



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

7a

AGENDA REPORT
 Business | Discussion

March 2, 2020

TO: Commissioners

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

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

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) 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, fire protection, and emergency medical services – with respect to availability, demand, and performance. This includes preparing determinative statements addressing the factors required under statute as part of the municipal service review mandate and headlined by infrastructure needs, financial standing, and reorganization opportunities. A notable recommendation included in the draft involves reorganizing CSA No. 135 to establish a new and stand-alone dependent fire protection district. The draft is being presented for discussion and feedback ahead of staff initiating a public review in anticipation of returning in May with final actions.

BACKGROUND

Municipal Service Review Mandate

State law directs San Diego LAFCO 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

<p>Administration 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>Jim Desmond County of San Diego</p> <p>Chair Dianne Jacob County of San Diego</p> <p>Greg Cox, Alternate County of San Diego</p>	<p>Mary Casillas Salas City of Chula Vista</p> <p>Bill Wells City of El Cajon</p> <p>Paul McNamara, Alternate City of Escondido</p>	<p>Mark Kersey City of San Diego</p> <p>Chris Cate, Alternate City of San Diego</p>	<p>Jo MacKenzie Vista Irrigation</p> <p>Barry Willis Alpine Fire Protection</p> <p>Erin Lump, Alternate Rincon del Diablo MWD</p>	<p>Vice Chair Andy Vanderlaan General Public</p> <p>Harry Mathis, Alternate General Public</p>
---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------------------------------------------------------------------------------------------------------------------------------------

Commission and the general public therein regarding the availability and sufficiency of governmental services relative to current and future community needs. Municipal service 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, 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 San Diego LAFCO to review the draft municipal service review on CSA No. 135 consistent with the adopted workplan and ahead of staff initiating a formal 45-day public comment period. Feedback provided by the Commission – including requests for additional analysis – will be incorporated into a final municipal service review presented for future action to receive and file along with an accompany resolution codifying the determinative statements. An associated sphere of influence update will also be presented with the final municipal service review.

An Executive Summary (Chapter Two) anchors the municipal service review and outlines the key conclusions and findings generated to date. 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.

ANALYSIS

See Executive Summary provided as part of Attachment One.

RECOMMENDATION

It is recommended San Diego LAFCO provide feedback on the draft municipal service review on CSA No. 135. This includes providing direction on desired revisions and/or additions ahead of staff circulating the draft for public review and returning with a final version for action as early as May 4, 2020.

ALTERNATIVES FOR ACTION

The item is being presented to San Diego LAFCO for discussion and feedback only.

PROCEDURES

This item has been placed on San Diego LAFCO's agenda for discussion as part of the business calendar. The following procedures, accordingly, are recommended in the consideration of this item:

- 1) Receive verbal presentation from staff unless waived.
- 2) Initial questions or clarifications from the Commission.
- 3) Invite comments from interested audience members.
- 4) Discuss item and provide feedback as requested.

Respectfully,



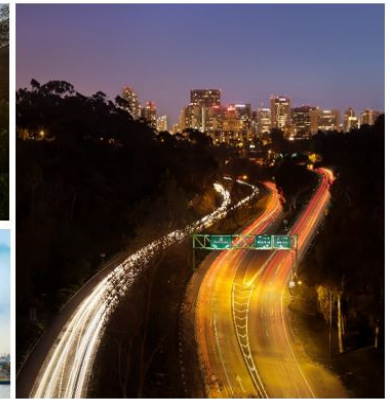
Keene Simonds
Executive Officer

Attachment:

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

Blank for Photocopying

SAN DIEGO COUNTY LOCAL AGENCY FORMATION COMMISSION



COUNTY SERVICE AREA NO. 135

Municipal Service Review | Government Code 56430

Affected Municipal Functions

Public Safety Radio

Fire Protection

Emergency Medical

Draft Report | March 2020

Project Manager

E. John Traylor

Local Government Consultant

Blank for Photocopying

ACKNOWLEDGEMENT

San Diego County LAFCO gratefully acknowledges the time and effort of officials with the County of San Diego in the preparation of this report. This includes special consideration for Jenna Lee with County Fire Authority and Gayda Pia with the County Sheriff's Department – Wireless Division for generating specific data for use by LAFCO.

Blank for Photocopying

TABLE OF CONTENTS

CHAPTER ONE | INTRODUCTION

1.0 Local Agency Formation Commissions (LAFCO)	
1.1 Authority and Objectives	7
1.2 Regulatory Responsibilities	8
1.3 Planning Responsibilities	8
1.4 LAFCO Decision-Making	11
1.5 Prescriptive Funding	11
2.0 San Diego LAFCO	
2.1 Adopted Policies and Procedures	12
2.2 Commission Information	12
2.3 Contact Information	13

CHAPTER TWO | EXECUTIVE SUMMARY

1.0 Overview	
1.1 Key Premises, Assumptions, and Benchmarks	15
2.0 Study Organization	17
3.0 Geographic Area & Affected Agency	17
4.0 Report Summary	
4.1 General Conclusions	17
4.2 Recommendations	20
5.0 Written Determinations	
5.1 Growth and Population Projections	22
5.2 Location and Characteristics of Any Disadvantaged Unincorporated Communities	23
5.3 Capacity of Public Facilities and Infrastructure Needs and Deficiencies	23
5.4 Agencies' Financial Ability to Provide Services	25
5.5 Status and Opportunities for Shared Facilities and Resources	26
5.6 Local Accountability and Government Restructure Options	26

CHAPTER THREE | AGENCY PROFILE

A. COUNTY SERVICE AREA NO. 135

1.0 Overview	29
2.0 Background	
2.1 Community Development	30
2.2 Formation Proceedings	31
2.3 Post Formation Proceedings	31
3.0 Boundaries	
3.1 Jurisdictional Boundary	34
3.2 Sphere of Influence	36
3.3 Current Boundary and Sphere Map	36
4.0 Demographics	
4.1 Population and Housing	37
4.2 Age Distribution	38
4.3 Income Characteristics	39
4.4 Socioeconomic Indicators	39
5.0 Organization	
5.1 Governance	40
5.2 Administration	41

6.0 Municipal Service Functions

6.1 Public Safety Radio 42
6.2 Fire Protection and Emergency Medical (integrated) 44

7.0 Finances

7.1 Financial Statements..... 50
7.2 Measurements | Liquidity, Capital, and Margin53
7.3 Pension Obligations..... 54

Appendix A CSA No. 135: Public Safety Radio Communications Map.....57

Appendix B CSA No. 135: Fire Protection and Emergency Medical Services Map..... 59

Appendix C Disadvantaged Unincorporated Communities (DUC) Maps..... 61

Appendix D Comparison Chart: CSAs v. FPDs 63

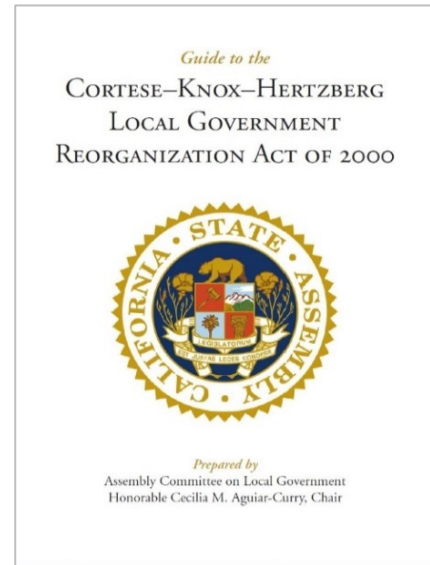
Appendix E Sources 65

CHAPTER ONE | INTRODUCTION

1.0 LOCAL AGENCY FORMATION COMMISSIONS

1.1 Authority and Objectives

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are political subdivisions of the State of California responsible for providing regional growth management services in all 58 counties. LAFCOs' authority is currently codified under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") with principal oversight provided by the Assembly Committee on Local Government.¹ LAFCOs are comprised of locally elected and appointed officials with regulatory and planning powers delegated by the Legislature to coordinate and oversee the establishment, expansion, and organization of cities, towns, and special districts as well as their municipal service areas. LAFCOs' creation were engendered by Governor Edmund "Pat" Brown Sr. (1959-1967) to more effectively address the needs of California's growing and diversifying population with an emphasis on promoting governmental efficiencies. Towards this end, LAFCOs are commonly referred to as the Legislature's "watchdog" for local governance issues.²



Guiding LAFCOs' regulatory and planning powers is to fulfill specific purposes and objectives that collectively construct the Legislature's regional growth management priorities outlined under Government Code (G.C.) Section 56301. This statute reads:

"Among the purposes of the commission are discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing governmental services, and encouraging the orderly formation and development of local agencies based upon local conditions. One of the objects of the commission is to make studies and furnish information to contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities."

¹ Reference California Government Code Section 56000 et. seq.

² In its ruling on *City of Ceres v. City of Modesto*, the 5th District Court of Appeals referred to LAFCOs as the "watchdog" of the Legislature to "guard against the wasteful duplication of services." (July 1969)

LAFCO decisions are legislative in nature and therefore are not subject to an outside appeal process. LAFCOs also have broad powers with respect to conditioning regulatory and planning approvals so long as not establishing any terms that directly control land uses.

