functions – public safety radio communications and integrated fire protection and emergency medical services – with respect to availability, demand, and performance. A notable recommendation included in the draft involves reorganizing CSA No. 135 to establish a new stand-alone dependent fire protection district. The draft is being presented to the Committee for discussion with the associated feedback being incorporated into a final document for presentation and action by the Commission at its May 4<sup>th</sup> meeting.

**BACKGROUND**

**Municipal Service Review Mandate**

State law directs the Commission to regularly prepare municipal service reviews in conjunction with updating each local agency’s sphere of influence. The legislative intent of the municipal service review and its five-year cycle requirement is to proactively inform the Commission and the general public therein regarding the availability and sufficiency of governmental services relative to current and future community needs. Municipal service

<p><b>Administration</b>          Keene Simonds, Executive Officer          County Operations Center          9335 Hazard Way, Suite 200          San Diego, California 92123          T 858.614.7755 F 858.614.7766          www.sdlafco.org</p>	<p><b>Jim Desmond</b>          County of San Diego</p> <p><b>Chair Dianne Jacob</b>          County of San Diego</p> <p><b>Greg Cox, Alternate</b>          County of San Diego</p>	<p><b>Mary Casillas Salas</b>          City of Chula Vista</p> <p><b>Bill Wells</b>          City of El Cajon</p> <p><b>Paul McNamara, Alternate</b>          City of Escondido</p>	<p><b>Mark Kersey</b>          City of San Diego</p> <p><b>Chris Cate, Alternate</b>          City of San Diego</p>	<p><b>Jo MacKenzie</b>          Vista Irrigation</p> <p><b>Barry Willis</b>          Alpine Fire Protection</p> <p><b>Erin Lump, Alternate</b>          Rincon del Diablo MWD</p>	<p><b>Vice Chair Andy Vanderlaan</b>          General Public</p> <p><b>Harry Mathis, Alternate</b>          General Public</p>
---	---	---	---	---	--

reviews statutorily inform required sphere of influence updates and may also lead the Commission to take other actions under its authority, such as forming, consolidating, or dissolving one or more special districts.

### Current Workplan | Municipal Service Review on CSA No. 135

San Diego LAFCO's current workplan was adopted at a noticed hearing held on April 3, 2019 and outlines specific project goals for the fiscal year. This includes preparing an agency-specific municipal service review on CSA No. 135 and its active service functions (public safety radio communications and integrated fire protection and emergency medical). The municipal service review represents the first detailed report prepared by the Commission on CSA No. 135 since activating its fire protection and emergency medical service powers in 2008.

### DISCUSSION

This item is for the Committee to review the draft municipal service review on CSA No. 135. The draft has been prepared consistent with the adopted workplan and presently out for public review and comment through April 17<sup>th</sup>. Feedback provided by the Committee – including requests for additional analysis – will be incorporated into a final document for future presentation to the Commission in step with considering other related actions, including – but not limited to – performing a sphere of influence update on CSA No. 135.

An Executive Summary (Chapter Two) anchors the municipal service review and outlines the key conclusions and findings generated to date and provided as Attachment One. This includes addressing the mandatory factors required under statute anytime San Diego LAFCO performs a municipal service review. Examples include making independent statements on infrastructure needs and deficiencies, population estimates, financial resources, and opportunities and merits therein for reorganizations. Specific recommendations for action either by the Commission and/or by one or more of the affected agencies are also enumerated in the Executive Summary and includes reorganizing and splitting CSA No. 135 to include a new dependent fire protection district.

### ANALYSIS

See Executive Summary provided as part of Attachment One.

### RECOMMENDATION

It is recommended the Committee provide feedback on the draft municipal service review on CSA No. 135 – including recommendations on additional analysis and/or related policy considerations. Staff will incorporate the feedback into preparing a final document ahead of the Commission taking formal action at its May 4<sup>th</sup> meeting.

## ALTERNATIVES FOR ACTION

This item is being presented to the Committee for discussion and feedback; no action.

## PROCEDURES

This item has been placed on the Committee's agenda for discussion as part of the business calendar. The following procedures, accordingly, apply:

- 1) Receive verbal presentation from staff unless waived.
- 2) Initial questions or clarifications from the Committee.
- 4) Discuss item and provide feedback as requested.