1.2 Regulatory Responsibilities

LAFCOs' principal regulatory responsibility involves approving or disapproving all jurisdictional changes involving the establishment, expansion, and reorganization of cities, towns, and most special districts in California.³ LAFCOs are also tasked with overseeing the approval process for cities, towns, and special districts to provide new or extended

LAFCOs have been responsible since 1963 to oversee formation, expansion, reorganization, and dissolution actions involving cities, towns, and special districts in California with limited exceptions.

services beyond their jurisdictional boundaries by contracts or agreements. LAFCOs also oversee special district actions to either activate new service functions and service classes or divest existing services. LAFCOs generally exercise their regulatory authority in response to applications submitted by affected agencies, landowners, or registered voters. Recent amendments to CKH also authorize and encourage LAFCOs to initiate jurisdictional changes to form, consolidate, and dissolve special districts consistent with community needs.

1.3 Planning Responsibilities

LAFCOs inform their regulatory actions through two central planning responsibilities: (a) making sphere of influence ("sphere") determinations and (b) preparing municipal service reviews. Sphere determinations have been a core planning function of LAFCOs since 1971 and serve as the Legislature's version of "urban growth boundaries" with regard to cumulatively delineating the appropriate interface between urban and non-urban uses within each county. Municipal service reviews, in contrast, are a relatively new planning responsibility enacted as part of CKH and intended to inform – among other activities – sphere determinations. The Legislature mandates, notably, all sphere changes as of 2001 be accompanied by preceding municipal service reviews to help ensure LAFCOs are effectively aligning governmental services with current and anticipated community needs. An expanded summary of the function and role of these two planning responsibilities follows.

LAFCOs are tasked with planning the location of future urban uses through two interrelated activities: (a) establish and update spheres of influence as gatekeepers to future jurisdictional changes and (b) prepare municipal service reviews to independently evaluate the availability and performance of governmental services relative to community needs.

³ CKH defines "special district" to mean any agency of the State formed pursuant to general law or special act for the local performance of governmental or proprietary functions within limited boundaries. All special districts in California are subject to LAFCO with the following exceptions: school districts; community college districts; assessment districts; improvement districts; community facilities districts; and air pollution control districts.

Spheres of Influence

LAFCOs establish, amend, and update spheres for all cities, towns, and most special districts in California to designate the territory it independently believes represents the appropriate and probable future service areas and jurisdictional boundaries of the affected agencies. Importantly, all jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions as footnoted.⁴ Further, an increasingly important role involving sphere determinations relate to their use by regional councils of governments as planning areas in allocating housing need assignments for counties, cities, and towns.

Starting January 1, 2008, LAFCOs must review and update all local agencies' spheres every five years. In making sphere determinations, LAFCOs are required to prepare written statements addressing five specific planning factors listed under G.C. Section 56425. These mandatory factors range from evaluating current and future land uses to the

Spheres serve as the Legislature's version of urban growth boundaries and – among other items – delineates where cities, towns, or districts may seek future annexations or outside service approvals with LAFCOs. All jurisdictional changes must be consistent with the affected agencies' spheres with limited exceptions.

existence of pertinent communities of interest. The intent in preparing the written statements is to orient LAFCOs in addressing the core principles underlying the sensible development of local agencies consistent with the anticipated needs of the affected communities. The five mandated planning factors are summarized in short-form below.

1. Present and planned land uses in the area, including agricultural and open-space.
2. Present and probable need for public facilities and services in the area.
3. Present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide.
4. Existence of any social or economic communities of interest in the area.
5. If the city or special district provides water, sewer, or fire, the need for those services in any disadvantaged unincorporated communities in the existing sphere.

⁴ Exceptions in which jurisdictional boundary changes do not require consistency with the affected agencies' spheres include annexations of State correctional facilities or annexations to cities/towns involving city/town owned lands used for municipal purposes with the latter requiring automatic detachment if sold to a private interest.

Municipal Service Reviews

Municipal service reviews serve as a centerpiece to CKH’s enactment in 2001 and represent comprehensive studies of the level, range, and performance of governmental services provided within defined geographic areas. LAFCOs generally prepare municipal service reviews to explicitly inform subsequent sphere determinations. LAFCOs also prepare municipal service reviews irrespective of making any specific sphere determinations in order to obtain and furnish information to contribute to the overall orderly development of local communities. Municipal service reviews vary in scope and can focus on a particular agency or governmental service. LAFCOs may use the information generated from municipal service reviews to initiate other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies. Advisory guidelines on the preparation of municipal service reviews were published by the Governor’s Office of Planning and Research in 2003 and remain the lone statewide document advising LAFCOs in fulfilling this mandate.

All municipal service reviews – regardless of their intended purpose – culminate with LAFCOs preparing written statements addressing seven specific service factors listed under G.C. Section 56430. This includes, most notably, infrastructure needs or deficiencies, growth and population trends, and financial standing. The seven mandated service factors are summarized below in short-form with additional details footnoted.⁵

Municipal service reviews fulfill the Legislature’s interests in LAFCOs regularly assessing the adequacy and performance of local governmental services in order to inform possible future actions ranging from sphere determinations to reorganizations.

1. Growth and population projections for the affected area.
2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to affected spheres of influence.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies.
4. Financial ability of agencies to provide services.
5. Status and opportunities for shared facilities.

⁵ Determination No. 5 was added to the municipal service review process by Senate Bill 244 effective January 1, 2012. The definition of “disadvantaged unincorporated community” is defined under G.C. Section 56330.5 to mean inhabited territory that constitutes all or a portion of an area with an annual median household income that is less than 80 percent of the statewide annual median household income; the latter amount currently totaling \$53,735 (emphasis added).

6. Accountability for community service needs, including structure and operational efficiencies.
7. Matters relating to effective or efficient service delivery as required by policy.

1.4 LAFCO Decision-Making

LAFCOs are generally governed by 11-member board comprising three county supervisors, three city councilmembers, three independent special district members, and two representatives of the general public. Some larger LAFCOs – including San Diego – also have additional board seats dedicated to specific cities as a result of special legislation. All members serve four-year terms and divided between “regulars” and “alternates” and must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. LAFCO members are subject to standard disclosure requirements and must file annual statements of economic interests. LAFCOs have sole authority in administering its legislative responsibilities and decisions therein are not subject to an outside appeal process. All LAFCOs are independent of local government with the majority employing their own staff; an increasingly smaller portion of LAFCOs, however, choose to contract with their local county government for staff support services. All LAFCOs, nevertheless, must appoint their own Executive Officers to manage agency activities and provide written recommendations on all regulatory and planning actions before the membership. All LAFCOs must also appoint their own legal counsel.

State law directs all LAFCO members to independently discharge their responsibilities for the good of the region and irrespective of the interests of their appointing authorities.

1.5 Prescriptive Funding

CKH prescribes local agencies fully fund LAFCOs’ annual operating costs. Counties are generally responsible for funding one-third of LAFCO’s annual operating costs with remainder one-third portions allocated to the cities/towns and independent special districts. The allocations to cities/towns and special districts are calculated based on standard formula using general tax revenues unless an alternative method has been approved by a majority of the local agencies. The funding proportions will also differ should the LAFCO have additional representation as a result of special legislation. LAFCOs are also authorized to collect proposal fees to offset local agency contributions.

2.0 SAN DIEGO LAFCO

2.1 Adopted Policies and Procedures

The majority of San Diego LAFCO's ("Commission") existing policies and procedures were initially established in the 1970s and subsequently updated in the 2000s in step with the enactment of CKH. These policies and procedures collectively guide the Commission in implementing LAFCO law in San Diego County in a manner consistent with regional growth management priorities as determined by the membership with sufficient discretion to address local conditions and circumstances. This includes overarching policies and procedures to align present and planned urban uses with existing cities and special districts and discourage proposals that would convert prime agricultural and open-space lands unless otherwise orderly relative to community needs and or sufficiently mitigated. The Commission has also established pertinent policies and procedures specific to preparing sphere updates and municipal service reviews. This includes direction to the Executive Officer to regularly prepare municipal service reviews in appropriate scope and level to inform the Commission in updating spheres in regular five-year intervals.

2.2 Commission Information

San Diego LAFCO holds regular meetings on the first Monday of each month at the County of San Diego Administration Center located at 1600 Pacific Highway in San Diego, California. Meetings start at 9:00 A.M. Agenda materials are posted online generally no less than one week in advance of a regular meeting. The current Commissioner roster follows.

San Diego LAFCO Membership		
Current as of January 1, 2020		
Commissioner	Appointing Authority	Affiliation
Chair Dianne Jacob	Board of Supervisors	County of San Diego
Vice Chair Andy Vanderlaan	Commission	Representative of the Public
Jim Desmond	Board of Supervisors	County of San Diego
Mark Kersey	City of San Diego Council	City of San Diego
Jo MacKenzie	Independent Special Districts	Vista Irrigation District
Mary Casillas Salas	Cities Selection Committee	City of Chula Vista
Bill Wells	Cities Selection Committee	City of El Cajon
Barry Willis	Independent Special Districts	Alpine Fire Protection District
Chris Cate, Alternate	City of San Diego Council	City of San Diego
Greg Cox, Alternate	Board of Supervisors	County of San Diego
Erin Lump, Alternate	Independent Special Districts	Rincon del Diablo Municipal Water District
Harry Mathis, Alternate	Commission	Representative of the Public
Paul McNamara, Alternate	Cities Selection Committee	City of Escondido

Immediate Past Members in 2019:

Catherine Blakespear, Cities Selection Committee, City of Encinitas
 Ed Sprague, Independent Special Districts, Olivenhain Municipal Water District
 Serge Dedina, Cities Selection Committee, City of Imperial Beach (alt)
 Judy Hanson, Independent Special Districts, Leucadia Wastewater District (alt)

2.3 Contact Information

San Diego LAFCO's administrative office is located within the County of San Diego's Operations Center at 9335 Hazard Way in San Diego (Kearny Mesa). Visitor parking is available. Appointments to discuss proposals or other matters are encouraged and can be scheduled by calling 858.614.7755. Communication by email is also welcome and should be directed to lafco@sdcounty.ca.gov. Additional information regarding San Diego LAFCO's programs and activities is also online by visiting 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.⁶ 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,

⁶ 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).⁷ 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.⁸ 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

⁷ The City of Santee was annexed into CSA No. 135 in September 1995.

⁸ 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 fulfilling 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.⁹ 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.

⁹ 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.

CHAPTER THREE | AGENCY PROFILE

COUNTY SERVICE AREA NO. 135

1.0 OVERVIEW

County Service Area (CSA) No. 135 is a dependent special district formed in 1994. Formation proceedings were initiated by the County of San Diego for the initial and specific purpose of providing enhanced wireless public safety radio communications in the unincorporated area as well as nine incorporated communities in San Diego County with administration provided by the Sheriff's Department. A tenth city was subsequently annexed into CSA No. 135 in 1995. CSA No. 135 encompasses a 3,740 square mile jurisdictional boundary and covers

County Service Area No. 135
1600 Pacific Highway, San Diego California
County of San Diego Administration Building



Photo Credit: County of San Diego

88% of San Diego County. Governance is provided by the five-member Board of Supervisors whose members are elected by divisions and eligible to serve up to two four-year terms.

CSA No. 135 is currently organized as a limited purpose agency with municipal operations activities tied to providing three distinct functions: (a) public safety radio communications; (b) fire protection; and (c) emergency medical services. The latter two municipal functions – notably – are integrated and have become CSA No. 135's primary service activity following a latent power activation approved by LAFCO in 2008. This approval corresponded with the creation of the County Fire Authority and contract with CAL FIRE and produces an internal zone for CSA No. 135 specific to fire protection and emergency medical services that covers approximately 67% of the overall District boundary. CSA No. 135 is also authorized – subject to LAFCO approving additional latent power activations – to provide an expanded range of municipal service functions with the notable exception of land use.

CSA No. 135's adopted operating budget at the end of the report period (2017-2018) was \$44.409 million. This amount is divided between \$0.267 million dedicated to public safety radio communications and \$44.142 million dedicated to fire protection and emergency medical services.¹⁰ The County's last audited financial statements cover 2017-2018 and shows

¹⁰ The total budget amount is program specific. With respect to public safety radio communications, this involves combining the adopted budgets of the three active regional communication zones (Del Mar, Poway, and Solana Beach) funded directly by CSA No. 135. With respect to fire protection and emergency medical services, this involves combining the adopted budgets for County Fire Authority and related service zones.

the net position for all governmental activities – which includes CSA No. 135 functions – totaling \$2.646 billion and represents an overall decrease over the report period of (39.0%). The adjusted net position less pension and related post-employment obligations at the end of the report period, however, totals \$6.196 billion and reflects an overall increase of 47.7% over the corresponding 60-month period. The General Fund is the primary source to support CSA No. 135 activities and finished with an available balance sufficient to cover 7.4 months of normal operating costs based on recent actuals.

LAFCO independently estimates the fulltime resident population within CSA No. 135 is 1,068,027 as of the term of this report period and accommodated through the existing construction of 386,207 housing units. The estimated population within the internal fire protection and emergency medical service zone is 50,476. It is also estimated the overall resident population within CSA No. 135 has increased by 67,597 since 2010 – or 8,450 per year – with a resulting annual growth rate of 0.82%. The median household income is \$55,810 based on the current five-year period average and is more than one-tenth lower– or (15.8%) – than the corresponding countywide amount of \$66,529. Approximately three-fifths of the jurisdictional boundary qualifies as a disadvantaged unincorporated community.

2.0 BACKGROUND

2.1 Community Development

CSA No. 135's primary service area is the unincorporated area of San Diego County and began its modern-day development in the early 1800s. Large land grants or ranchos initially divided the area during this early period and served to anchor the eventual development of several distinct and still unincorporated communities and marked with early population concentrations in Alpine, Campo, and Fallbrook. Statehood in

Eastern San Diego County
Old Highway 80 approaching Alpine, Circa 1930s



1850 paralleled San Diego's establishment as one of the original 27 counties with an overall estimated population of 793 with most residents located in the harbor area and incorporated soon after as the City of San Diego. Other communities – National City, Oceanside, Escondido, and Coronado – followed with their own incorporations through the end of the century with San Diego County's overall population reaching an estimated 35,090 by 1900 with 15% – or 5,264 – remaining part of the unincorporated area.

Steady growth continued over the first half of the 1900s throughout San Diego County and reflected in the unincorporated area's population reaching an estimated 136,624 by 1950 with close to two-thirds generated in a 10-year span between 1940 and 1950. Growth in the unincorporated area continued over the next 40 years with the population reaching an estimated 396,100 by 1990. This continued growth, notably and among other byproducts, resulted in the corresponding establishment of more than two dozen fire protection districts within more densely populated unincorporated areas starting with Lower Sweetwater in 1944 and ending with San Miguel Consolidated in 1988.

2.2 Formation Proceedings

CSA No. 135's formation was initiated by the County of San Diego in June 1994 for purposes of improving and streamlining public safety radio communication for law enforcement and fire protection services for all unincorporated and certain incorporated areas (Carlsbad, Del Mar, Encinitas, Imperial Beach, Lemon Grove, Poway, San Marcos, Solana Beach, and Vista). The formation proceedings followed years of discussions among public safety officials with the resulting aim to fund and operate a wireless 800-megahertz radio communication system for shared use by the County Sheriff and participating fire agencies (cities and special districts) through County General Services and in doing so replace individual systems that ranged in reach from 150 to 400-megahertz. LAFCO approved the formation in October 1994 with subsequent protest proceedings delegated to the County. An election was not required with protest results and CSA No. 135's formation became effective on December 9, 1994.

2.3 Post Formation Activities

A summary of notable activities undertaken by CSA No. 135 and/or affecting the District's jurisdictional boundary and services following its formation in 1994 is provided below.

- LAFCO establishes a sphere of influence for CSA No. 135 in December 1994. The sphere is set as a larger-than-agency designation and includes all of San Diego County – including the nine cities outside the District at the time: Chula Vista; Coronado; El Cajon; Escondido; La Mesa; Oceanside; National City; San Diego; and Santee.
- The County of San Diego approves the creation of the Regional Communication Systems (RCS) in May 1995 with an accompanying \$83.4 million expenditure plan to administer the 800-megahertz wireless radio communication system. The County also enters into a parallel agreement with the County of Imperial and several other participating cities and special districts to fund and govern RCS. The agreement

provides for the operation of RCS by the County through the Sheriff's Department and establishes funding requirements for the participating agencies. The agreement also establishes an RCS Board of Directors to make recommendations to the Board of Supervisors. A provision is also included to allow non-participating agencies to use the RCS as paying customers subject to the approval of the Board of Supervisors.

- LAFCO approves the City of Santee's proposal to annex into CSA No. 135 for purposes of participating in the organization and funding of the District's public safety radio communication system in September 2005.
- Proposition 218 takes effect on July 1, 1997 to require new and/or increased general taxes, assessments, and fees receive majority voter approval with limited exceptions. County Counsel concludes CSA No. 135 charges are subject to Proposition 218 and recommends the agencies sponsor CSA No. 135 zone rate approvals within their respective jurisdictions. Three agencies – City of Del Mar, City of Poway, and City of Solana Beach – subsequently receive voter approval to establish fixed CSA No. 135 zone fees. All other agencies begin to fund their participation in RCS through other means, including the use of general fund monies.
- The “Cedar Fire” consumes approximately 280,000 acres in San Diego County in October 2003. The fire destroys 2,800 buildings and kills 15 people.
- LAFCO updates and affirms CSA No. 135's sphere of influence as a larger-than-agency designation with no changes in August 2007.
- The “Witch Creek-Guejito Fire” consumes approximately 290,000 acres in San Diego County in October 2007. The fire destroys 1,650 buildings and kills seven.
- In November 2004, San Diego County voters approve Proposition C and its advisory query on whether the County of San Diego should consolidate fire protection services in the unincorporated area. The measure passes with 81% of voters in favor.
- LAFCO approves a proposal from CSA No. 135 to activate its latent power to provide fire protection and emergency medical services in November 2008. Approval is designed as the first of three phases in empowering the recently created County Fire Authority to assume service responsibilities for most of the unincorporated area following extensive studying by LAFCO and the County.¹¹