Respectfully,



Keene Simonds  
Executive Officer

Attachment:

- 1) Draft Municipal Service Review on CSA No. 135 Executive Summary

Note:

A complete copy of the draft report is available by visiting the LAFCO website at [www.sdlafco.org](http://www.sdlafco.org)

**Blank for Photocopying**

## CHAPTER TWO | EXECUTIVE SUMMARY

### 1.0 OVERVIEW

This report represents San Diego LAFCO's scheduled municipal service review of County Service Area (CSA) No. 135. The report has been prepared by staff and consistent with the scope of work approved by the Executive Officer. The underlying aim of the report is to produce an independent assessment of CSA No. 135 and its active municipal functions – public safety radio communications, fire protection, and emergency medical services – with respect to availability, demand, and performance relative to the Commission's regional growth management duties and responsibilities as established by the Legislature. Information generated as part of the report will be used by the Commission to (a) guide a subsequent sphere of influence update, (b) inform future boundary changes, and – if merited – (c) recommend and/or initiate future government reorganizations.

The purpose of the report is to produce an independent “snapshot” of the availability, adequacy, and performance of CSA No. 135. The Commission will draw on this information in guiding a subsequent sphere update, informing future boundary changes, and if merited serve as the source document to initiate one or more reorganizations.

### 1.1 Key Premises, Assumptions, and Benchmarks

The report has been oriented in scope and content to serve as an ongoing monitoring program on CSA No. 135 and specifically its three active municipal functions: public safety radio communications; fire protection; and emergency medical services. It is expected San Diego LAFCO will revisit the report and key assumptions and benchmarks approximately every five years consistent with the timetable set by the Legislature and memorialized under adopted policy. This will also allow the Commission to assess the accuracy of earlier projections and make appropriate changes in approach as needed as part of future reports. Key assumptions and benchmarks affecting scope and content in this report follow.

#### **Looking Back | Determining the Data Collection Range or Report Period**

The period for collecting data to inform the Commission's analysis and related projections on population growth, service demands, and finances has been set to cover the five-year fiscal period from 2014 to 2018 with limited exceptions. This data collection period covers the 60 months immediately preceding the start of work on the document and purposefully aligns with the five-year timeline for the report with the resulting data trends appearing most relevant in making near-term projections; i.e., data from the last five years is most pertinent in projecting trends over the next five years.

---

## Looking Forward | Setting the Report's Timeframe

---

The timeframe for the report has been oriented to cover the next five-year period through 2023 with the former (five years) serving as the analysis anchor as contemplated under State law. This timeframe is consistent with the five-year cycle prescribed for municipal service reviews under G.C. Section 56430 and expected therein to inform all related sphere of influence and boundary actions undertaken during this period involving CSA No. 135 and/or the affected municipal functions unless otherwise merited.

---

## Calculating Population Estimates and Projections

---

Past and current residential population estimates in the report draw on data generated by Esri and their own mapping analyses of census tracts. This approach differs from past Commission practice to utilize estimates by the San Diego Association of Governments or SANDAG and done so given – and among other factors – the ability of Esri's mapping software to readily sync with special district boundaries. Projections over the succeeding five-year period are made by LAFCO and apply the estimated growth trend in CSA No. 135's distinct service zones over the last 60 months with limited exceptions; i.e., population growth over the last five years is generally expected to hold over the next five years.

---

## Focusing on Macro-Level Determinations

---

The report focuses on central service outputs with respect to quantifying availability, demand, and adequacy of CSA No. 135's municipal functions relative to current and near-term needs. A prominent example involves focusing on annual demands for fire protection and emergency medical services and the percentage of onsite incidents therein that are exclusively responded to by the District (i.e., County Fire Authority). This approach informs macro-level determinations for all mandatory factors under statute. When applicable, the report notes the need for more micro-level analysis as part of addendums or future municipal service reviews.

---

## Benchmarking Infrastructure Needs and Deficiencies

---

Similar to the preceding factor the report and its analysis focuses on average system demands and associated trends generated during the 60-month study period in benchmarking infrastructure needs or deficiencies. This broader focus on averages provides a more reasonable account of system demands and helps to control against one-year outliers in analyzing overall relationships with capacities.

## Benchmarking Fiscal Solvency

---

Several diagnostic tools are used to assess and make related determinations on CSA No. 135's financial solvency via the County of San Diego as the parent government organization based on a review of available audited information during the report period, fiscal years 2014 to 2018. This includes an emphasis on analyzing current ratio, debt-to-net assets, and total margin. These specific diagnostics provide the Commission with reasonable benchmarks to evaluate liquidity, capital, and margin and calculated to track overall trends and final-year standing.