¹¹ The initial fire protection and emergency medical service zone established as part of the approval spans 942,818 acres and includes all

- LAFCO approves the second of three planned expansions of CSA No. 135's activated fire protection and emergency medical service zone with the concurrent dissolution of five dependent special districts – CSA Nos. 109, 110, 111, 112, and 113 – in December 2011. The reorganization is initiated by CSA No. 135 and covers 137,000 acres and includes the Mt. Laguna, Palomar, Boulevard, Campo, and San Pasqual communities.
- RCS approves a comprehensive update to the regional communication system in 2013. The update is titled Next Generation or “NextGen” and involves a comprehensive update utilizing a competitive bid contract with Motorola Solutions.
- LAFCO approves part of the third planned expansions of CSA No. 135's activated fire protection and emergency medical service zone with the concurrent dissolution of two independent special districts – Pine Valley and San Diego Rural FPDs – in August 2015. The reorganization is jointly initiated by all three affected agencies and covers 490,000 acres and includes the Descanso, Dulzura, Glenclyff, Jacumba Jamul, Lyons, and Pine Valley areas as well as the Barona, Sycuan, and Viejas tribal territories.
- LAFCO approves the last component of the third planned expansion of CSA No. 135's activated fire protection and emergency medical service zone with the concurrent dissolution of the Julian-Cuyamaca FPD in September 2018. The reorganization is jointly initiated by both affected agencies and covers 52,000 acres and includes the Julian and Cuyamaca communities. The reorganization is completed in April 2019 following a successful protest hearing and subsequent special election held on May 19, 2019 with 54% of registered voters confirming the approval.
- LAFCO approves the expansion of CSA No. 135's activated fire protection and emergency medical service zone with the concurrent service divestiture of the Mootamai, Pauma, and Yuima Municipal Water Districts (MWDs) in December 2018. The reorganization is jointly initiated by all four affected agencies and covers 18,600 acres and includes the Pauma community along State Route 76.
- San Diego County voters approve an amendment to the County of San Diego Charter establishing the County Fire Authority as an organizational unit in November 2018.

unincorporated lands located outside existing special district boundaries. This includes several unincorporated communities – De Luz Heights, Ocotillo Wells, Ranchita, Shelter Valley, Sunshine Summit, and Warner Springs – in eastern San Diego County that were previously served by volunteer fire companies. The volunteer companies are absorbed by the County Fire Authority as part of the approval process.

3.0 BOUNDARIES

3.1 Jurisdictional Boundary

CSA No. 135’s overall jurisdictional boundary spans approximately 3,740 square miles and covers 2.393 million acres (parcels, water bodies, and public rights-of-ways). The County of San Diego is the primary land use authority and overlaps 95.4% of the jurisdictional boundary. The remaining jurisdictional acres – 4.6% of the total – are incorporated and divided between nine cities and in order of magnitude are Carlsbad, Poway, San Marcos, Encinitas, Vista, Santee, Imperial Beach, Lemon Grove, Solana Beach, and Del Mar. Overall there are 631,800 registered voters currently within the jurisdictional boundary.

CSA No. 135’s overall jurisdictional spans 3,740 square miles and covers 87.8% of all San Diego County. Almost all of the jurisdictional boundary is unincorporated with the remainder lying within the Cities of Carlsbad, Del Mar, Encinitas, Imperial Beach, Lemon Grove, Poway, San Marcos, Santee, Solana Beach, and Vista.

CSA No. 135 Overall Boundary Breakdown By Land Use Authority Table 3.1a (Source: Esri and San Diego LAFCO)			
Land Use Authority	Total Acres	% of Total Acres	Number of Registered Voters
County of San Diego	2,283,950	95.43	315,639
City of Carlsbad	25,028	1.05	74,601
City of Poway	25,039	1.05	30,733
City of San Marcos	15,595	0.65	46,666
City of Encinitas	12,531	0.52	42,341
City of Vista	11,943	0.50	45,920
City of Santee	10,686	0.45	35,336
City of Imperial Beach	2,842	0.12	13,264
City of Lemon Grove	2,504	0.10	14,924
City of Solana Beach	2,183	0.09	9,097
City of Del Mar	1,143	0.05	3,279
TOTAL	2,393,444	100.0%	631,800

Within CSA No. 135’s jurisdictional boundary exists one latent power zone approved by LAFCO subsequent to formation and dedicated to fire protection and emergency medical services. This zone is approximately 2,495.5 square miles – or 1.597 million acres – and covers 66.7% of the total jurisdictional boundary and consists entirely of unincorporated lands. The zone accounts for 58.6% of the entire unincorporated area in San Diego County. Overall there are 24,474 registered voters within this zone.

CSA No. 135’s fire protection and emergency medical service zone covers approximately two-thirds of the total jurisdictional boundary and includes only unincorporated lands.

CSA No. 135**Boundary Breakdown of Fire Protection and Emergency Medical Zone**

Table 3.1b (Source: Esri and San Diego LAFCO)

Land Use Authority	Total Acres	% of Total Acres	Total Assessor Parcels	Number of Registered Voters
County of San Diego	1,597,130	100%	27,166	24,474

Total assessed value (land and structure) within CSA No. 135's overall jurisdictional boundary is \$184.7 billion of December 2019 and translates to a per acre value ratio of \$0.77 million. The former amount further represents a per capita value of \$0.172 million based on the estimated service population of 1,068,027.

The CSA No. 135 jurisdictional boundary is currently divided into 451,230 legal parcels totaling 2,350,502 acres excluding roads and public rights-of-way. Close to three-fifths of the total parcel acreage – or 1,346,591 – is under public ownership. The rest of the total parcel acreage – or 1,003,911

There are 84,044 privately owned parcels within CSA No. 135 that remain entirely vacant and span 429,224 acres; an amount that represents almost two-fifths – 17.9% – of the entire District.

– is privately owned. The privately-owned acreage is further divided into 442,022 parcels with 80.1% already categorized as developed and/or improved to date, albeit not necessarily at the highest density allowed. The remaining private acreage is undeveloped and consists of 84,044 parcels that collectively total 429,224 acres.¹²

CSA No. 135**Land Use Features**

Table 3.1c (Source: Esri and San Diego LAFCO)

Features	CSA No. 135 Entire Jurisdictional Boundary	CSA No. 135 Fire Protection and EMS Zone
Total Jurisdictional Acres	2,393,444	1,597,130
Total Jurisdictional Parcels	451,230	31,044
Privately-Owned Parcels	442,022	27,166
... Percent Already Developed	80.9%	51.8%
Privately-Owned Parcel Acreage	1,003,911	460,615
... Percent Already Developed	57.2%	43.8%
Vacant Privately-Owned Parcels	84,044	13,082
Vacant Privately-Owned Parcel Acreage	429,224	259,036
Assessed Value	\$184.692 billion	\$6.008 billion

Approximately three-fifths – or 61.8% – of the jurisdictional boundary qualifies as a disadvantaged unincorporated community based on current LAFCO policies. 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.

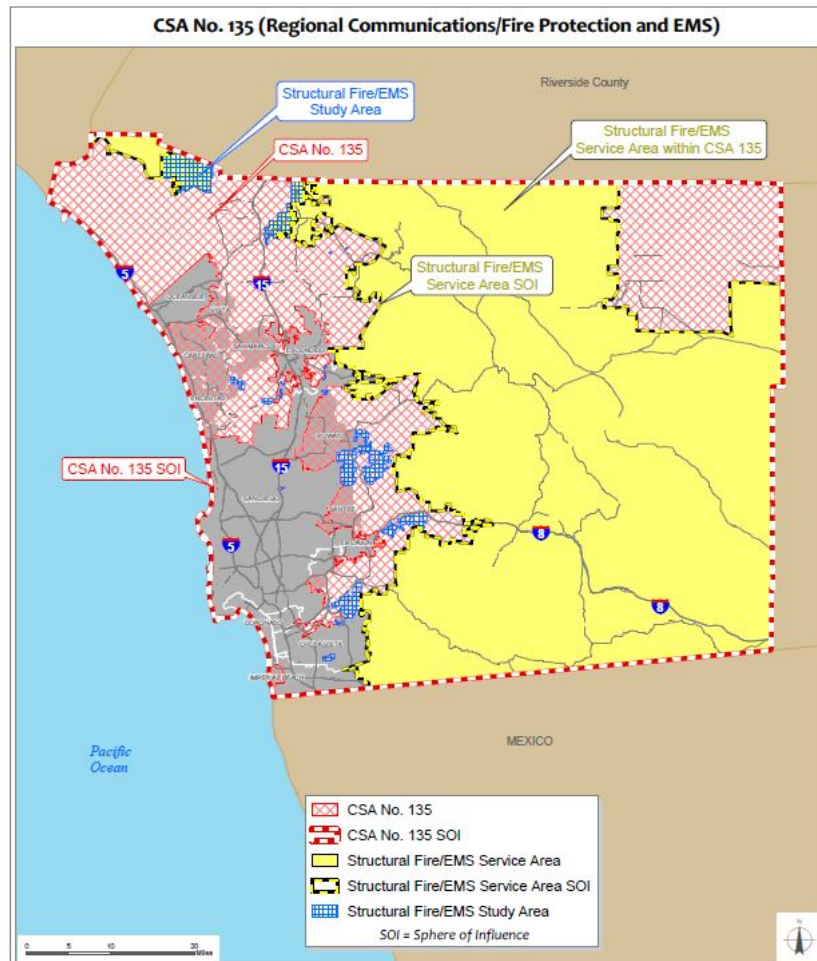
¹² Exactly three-fifths of the total private undeveloped acreage in CSA No. 135 also lies within the District's fire protection and emergency medical service zone.

3.2 Sphere of Influence

CSA No. 135’s sphere of influence was established by LAFCO in 1994 as part of the formation approval process and specific to its public safety radio communication service function. The sphere has been subsequently updated and presently spans 4,260 square miles or 2.726 million acres and purposefully covers all of San Diego County. The sphere includes 333,180 non-jurisdictional acres that collectively comprise the nine local cities – Chula Vista, Coronado, El Cajon, Escondido, La Mesa, Oceanside, National City, San Diego, and Santee – that elected not to be included in the District at the time of formation. LAFCO established a secondary sphere in 2008 specific to the activation of CSA No. 135’s fire protection and emergency medical service zone. The secondary sphere is coterminous to the active zone and spans 2,495 square miles or 1.597 million acres.

CSA No. 135’s sphere of influence is 13.9% larger than the jurisdictional boundary and includes 333,180 non-jurisdictional acres. A secondary sphere specific to fire protection and emergency medical services exist and is coterminous with the activated zone.

3.3 Current Boundary and Sphere Map



4.0 DEMOGRAPHICS

4.1 Population and Housing

The CSA No. 135 total fulltime resident population within its entire jurisdictional boundary is independently estimated by LAFCO at 1,068,027 as of the term of the five-year report period. This estimate represents 31.9% of the countywide total. It is also estimated the overall resident population has risen by 6.5% from 1,000,430 in 2010 and the last census reset, which results in a net addition of 67,597 over the eight-year period. This translates to an annual population change of 0.82% and is more than one-tenth – or (12.8%) – lower than the corresponding countywide rate of 0.94%. The current estimate also produces a population density of 1 resident for every 2.2 acres. It is projected the current growth rate will generally maintain in the near-term and result in CSA No. 135’s resident population increasing by 44,548 and reach 1,112,575 by 2023.

It is estimated there are 1,068,027 current fulltime residents within CSA No. 135. It is projected the population will increase consistent with recent trends and add 44,548 residents and reach 1,112,575 by 2023.

LAFCO independently estimates the resident population within CSA No. 135’s fire protection and emergency medical service zone is 50,476 as of the term of the five-year report period. This estimate equals 4.7% of the overall jurisdictional boundary. It also represents an overall increase of 6.3% from 47,387 in 2000 and translates to an annual change of 0.79%. It is projected the population will similarly increase by 2,026 to 52,508 by 2023.

The estimated population within CSA No. 135’s fire protection and emergency medical service zone is 50,476. This estimate is projected to increase by 2,026 and reach 52,502 by 2023.

CSA No. 135

Resident Population

Table 4.1a (Source: Esri and San Diego LAFCO)

Factor	2010	2018	2023 (projected)	Annual Change %
Jurisdictional Boundary	1,000,430	1,068,027	1,112,575	0.82%
... Fire Protection + EMS Zone	47,387	50,476	52,502	0.79%
San Diego County	3,095,264	3,344,136	3,499,829	0.94%

There are presently 387,976 housing units within CSA No. 135’s jurisdictional boundary. This amount has increased by 19,004 since 2010 for an annual average gain of 2,112 units. With respect to current housing characteristics, 60.5% are owner-occupied, 32.3% are renter-occupied, and the remaining 7.2% are vacant. The average household size is 2.64 and has decreased by (0.4%) from 2.65 during the report period. The mean monthly housing cost in

Housing production in CSA No. 135 currently totals 387,976 dwelling units; an amount that has increased by 19,004 since 2010. 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 CSA No. 135 amount.

CSA No. 135 has decreased by (3.6%) from \$1,281 to \$1,235 based on the most recent five-year period averages. This current monthly housing cost in CSA No. 135, notably, is one-fifth – or (21.8%) – lower than the countywide total of \$1,578. Further, the mean housing cost in the fire and emergency medical service zone is (16.9%) lower than the overall District average.

CSA No. 135 Housing Breakdown

Table 4.1b (Source: Esri and San Diego LAFCO)

Factor	2010	2018	Change	2007-2011	2012-2016	Change
	Housing Units	Housing Units		Housing Cost	Housing Cost	
Jurisdictional Boundary	368,972	387,976	5.2%	\$1,281	\$1,235	(3.6%)
... Fire Protection + EMS Zone	17,774	18,732	5.4%	\$1,069	\$1,026	(4.0%)
San Diego County	1,164,766	1,236,184	6.1%	\$1,540	\$1,578	2.5%

Housing costs reflect five-year monthly median values

4.2 Age Distribution

The median age of residents in CSA No. 135 is 46.7 based on the current five-year period average. This amount represents an overall increase of 4.3% from 44.7 over the preceding five-year period average; it is also nearly one-third – or 32.2% – higher than the countywide average of 35.3. Residents in the fire protection and emergency medical service zone are also moderately older than the overall CSA No. 135 average at 48.6. Residents in the prime working age group defined as ages 25 to 64 make up slightly less than half of the total population within CSA No. 135 at 48.9% and remained relatively stagnant over the report period.

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 CSA No. 135's residents are within the prime working age range of 25 to 64 with a current five-year average of 48.9%.

CSA No. 135 Resident Age Breakdown

Table 4.2a (Source: Esri and San Diego LAFCO)

Factor	2010	2019	Change	2007-2011	2012-2016	Change
	Median Age	Median Age		Prime Working Age (25-64)	Prime Working Age (25-64)	
Jurisdictional Boundary	44.7	46.7	4.3%	49.9%	48.9%	(2.0%)
... Fire Protection + EMS Zone	46.7	48.6	4.1%	51.4%	49.9%	(2.9%)
San Diego County	34.6	35.3	2.0%	53.4%	47.0%	(12.0%)

(continued)

4.3 Income Characteristics

The median household income in CSA No. 135 is \$55,810 based on the current five-year period average. This amount represents an overall decrease of (5.5%) from the preceding five-year period average of \$59,031. The current median household income in CSA No. 135 is also close to one-fifth lower – or (15.8%) – than countywide amount of \$66,259, which has separately increased over the preceding five-year period by 4.2%. The median household income within the fire protection and emergency medical service zone is also lower than the overall CSA No. 135 amount at \$51,007. The current average rate of persons living below the poverty level in CSA No. 135 is 14.9% and slightly lower than the countywide rate of 14.0%. However, the poverty rate in CSA No. 135 has increased by more than one-tenth over the last five-year period and nearly double the corresponding change in the countywide rate.

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 CSA No. 135’s total decreasing by (5.5%) in comparison to the countywide total increasing by 4.2%.

CSA No. 135 Income Characteristics Table 4.3a (Source: Esri and San Diego LAFCO)						
Factor	2007-2011 HH Income	2012-2016 HH Income	Change	2007-2011 Poverty Rate	2012-2016 Poverty Rate	Change
Jurisdictional Boundary	\$59,031	\$55,810	(5.5%)	13.3%	14.9%	12.0%
... Fire Protection + EMS Zone	\$54,714	\$51,007	(6.8%)	14.6%	16.5%	13.0%
San Diego County	\$63,857	\$66,259	4.2%	13.0%	14.0%	7.7%

4.4 Socioeconomic Indicators

Unemployment levels within CSA No. 135 remain relatively high and have increased by nearly three-fourths – or 73.3% – over the most recent five-year block average from 4.5% to 7.8%. The current unemployment rate within CSA No. 135 also remains more than one-third – or 37.2% – higher than the countywide average of 4.9%. The unemployment rate within the fire protection and emergency medical service zone also exceeds the overall CSA No. 135 tally at 8.6%. More than one-fourth of the population currently collects retirement at 26.1% and exceeds the countywide average of 17.7%. Separately, formal educational levels as measured by adult residents with bachelor degrees within CSA No. 135 are also lower at 24.9% compared to the countywide average of 36.5%. The non-English speaking population

Residents within 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. Residents within CSA No. 135 are also more likely to be retired compared to countywide averages at a rate of nearly 2 to 1.

has decreased by almost one-third from 12.6% to 8.6% over the two five-year period averages and contrasts with the current countywide average of 15.0%.

CSA No. 135 Socioeconomic Indicators Breakdown Table 4.3b (Source: Esri and San Diego LAFCO)						
Factor	2007-2011			2012-2016		
	Unemployment	Unemployment	Change	Non English	Non English	Change
Jurisdictional Boundary	4.5	7.8	73.3%	12.6	12.8	(1.6%)
... Fire Protection + EMS Zone	4.7	8.6	83.0%	8.6	8.7	1.2%
San Diego County	5.6	4.9	(12.5%)	16.1	15.0	(6.8%)

5.0 ORGANIZATION

5.1 Governance

CSA No. 135's governance authority is established under the County Service Area Act and codified under Government Code Sections 25210-25217.4. This principal act was established in 1953 and comprehensively updated in 2009 through the Senate Local Government Committee.¹³ The principal act empowers all 58 counties in California with alternative methods to directly finance and/or provide a wide range of municipal service functions in the unincorporated area upon approval by LAFCO. CSAs may also serve incorporated areas with the adopted written consent of the affected city councils. CSA No. 135 is currently authorized to provide three distinct municipal service functions: (a) public safety radio communications; (b) fire protection; and (c) emergency medical.¹⁴ All other powers enumerated under the principal act are deemed latent and would need to be formally activated by LAFCO. Similarly, should it ever seek to divest itself of directly providing an active service, CSA No. 135 would also need to seek LAFCO approval. A list comparing CSA No. 135's active and latent powers follows along with applicable class functions in parenthesis.