## 2.0 STUDY ORGANIZATION

This chapter serves as the Executive Summary and outlines the key conclusions, recommendations, and determinations generated within the report.<sup>6</sup> This includes addressing the mandatory factors required for consideration by the Legislature anytime San Diego LAFCO performs a municipal service review. The Executive Summary is preceded by a detailed agency profile (Chapter Three) on CSA No. 135. The profile anchors the document and transitions between qualitative and quantitative analyses with the latter headlined by measuring population and demographic trends, service capacities, and financial standing.

## 3.0 GEOGRAPHIC AREA

The geographic area designated for this municipal service review is close to 3,740 square miles in size. The geographic area has been purposefully designated by the Executive Officer to span the entire jurisdictional boundary of CSA No. 135 and includes all unincorporated lands in San Diego County as well as all Cities of Carlsbad, Del Mar, Encinitas, Imperial Beach, Lemon Grove, Poway, San Marcos, Santee, Solana Beach, and Vista.

## 4.0 REPORT SUMMARY

### 4.1 General Themes and Conclusions

CSA No. 135 serves two distinct municipal roles on behalf of the County of San Diego and a considerable portion of its constituents. The first and initial role of CSA No. 135 was established at the time of its formation in 1994 to provide enhanced public safety radio communications in the unincorporated area as well as in participating incorporated communities in San Diego County (Carlsbad, Del Mar, Encinitas, Imperial Beach, Lemon Grove, Poway, San Marcos,

---

<sup>6</sup> The Executive Summary distinguishes between “conclusions,” “determinations,” and “recommendations.” Conclusions are general policy takeaways. Determinations address specific legislative factors. Recommendations address actions drawn from the determinations.



Santee, Solano Beach, and Vista).<sup>7</sup> This involved establishing the governmental means to create a dedicated funding mechanism to support a regional communication system and in doing so sync otherwise incompatible radio systems among first-responders. It was similarly expected the County and affected cities would establish a fixed fee within their jurisdictions to directly fund the regional communication system through CSA No. 135. However, the subsequent passage of Proposition 218 (1996) and requirement to receive voter approval for new fees changed direction and only three member agencies – Del Mar, Poway, and Solana Beach – proceeded to establish fixed fees for CSA No. 135; the remaining member agencies fund the regional communication system through general fund monies. The result is a substantive deviation in CSA No. 135’s implementation given only three of the eleven member agencies directly fund the resulting 800-megahertz public safety radio system operated by Regional Communication Systems through a District fixed fee.

While CSA No. 135’s role in providing public safety radio communications has decreased in scale relative to initial formation expectations the opposite applies to the District’s functions with respect to fire protection and emergency medical services. These integrated functions were established in 2008 as part of a LAFCO-approved latent power activation and corresponded with the creation of the County Fire Authority and produces an internal service zone covering close to two-thirds of the District boundary. The expansion CSA No. 135 followed an earlier recommendation by LAFCO by way of two earlier Commission reports on reorganizing fire protection in the unincorporated area titled “Macro” and “Micro” as well as the County’s responding document titled as the “Hybrid Plan.” The Hybrid Plan directly informed the County in proceeding with an application subsequently approved by LAFCO to utilize CSA No. 135 as the governance means to organize and fund fire protection and emergency medical services in the unincorporated area over three distinct steps.<sup>8</sup> All three steps in the Hybrid Plan have been completed and the County Fire Authority is now the successor to 18 former fire service agencies and/or companies. The County also has memorialized its commitment to providing fire services through a voter-approved amendment to the County Charter in November 2018 by formally adding the County Fire Authority as an organizational unit.

A review of CSA No. 135 relative to San Diego LAFCO’s growth management tasks and interests as prescribed under statute produces five central themes or conclusions. These conclusions collectively address the availability, need, and adequacy of CSA No. 135 services. The conclusions are independently drawn and sourced to information collected and analyzed

---

<sup>7</sup> The City of Santee was annexed into CSA No. 135 in September 1995.