Active Service Powers

Radio Communications
Fire Protection (structural)
Emergency Medical (advance)

Latent Service Powers

Law Enforcement and Police Protection
Recreation, Parks, and Open Space
Libraries
Television Stations and Related Services
Water
Wastewater
Pest and Vector Abatement

¹³ Commissioner and County Supervisor Greg Cox (alt) participated in the working group convened by the Senate Local Government Committee representing California Counties.

¹⁴ CSA No. 135's radio communications activities are provided under a miscellaneous category under Government Code Section 25213.

Active Service Powers

Latent Service Powers... Continued

- Roads and Streets
- Street Lighting and Landscaping
- Solid Waste
- Funding Planning Services
- Soil Conservation
- Animal Control
- Funding Municipal Advisory Councils
- Transportation
- Geologic Hazard Abatement
- Cemeteries
- Conversion of Overhead Transmission Facilities
- Airports
- Flood Control
- Community Cultural and Recreational Facilities
- Broadband Internet Services

CSA No. 135 is a dependent special district and operates as an extended unit of the County of San Diego. Governance is provided by the five-member Board of Supervisors who are elected by district with a current average size of 0.669 million residents. CSA No. 135’s jurisdictional boundary extends into four of the five supervisorial districts with the largest overlap within Districts 2 and 5. The County conducts business for CSA No. 135 as needed and as part of regular and special meetings of the Board of Supervisors. A current listing of the Board along with respective backgrounds follows.

CSA No. 135 is governed by the County of San Diego with business transacted by the five-member Board of Supervisors as needed.

CSA No. 135 Current Governing Board

Table 5.1a (Source: County of San Diego and San Diego LAFCO)

Member (District)	Position	Years on CSA No. 135 Board	Professional Background	% of Supervisorial District in Boundary	% of Supervisorial District in Fire Zone
Dianne Jacob (2)	President	11	Educator	52%	67%
Greg Cox (1)	Vice President	11	Educator	1%	1%
Jim Desmond (5)	Director	2	Aviation	46%	32%
Nathan Fletcher (4)	Director	2	Educator	0%	0%
Kristin Gaspar (3)	Director	3	Finance	1%	0%

5.2 Administration

The County of San Diego Board of Supervisors delegates the administration of CSA No. 135 based on service function as summarized below.

- The County Sheriff Department is delegated administrative responsibilities specific to CSA No. 135's public safety radio communication service function. These responsibilities are tasked to the Wireless Services Division under the Sheriff's Management Service Bureau and a subcomponent of managing RCS. There are currently 50.0 budgeted fulltime equivalent employees in the Wireless Service Division that are divided between County and RCS activities. The Wireless Division also receives regular input and recommendations from an 18-member advisory RCS Board drawn from representatives of the 122 current participating agencies.¹⁵ The current Wireless Division Manager is David Brooks.
- The County Fire Authority is delegated administrative responsibilities specific to CSA No. 135's integrated fire protection and emergency medical services. The County Fire Authority operates under the Public Safety Group and Assistant Chief Administrator Holly Porter and consist of 22.0 budgeted fulltime equivalent employees. (This amount does not include contract CAL FIRE staffing.) The County Fire Authority receives regular input and recommendations from a nine-member Fire Advisory Board and – among other items – administers a contract with CAL FIRE for field operations.¹⁶ The current County Fire Authority Director is Herman Reddick.

Legal services for CSA No. 135 are provided by County Counsel.

6.0 MUNICIPAL SERVICES

CSA No. 135 is authorized to provide three distinct municipal functions: (a) public safety radio communications; (b) fire protection; and (c) emergency medical services. A summary analysis of these municipal functions follows with respect to capacities, demands, and performance during the five-year report period.

6.1 Public Safety Radio Communications

CSA No. 135's public safety radio communication service represents the earliest purpose of the District and was established at the time of its formation in December 1994. The initial intent in forming CSA No. 135 was to provide the organizational and financial framework for the County of San Diego to establish an 800-megahertz

CSA No. 135's public safety radio service functions cover the entire District boundary and collect monies to fund RCS and its 800-megahertz radio system. All 11 agencies in CSA No. 135 are member agencies of RCS, but only three – Cities of Del Mar, Poway, and Solana Beach – have established fixed District fees. The others contribute general fund monies to CSA No. 135.

¹⁵ The RCS Board meets as needed at the RCS's office at 5595 Overland Avenue, Suite 101 in San Diego, California.

¹⁶ The Fire Advisory Committee meets quarterly at the County Fire Authority's office at 5510 Overland Avenue in San Diego, California.

public safety radio communications system for the principal use of the Sheriff Department as well as other local fire protection and law enforcement agencies. It was expected – notably – all of the member agencies (County and ten cities) would establish a fixed CSA No. 135 service charge within their jurisdictions to proportionally fund RCS as the assigned operator of the radio communication system. However, and as of date, only three member agencies – Cities of Del Mar, Poway, and Solana Beach – have dedicated CSA No. 135 fixed fees. The eight remaining member agencies (County, Cities of Carlsbad, Encinitas, Imperial Beach, Lemon Grove, San Marcos, Santee, and Vista,) fund their proportional shares from general funds.

Service Capacities

RCS is the end provider of CSA No. 135's public safety radio communication activity and operates an 800-megahertz trunked network for currently 122 distinct users in San Diego and Imperial Counties. The current users include the 11 member agencies within CSA No. 135 along with 110 contracting agencies. The current 800-megahertz system entered service in 1998 with an initial distribution of 3,248 radios on the network. Key infrastructure underlying the communications network is summarized below.

- **Trunked Voice System** - consists of the radio transmission equipment located at remote radio sites and the centralized system networking and management equipment necessary to provide voice radio services to the participating agencies in the RCS service area.
- **Microwave Backhaul Network** - consists of the point-to-point radio and data switching equipment necessary to interconnect the sites where components of the trunked radio system and conventional radio systems (network hub and remote radio sites) are located.
- **Conventional Voice System** - consists of non-trunked ("conventional") radio base station equipment installed at remote radio sites to support voice radio communications between users of the RCS trunked radio system and non-RCS user agencies as required in day-to-day, mutual aid and disaster operations. The conventional voice system also provides limited backup voice communications capability in the event of a trunked system failure.

Service Demands

Overall service demands for public safety radio services as measured by assigned radios among the 11 member agencies that comprise CSA No. 135 during the five-year report period have averaged 16,513. Assigned radio counts among these member agencies have also steadily increased each year with an overall change of 9.5%. The County of San Diego is the single largest member user and accounts for 37.1% of radio counts among CSA No. 135 agencies. Contracting agencies' radio counts have decreased during the report period by (31.5%) and produces an overall radio count change within RCS of 3.9%.

RCS' Public Radio Communications

Wireless Radio Counts

Table 6.1a (Source: RCS and SD LAFCO)

Category	FY2014	FY2015	FY2016	FY2017	FY2018	Average	Trend
County of San Diego	6,248	6,298	6,389	6,340	6,399	6,335	2.4%
Other RCS Member Agencies	9,520	9,573	10,502	10,425	10,870	10,178	14.2%
CSA No. 135 Subtotal...	15,768	15,871	16,891	16,765	17,269	16,513	9.5%
RCS Contracting Agencies	2,492	2,441	1,240	1,303	1,706	1,836	(31.5%)
TOTAL	18,260	18,312	18,131	18,068	18,975	18,349	3.9%

CSA No. 135 subtotal includes all 11 member agencies.

Service Performance

Additional analysis pending.

6.2 Fire Protection and Emergency Medical Services

CSA No. 135's integrated fire protection and emergency medical services (pre-hospital care) now represent the primary function of the District and were established at the time of a latent power activation approval by LAFCO in 2008 and covers seven-tenths of the District boundary. The activation represented a significant marker in a multi-year planning effort by the Board of Supervisors to create the County Fire Authority and formalize fire protection in the unincorporated area with additional details footnoted.¹⁷ The creation of the County Fire Authority also coincided with the County entering into a Cooperative Agreement with CAL

CSA No. 135's integrated fire protection and emergency medical service functions involve structural and advance life support classes, respectively. These service functions are limited to 69.6% of the CSA No. 135 boundary and generally include all unincorporated lands that lie outside another fire protection district.

¹⁷ LAFCO's approval to activate CSA No. 135's latent powers in 2008 fulfilled the first of a three-part County plan to extend fire protection throughout the unincorporated area and marked by initially assuming services for nearly one dozen volunteer companies. The second part was approved by LAFCO in December 2011 and expanded the latent powers area by over 136,000 acres and in step with the concurrent dissolutions of five dependent special districts: CSA No. 109, 110, 111, 112, and 113. The third part involves dissolution of independent special districts and concurrent expansion of CSA No. 135's latent powers to assume fire protection responsibilities therein. This final step commenced in 2015 with LAFCO approving reorganizations involving Pine Valley and San Diego Rural FPDs.