<sup>8</sup> The first step in the Hybrid Plan involved merging all volunteer fire companies into CSA No. 135. The second step involved merging all other CSAs providing fire protection and emergency medical services into CSA No. 135. The third and final step involved merging Pine Valley and San Diego Rural Fire Protection Districts into CSA No. 135. The Hybrid Plan was deemed completed with the merger of the Julian Cuyamaca Fire Protection District into CSA No. 135 in April 2019.



between 2014 and 2018 and detailed in the agency profile.

- **No. 1 | Two Distinct and Separate Municipal Roles**

Two distinct municipal roles comprise CSA No. 135 and divided between (a) public safety radio communications and (b) fire protection and emergency medical services. These two roles are separately organized within the County of San Diego and other than sharing enabling powers through CSA No. 135 have no substantive connection with one another in terms of administration, budgeting, and operations.

- **No. 2 | Different and Reduced Role in Public Safety Radio Communications**

CSA No. 135 was initially formed in 1994 to organize and directly fund public safety radio communication system throughout the District's jurisdictional boundary and on behalf of 11 member agencies. CSA No. 135's direct funding of public safety radio communications, however, has diverged and is limited to only three member agencies – Cities of Del Mar, Poway, and Solana Beach – to date. The other eight member agencies in CSA No. 135 fund the associated services through other discretionary resources outside the intended role of the District.

- **No. 3 | Expanding Role in Fire Protection and Emergency Medical Services**

CSA No. 135 has been successful in fulling its role to organize and fund fire protection and emergency medical services in the unincorporated area through the County Fire Authority following LAFCO's approval of a latent power activation in 2008. This includes completing all three steps in the County's Hybrid Plan and marked by serving as successor to 18 merged fire agencies and/or companies and in doing so becoming first responder for approximately 70% of the unincorporated area. The role of the County Fire Authority has also expanded beyond initial formation expectations and now a formal commitment under the County of San Diego Charter.

- **No. 4 | Positive Financial Standing**

The County of San Diego – which is fiducially responsible for CSA No. 135 and its municipal functions – improved its financial standing during the five-year report period as measured by its audited net position with an overall 42.7% increase less pension obligations. This improvement is also reflected and aided by an average total margin of 4.7% over the corresponding 60-month period.

- **No. 5 | Merits to Reorganize and Establish a New Fire Protection District**

The distinct and separate municipal roles within CSA No. 135 suggest there is sufficient merit to pursue a reorganization of the District to formally separate into two entities and further sync its active service activities with current and future demands. The preferred option involves reorganizing CSA No. 135 to divest its fire protection and emergency medical service powers and concurrently form a new dependent fire protection district governed by the Board of Supervisors to serve as successor agency.<sup>9</sup> This reorganization would leave CSA No. 135 to public safety radio communications only and provide the new fire protection district – and among other benefits – a more traditional governance model for the County Fire Authority to organize, fund, and – distinct from CSA intentions – deliver fire protection and emergency medical services.

## 4.2 Recommendations

The following recommendations call for specific action either from San Diego LAFCO and/or CSA No. 135 based on information generated as part of this report and outlined below in order of their placement in Section 5.0 (Written Determinations). Recommendations for Commission action are dependent on a subsequent directive from the membership and through the adopted work plan.

1. San Diego LAFCO should coordinate with the County of San Diego and SANDAG to develop buildout estimates specific to CSA No. 135 and for its two distinct service areas – public safety radio communications and fire protection/emergency medical services – and incorporate the information into the next scheduled municipal service review.
2. San Diego LAFCO should perform additional review to fully determine the scale of qualifying disadvantaged unincorporated community lands adjacent to CSA No. 135 that are not already within the boundary of fire protection provider. This additional review appropriately satisfies statutory prompts and should be incorporated into future municipal service reviews as needed.

---

<sup>9</sup> Public Health and Safety Code Division 12 Part 2.7 governs fire protection districts and specifies in the case of a district containing only unincorporated territory the district board at the time of formation may be elected or may be appointed by the appointed by the board of supervisors – including appointing itself as district board (Section 13836). The appointed board may also delegate any or all of its powers to a fire commission (13844). The appointed board may adopt a resolution calling an election for a majority of voters to approve a governance transition to a directly-elected district board (13846(b)). Alternatively, the appointed board must also call an election if 25% or more of registered voters petition to hold an election to transition to a directly-elected district board (13846(b)).