FIRE with two distinct components. The first component involves a “Schedule A” contract for CAL FIRE to provide staffing services to deliver fire protection and emergency medical services within the activated zone. The second component involves an “Amador” contract to keep open select CAL FIRE stations throughout the calendar year in San Diego County. Additional details on the Cooperative Agreement is provided in the accompanying footnote.¹⁸ Funding for the County Fire Authority and its ancillary activities as CSA No. 135 is primarily dependent on discretionary general fund allocations made by the Board of Supervisors and represent 63% of all budgeted revenues during the report period.¹⁹

Service Capacities

CSA No. 135’s fire protection and emergency medical services’ capacities are organized through the County Fire Authority and primarily dependent on human resources derived from the County’s Schedule A contract with CAL FIRE. The contract provides the County Fire Authority with 141.0 fulltime equivalent personnel and divided between 120.0 sworn and 21.0 non-sworn positions as of the end of the five-year report period. The County also augments field operations through a volunteer reserve firefighter program that includes approximately 70 participants. The County’s contract also provides support services including code enforcement and dispatch with the latter provided through CAL FIRE’s Monte Vista Interagency Command Center in El Cajon. CAL FIRE’s unit chief for San Diego County serves as the County fire chief.

CAL FIRE sworn personnel assigned to the County Fire Authority operate out of one of 22 fire stations with 17 directly owned by the County. The remaining five stations utilized by the County Fire Authority are owned by the State and partially funded by the County as part of an Amador contract.²⁰ (County Fire also regularly draws resources from four additional CAL FIRE stations that operate year-round and serve the communities of Campo, Dulzura, Lyons Valley, and Warner Springs.) Engine staffing levels within each station varies between two and six.

County Fire Authority Contracted Staffing Levels with CAL FIRE							
Table 6.2a (Source: County of San Diego)							
Category	FY2014	FY2015	FY2016	FY2017	FY2018	Average	Trend
Sworn Personnel	45.0	51.0	74.0	109.0	120.0	79.8	187.5%
Non-Sworn Personnel	8.0	9.0	12.0	18.0	21.0	13.6	162.5%
Total	53.0	60.0	86.0	127.0	141.0	93.4	166.0%

¹⁸ The Cooperative Agreement states the County Fire Authority has the sole authority in determining service levels and this includes determining personnel assignments. The County Fire Authority draws on the County General Plan and its own internal Standards of Cover Risk Assessment in informing personnel assignments.

¹⁹ The Fire Authority’s overall budgeted revenues during the report period totaled \$145.6 million with \$91.6 drawn from general fund allocations.

²⁰ Another 12 CAL FIRE stations are located in San Diego County and provide automatic aid and ancillary support to the County Fire Authority.

The County Fire Authority organizes fire protection and emergency medical service functions within its activated zone into five distinct divisions briefly described below.

- The Central Division is the largest coverage area and spans approximately 45.4% of the activated zone – or 694,629 acres – and includes the unincorporated communities of Julian, Ocotillo Wells, Ranchita, Shelter Valley, and Warner Springs. Onsite incidents within the Central Division during the report period have averaged 1,230 per year or 3.4 per day with most responding out of Station No. 56 (Julian).
- The Southern Division covers approximately 33.4% of the activated zone – or 511,088 acres – and includes the unincorporated communities of Descanso, Jamul, Otay, and Pine Valley. Onsite incidents within the Southern Division during the report period have averaged 3,475 per year or 9.5 per day with most responding out of Station No. 38 (Otay).
- The Desert Division covers approximately 12.5% of the activated zone – or 190,912 acres – and includes the unincorporated area adjacent to Borrego Springs. Onsite incidents within the Desert Division during the report period average less than 5 per year and responses drawn from multiple stations in neighboring divisions.
- The Northern Division covers approximately 7.0% of the activated zone – or 107,200 acres – and includes the unincorporated communities of Del Luz, Palomar Mountain, and Pauma Valley. Onsite incidents within the Northern Division during the report period have averaged 500 per year or 1.4 per day with most responding out of Station No. 70 (Rincon).
- The Western Division covers approximately 1.6% of the activated zone – or 25,152 acres – and includes the unincorporated communities of Harbison Canyon and Sycamore Canyon. Onsite incidents within the Western Division during the report period have averaged 233 per year or 0.6 per day with most responding out of Station No. 24 (Harbison).

The following table summarizes station information for the County Fire Authority with respect to division placement, ownership type, and staffing, and recent incident volume.

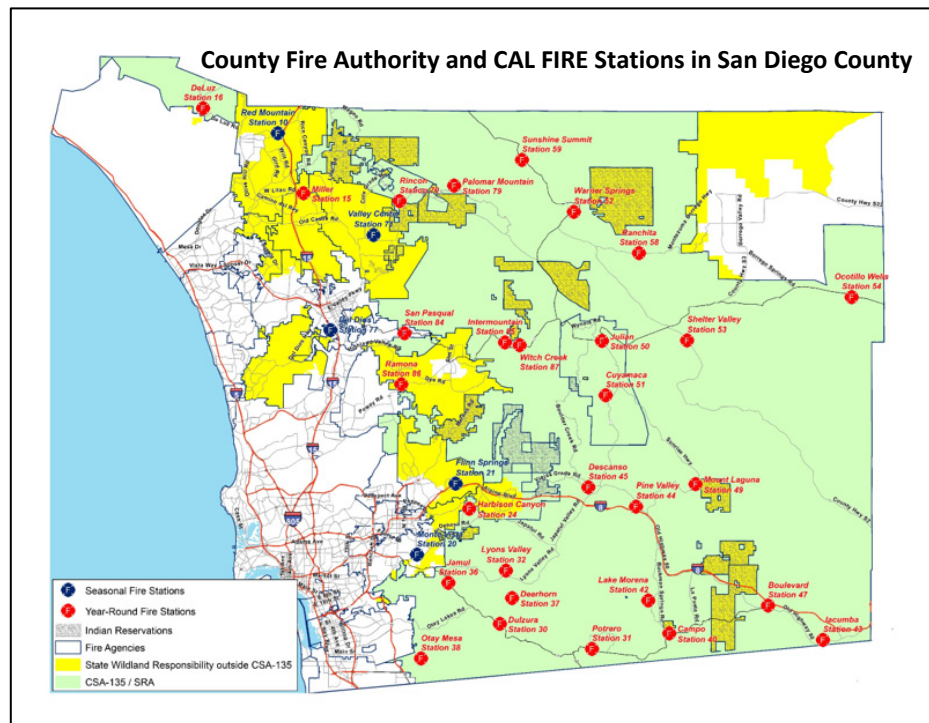
County Fire Authority Fire Stations' Assignments

Table 6.2b (Source: CAL FIRE)

Station	Division	Station Type	Staffing Levels	Reponses
				In FY2017-2018
Station No. 16 (De Luz)	Northern	Amador	3-person daily	79
Station No. 24 (Harbison Canyon)	Western	County	3-person daily	216
Station No. 31 (Potrero)	Southern	Amador	3-person daily	342
Station No. 36 (Jamul)	Southern	County	4-person daily	493
Station No. 37 (Deerhorn Valley)	Southern	County	3-person daily	91
Station No. 38 (Otay)	Southern	County	4-person daily	1,203
Station No. 42 (Lake Morena)	Southern	County	2-person daily	177
Station No. 43 (Jacumba)	Southern	County	2-person daily	222
Station No. 44 (Pine Valley)	Southern	County	3-person daily	341
Station No. 45 (Descanso)	Southern	County	2-person daily	299
Station No. 47 (Boulevard)	Southern	Amador	3-person daily	282
Station No. 49 (Mount Laguna)	Southern	County	2-person daily	58
Station No. 51 (Cuyamaca)	Central	Amador	3-person daily	n/a
Station No. 53 (Shelter)	Central	County	2-person daily	124
Station No. 54 (Ocotillo Wells)	Central	County	2-person daily	95
Station No. 56 (Julian)	Central	County	3-person daily	471
Station No. 58 (Ranchita)	Central	County	2-person daily	35
Station No. 59 (Sunshine Summit)	Central	County	2-person daily	204
Station No. 70 (Rincon)	Northern	Amador	6-person daily	300
Station No. 79 (Palomar)	Northern	County	2-person daily	109
Station No. 84 (San Pasqual)	Northern	County	3-person daily	58
Station No. 85 (Intermountain)	Central	County	2-person daily	233

Notes:

Station No. 84 is staffed by the City of San Diego. County Fire Authority also regularly draws resources from four other CAL FIRE stations that operate year-round and serve the communities of Campo, Dulzura, Lyons Valley, and Warner Springs.



Service Demands

Overall service demands for fire protection and emergency medical services within the CSA No. 135 zone and through the County Fire Authority during the five-year report period have averaged 6,296 dispatched calls annually or 17.2 daily. More than four-fifths – or 82.9% – of all dispatched calls resulted in onsite arrivals with the latter averaging 5,229 annually or 14.3 daily. The single largest volume of onsite incidents during the period occurred in 2017-2018 and tallied 5,844 or 16.0 per day. The number of overall onsite incidents per year within CSA No. 135’s fire protection and emergency medical service zone has increased by 28.3%.