3. CSA No. 135 via the County Fire Authority should continue to explore opportunities to partner with independent special districts in maximizing fire protection and emergency medical services in unincorporated San Diego County. This includes – and among other opportunities – syncing fire prevention activities within the unincorporated area and under the common land use authority of the County.
4. San Diego LAFCO should coordinate with CSA No. 135 and assess the present and future role of the District in meeting all participating agencies’ needs specific to its public safety radio communications function. This includes assessing whether other participating agencies are interested in establishing a fixed District fee and evaluating thereafter the merits/demerits of boundary adjustments.
5. The distinct and separate municipal roles within CSA No. 135 suggests a reorganization of the District to formally separate into two entities and further sync its active service activities with current and future demands is appropriate at this time.
6. San Diego LAFCO believes the preferred reorganization option involving CSA No. 135 is to divest its fire protection and emergency medical service powers and concurrently form a new dependent fire protection district to serve as successor agency.
7. County of San Diego should proceed with a proposal request to San Diego LAFCO to reorganize CSA No. 135 as provided above and with the incentive of a fee waiver.
8. San Diego LAFCO should proceed and update CSA No. 135’s sphere with no changes and in doing so satisfy its planning requirement under G.C. Section 56425.

## 5.0 WRITTEN DETERMINATIONS

San Diego LAFCO is directed to prepare written determinations to address the multiple governance factors enumerated under G.C. Section 56430 anytime it prepares a municipal service review. These determinations serve as independent statements based on information collected, analyzed, and presented in this report. The underlying intent of the determinations are to provide a succinct detailing of all pertinent issues relating to the funding, administration, and delivery of public services provided by CSA No. 135 specific to the Commission’s growth management role and responsibilities. An abbreviated version of these determinations will be separately prepared for Commission consideration and adoption in conjunction with receiving the final report at a noticed hearing.

These determinations detail the pertinent issues relating to the funding, administration, and delivery of CSA No. 135’s public services based on data collected and analyzed between 2014 and 2018.

## 5.1 Growth and Population Projections

1. San Diego LAFCO independently estimates there are 1,068,027 total fulltime residents within CSA No. 135 as of the end of the report period.
2. San Diego LAFCO separately estimates there are 50,476 fulltime residents within CSA No. 135's fire protection and emergency medical service zone as of the end of the report period. This amount equals 4.7% of the total District population.
3. San Diego LAFCO estimates the total annual rate of new fulltime population growth in CSA No. 135 during the report period has been 0.82%. This rate is one-tenth lower than the corresponding amount for all of San Diego County and reflects the District generally serves more rural and slower-growth oriented communities.
4. San Diego LAFCO projects the current growth rate within CSA No. 135 will generally hold over the report timeframe. Should this projection hold, the total fulltime resident population within the District will reach 1,112,575 by 2023. It is relatedly projected the fire protection and emergency medical service zone will reach 52,502.
5. San Diego LAFCO should coordinate with the County of San Diego and SANDAG to develop buildout estimates specific to CSA No. 135 and its two distinct service areas and incorporate the information into the next scheduled municipal service review.
6. Housing production in CSA No. 135 totals 387,976 dwelling units; an amount that has increased by 19,004 since 2010 or 2,376 per year through the end of the report period.
7. The average monthly housing cost in CSA No. 135 is \$1,235 and (21.8%) less than the countywide average. Notably, the monthly housing cost within the fire protection zone is \$1,026 and (16.9%) lower than the overall District amount.
8. Residents within CSA No. 135 tend to be measurably older with a medium age of 46.7; an amount that is one-third higher than the corresponding countywide average of 35.3. Approximately one-half of District residents are within the prime working age range of 25 to 64 with a current five-year average of 48.9%.
9. CSA No. 135 residents' average median household income is \$55,810 and close to one-fifth less than the countywide amount of \$66,259. This disparity in household income levels has also widen over the report period with the District's total decreasing by (5.5%) in comparison to the countywide total increasing by 4.2%.

10. Residents in CSA No. 135 continue to experience relatively high levels of unemployment with the current average equaling 7.8%; an amount that is more than one-third higher than the countywide average of 4.9%. District residents are also more likely to be retired compared to countywide averages at a rate of nearly 2 to 1.

## 5.2 Location and Characteristics of Any Disadvantaged Unincorporated Communities

1. More than three-fifths of the CSA No. 135 jurisdictional boundary qualifies as a disadvantaged unincorporated community under San Diego LAFCO policy. This includes a considerable portion of east San Diego County as well as several other individual communities and include Bonsall, Bostonia, Crest, and Lincoln Acres.
2. More than four-fifths of CSA No. 135's fire protection and emergency medical service zone qualifies as a disadvantaged unincorporated community under LAFCO policy.
3. Additional information is needed to fully determine the scale qualifying disadvantaged unincorporated community lands adjacent to CSA No. 135 that are not already within the boundary of fire protection provider. This qualifier aside, a preliminary review indicates most – if not all – of qualifying lands are located within the jurisdictional boundary of an authorized fire protection provider.

## 5.3 Capacity of Public Facilities and Infrastructure Needs and Deficiencies

1. CSA No. 135 has experienced minimal to substantive changes in municipal service demands over the five-year report period relative to their two distinct functions: public safety radio communications and fire protection and emergency medical services. The change is most substantive within the latter function and underlies the increasingly weighted significance of the District's fire protection and emergency medical services.
2. With respect to CSA No. 135's public safety radio communication function, San Diego LAFCO determines the following.
  - (a) CSA No. 135's public safety radio communication function was established at the time of the District's formation in 1994.
  - (b) San Diego LAFCO determines there are no applicable class categories relative to CSA No. 135's public safety radio communication function under Government Code Section 56425(i) and Commission Rule No. 4.

- (c) CSA No. 135's public safety radio communication function is intended to directly support the Regional Communication System and its operations of an 800-megahertz radio system in San Diego and Imperial Counties. However, only three of the eleven member agencies within CSA No. 135 currently fund the Regional Communication System through a direct District fixed fee. The three agencies are the Cities of Del Mar, Poway, and Solana Beach.
  - (d) It appears the most germane measurement of CSA No. 135's public safety radio communication function involves the number of active radio counts among the 11 District agencies that participate in the Regional Communication System. This measurement shows an overall increase in the number of assigned radio counts of more than one-tenth or 9.5% over the report period.
3. With respect to CSA No. 135's fire protection and emergency medical service functions, San Diego LAFCO determines the following.
- (a) CSA No. 135's fire protection and emergency medical service functions are organized as one integrated service and commenced in 2008 as part of a latent power activation approved by San Diego LAFCO.
  - (b) San Diego LAFCO classifies the nature of CSA No. 135's fire protection and emergency medical service functions as structural and advance life support, respectively, for purposes of identifying powers under Government Code Section 56425(i) and Commission Rule No. 4.
  - (c) CSA No. 135 has been successful in implementing the Board of Supervisor's "Hybrid Plan" and establishment therein of the County Fire Authority and currently serves as successor agency to 18 merged fire agencies and/or companies.
  - (d) The County Fire Authority's contract with CAL FIRE underlies the Authority's ability to provide fire protection and emergency medical services. This contract currently staffs the County Fire Authority with 141 fulltime equivalent personnel and divided between 120 sworn and 21 non-sworn positions; amounts that have more than doubled over the five-year report period in-step with the Authority's expansion.



- (e) Overall onsite incidents within CSA No. 135's fire protection and emergency medical service zone have averaged 14.3 daily over the five-year report period. Demands have increased overall by 33% during this period with net raises in all five divisions that collectively cover the zone and its 1.597 million acres.
- (f) The County Fire Authority has responded exclusively to 78% of all onsite incidents within CSA No. 135's fire protection and emergency medical service zone during the five-year report period. This response rate has risen by 7.8% over the report period and substantiates the County Fire Authority has been successful in planning and syncing resources to meet demands in the District.
- (g) The portion of onsite arrivals in CSA No. 135's fire protection and emergency medical service zone exclusively provided by outside agencies decreased during the five-year report period by nearly two-fifths or (37.1%). This latter development further substantiates County Fire Authority's ability to keep pace with demands without overreliance on outside automatic aid agreements.

#### 5.4 Agencies' Financial Ability to Provide Services

1. The County of San Diego is fiducially responsible for CSA No. 135 and its public safety radio communications and fire protection and emergency medical service functions.
2. The County of San Diego's net position for governmental activities has decreased during the five-year report period with an overall audited change of (39.0%) from \$4.341 billion to \$2.646 billion and produces a net loss of \$1.695 billion. This change is largely attributed to new pension and benefit reporting requirements. Additional details on the County's financial standing as of the end of the report period follows.
  - (a) The overall change in the County's net position on governmental activities – markedly – adjusts positively over the report period by 42.7% from \$4.341 billion to \$6.197 billion if excluding reportable pension and benefit obligations.
  - (b) The County General Fund primarily supports CSA No. 135 and its core activity: fire protection and emergency medical services. The General Fund finished the report period with a balance of \$2.307 billion and sufficient to cover 7.4 months of normal County operating expenses.



- (c) Standard measurements used to assess the County's liquidity, margin, and structure levels shows mixed results during the report period. The County's bottom line, however, remained positive during the 60-month period with an average total margin of 4.7%.
- (d) The County's combined funded ratio for pension obligations with the San Diego County Employees Retirement Association at the end of the five-year report period finished at 77.9% based on market value and is considered average relative to industry standards. This ratio has decreased overall by (1.9%) over the prior 48-month period in which statements are available.

## 5.5 Status and Opportunities for Shared Facilities and Resources

1. CSA No. 135 serves to regionalize the funding and organization of its active municipal functions – public safety radio communication and fire protection and emergency medical service – at a resource-savings to its constituents.
2. CSA No. 135's public safety radio communication function is presently utilized in full by three of the eleven participating agencies with respect to using a dedicated District fixed fee. Additional outreach is needed to determine the interest among the other eight participating agencies to fully utilize the District and its ability to economize and share costs over an expanded area.
3. CSA No. 135 and through the County Fire Authority should continue to explore opportunities to partner with independent special districts in maximizing fire protection and emergency medical services in unincorporated San Diego County. This includes – and among other opportunities – syncing fire prevention activities within the unincorporated area and under the common land use authority of the County.

## 5.6 Local Accountability and Government Restructure Options

1. CSA No. 135 has evolved beyond its initial formation expectations and presently divided between two distinct activities – public safety radio communications and fire protection and emergency medical services – that have no substantive connection with one another in terms of administration, budgeting, and operations.

2. CSA No. 135's public safety radio communications function is intended to organize and fund monies to support a third party – Regional Communication System – and its operation of an 800-megahertz radio system among 11 participating agencies in San Diego County. CSA No. 135 is not being fully utilized in its purpose, however, given only three of the eleven participating agencies have established a dedicated District fixed fee within their respective jurisdictions.
3. It is unclear if there is a clear benefit for the participating city agencies in CSA No. 135 without dedicated fixed fees to fund their respective apportionments for public safety radio communications to remain in the District.
4. San Diego LAFCO should coordinate with CSA No. 135 and assess the present and future role of the District in meeting all participating agencies' needs specific to its public safety radio communications function. This includes assessing whether other participating agencies are interested in establishing a fixed District fee and evaluating thereafter the merits/demerits of boundary adjustments.
5. CSA No. 135 has successfully fulfilled its initial mandate established under the Board of Supervisor's "Hybrid Plan" with respect to extending and improving fire protection and emergency medical services in otherwise unserved or underserved areas of unincorporated San Diego County through the County Fire Authority.
6. The County Fire Authority has evolved from its initial role as an administrative agent for providing fire protection and emergency medical services to unincorporated areas in San Diego County to assuming a more deliberate and substantive role in delivery. This transition, markedly, continues and has been affirmed by voters in recently making the County Fire Authority a permanent commitment under the County of San Diego Charter.
7. The distinct and separate municipal roles within CSA No. 135 suggests a reorganization of the District to formally separate into two entities and further sync its active service activities with current and future demands is appropriate at this time.
8. San Diego LAFCO believes the preferred reorganization option involving CSA No. 135 is to divest its fire protection and emergency medical service powers and concurrently form a new dependent fire protection district to serve as successor agency. This reorganization would leave CSA No. 135 to public safety radio communications only and provide the new fire protection district three distinct benefits proceeding forward:

- (a) Formalizes the County Fire Authority's authorized service area by transitioning from a latent power zone imbedded within CSA No. 135 to a clean and stand-alone jurisdictional boundary.
- (b) Improves governance connectivity by providing the County Fire Authority a more traditional and applicable principal act that syncs with its continued evolution from organizer and funder to organizer, funder, and deliverer of fire protection and emergency medical services.
- (c) Responds to voters and their approval to amend the County Charter to make the County Fire Authority and its services a committed County of San Diego function.
- (d) Empowers the County Fire Authority to directly annex incorporated lands and in doing so respond to potential interest among landowners and registered voters.