Over the five-year report period actual onsite arrivals for fire protection and/or emergency medical services in the CSA No. 135 zone through the County Fire Authority have been on the rise and averaged 14.3 daily.

An overall breakdown of actual arrivals show the County Fire Authority responded to 89.4% of all onsite incidents during the report period within the CSA No. 135 fire protection and emergency medical service zone. The breakdown also shows the County Fire Authority responded exclusively to 78.3% of all actual onsite incidents within the zone and increased over the report period by one-third – or 32.8%. The data similarly shows the portion of onsite arrivals in the zone exclusively provided by other outside agencies through automatic or mutual aid agreements decreased during the report period by (37.1%). This latter development signals the County Fire Authority’s ability to keep pace with demands without overreliance on outside resources. The following table summarizes annual calls paired with onsite arrivals – including agency responders – and associated trends in the zone during the corresponding 60-month period.

County Fire Authority Overall Dispatch and Onsite Demands in CSA No. 135 Zone							
Table 6.3c (Source: CAL FIRE)							
Year	FY2014	FY2015	FY2016	FY2017	FY2018	Average	Trend
Total Dispatched Incidents	5,537	5,807	6,408	6,624	7,103	6,296	28.3
Total Onsite Responses	4,400	4,645	5,497	5,759	5,844	5,229	32.8
- Responded by Fire Authority Only	75.5%	74.9%	79.8%	79.9%	81.3%	78.3%	7.8%
- Responded by Fire Authority and Others	11.7%	10.5%	10.7%	11.8%	10.7%	11.1%	(8.7%)
- Responded by Other Agencies Only	12.7%	14.6%	9.5%	8.4%	8.0%	10.6%	(37.1%)

Source: CAL FIRE

A more micro review of demands show more than three-fifths of all onsite responses during the report period were generated within the Southern Division and in 2017-2018 accounted for 3,755 of the 5,844 incidents. All divisions experienced increases in onsite responses with the largest percentage change occurring in the Western Division at 60.0%

Service Performance

It appears the capacities of CSA No. 135 through the County Fire Authority as measured by staffing and equipment are sufficiently sized to readily accommodate existing demands within its activated fire protection and emergency medical service zone relative to local conditions. The sufficiency is quantified with the County Fire Authority responding exclusively to nearly four-fifths of all onsite incidents within the zone during the five-year report period. This sufficiency is similarly quantified by the County Fire Authority’s relatively low and decreasing dependency on outside agencies during the report period with an average of only 11 out of 100 onsite incidents necessitating aid-only responses.

The County Fire Authority has kept pace with the overall rise in service demands in CSA No. 135’s fire protection and emergency medical zone and has increased the percentage of exclusive onsite responses from 75.5% to 81.3% during the report period.

Actual response times generated during the report period are also positive and show improvements for the County Fire Authority with respect to onsite arrivals within CSA No. 135’s fire protection and emergency medical zone. This improvement is highlighted by an overall decrease in annual average response times throughout the zone of (13.5%) from 15:34 to 13:28. The County Fire Authority also improved compliance with the response time standards established in the County General Plan and this includes a 20.0% increase in meeting medical incident standards in the zone.

Despite an increase in overall demands, the County Fire Authority successfully lowered its overall average year response during the report period by more than one-tenth from 15:34 to 13:28.

County Fire Authority Response Times in CSA No. 135 Zone Table 6.3d (Source: CAL FIRE)							
Year	FY2014	FY2015	FY2016	FY2017	FY2018	Average	Trend
Overall Response Time	0:15:34	0:14:47	0:14:01	0:13:30	0:13:28	0:14:16	-13.5%
... Compliance to Adopted Standards	79.0%	74.0%	79.0%	84.0%	80.0%	79.2%	1.3%
Medical Incident Response Time	0:13:05	0:12:19	0:11:30	0:11:11	0:11:26	0:11:54	-12.6%
... Compliance to Adopted Standards	50.0%	54.0%	60.0%	62.0%	60.0%	57.2%	20.0%

Notes:

The County General Plan establishes response time benchmarks for fire protection and emergency medical services for the unincorporated area. These benchmarks are adjusted based on land use characteristics and uniformly subject to an 80% target rate; i.e., it is the County policy for onsite responses to meet their corresponding benchmark 80% of the time. Specific benchmarks follow.

- Urban Areas: 08:00
- Rural Areas: 13:00
- Outlying Areas: 23:00
- Desert Areas: 48:00

7.0 FINANCES

7.1 Financial Statements

The County of San Diego contracts with an outside consultant to review the County’s government-wide financial statements in accordance with established governmental accounting standards.²¹ The audit is presented to the Board of Supervisors as part of a Comprehensive Annual Financial Report and attests to the County’s overall assets, liabilities, and net position. The government-wide financial statements distinguish County functions between those principally supported by taxes and intergovernmental revenues (“governmental activities”) and those from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (“business-type activities”). CSA No. 135 is included in the governmental activities listing. The audited statements provide quantitative measurements in assessing the County’s short and long-term fiscal health with respect to all committed service activities – including public safety radio communications and integrated fire protection and emergency medical. The current outside consultant is Vavrinek, Trine, Day & Company LLP (San Diego).²²

The County’s most recent audited financial statements for the five-year report period were issued for 2017-2018.²³ These audited statements specific to governmental activities show the County experienced a positive change over the prior fiscal year as the net position (regular accrual basis) increased by 2.8% from \$2.575 to \$2.646 billion and primarily attributed to an increase in capital assets.²⁴ The accompanying auditor’s report did not identify any weaknesses or related accounting concerns. A detailing of year-end totals and trends during the report period for governmental activities follows with respect to assets, liabilities, and net position.

Most Recent Year-Ending Financial Statements (2017-2018) Governmental Activities Only	
Assets	\$7.751 billion
Liabilities	\$6.066 billion
Outflow/Inflow	\$0.961 billion
Net Position	\$2.646 billion

Agency Assets

The County’s audited assets for governmental activities at the end of 2017-2018 totaled \$7.751 billion and finished 7.5% higher than the average year-end amount of \$7.213 billion documented during the five-year report period. Assets classified

Assets for the County’s governmental activities have increased by more than one-tenth over the five-year report period. This overall increase is primarily attributed to year-end surpluses underlying the rise in cash and investments from \$2.360 to \$3.169 billion; a net change of \$809.0 million.

²¹ CSA No. 135 has a direct financial relationship with the County and entirely dependent on the Board of Supervisors in setting the annual budget and making all related fiscal decisions.

²² Vavrinek, Trine, Day & Company recently merged into Eide Bailly LLP.

²³ The audit for 2017-2018 was issued on November 15, 2018.

²⁴ Excludes business-type activities.

as current with the expectation they could be liquidated within a year represented slightly more than one-half of the total amount – or \$4.130 billion – with 76.7% tied to cash and investments. Assets classified as non-current and not readily liquid make up the remainder of the total – or \$3.621 billion – with 80.0% tied to capital items. Overall assets for the County and its governmental activities have increased by 13.7% over the 60-month period.

County of San Diego

Audited Assets: Governmental Activities Only

Table 7.1a | Source: County of San Diego

Category	FY2014	FY2015	FY2016	FY2017	FY2018	5-Year Average	5-Year Trend
Current	3,378,192,000	3,513,102,000	3,693,689,000	3,847,381,000	4,129,712,000	3,712,415,200	22.2%
Non-Current	3,437,789,000	3,449,207,000	3,497,103,000	3,495,506,000	3,621,177,000	3,500,156,400	5.3%
Total	6,815,981,000	6,962,309,000	7,199,792,000	7,342,887,000	7,750,889,000	7,212,571,600	13.7%

Agency Liabilities

The County's audited liabilities for governmental activities at the end of 2017-2018 totaled \$6.066 billion and finished 19.5% higher than the average year-end amount of \$4.885 billion documented during the five-year report period. Liabilities classified as current and representing obligations owed within the year accounted for slightly more than one-tenth of the total with the majority tied to unearned revenue. Liabilities classified as non-current and considered long-term debts make up the remaining amount with two-thirds tied to pension and post-employment obligations. Liabilities have increased overall by 145.5% over the corresponding 60-month period.

Liabilities for the County's governmental activities have more than doubled during the report period and largely attributed to the introduction of reporting pension and related obligations.

County of San Diego

Audited Liabilities: Governmental Activities Only

Table 7.1b | Source: County of San Diego

Category	FY2014	FY2015	FY2016	FY2017	FY2018	5-Year Average	5-Year Trend
Current	479,411,000	518,283,000	597,485,000	573,152,000	670,504,000	567,767,000	39.9%
Non-Current	1,990,919,000	3,891,460,000	4,479,203,000	5,830,117,000	5,395,146,000	4,317,369,000	171.0%
Total	2,470,330,000	4,409,749,000	5,076,688,000	6,403,269,000	6,065,650,000	4,885,136,000	145.5%

(continued)

Net Position

The County’s audited net position or equity with respect to governmental activities at the end of 2017-2018 totaled \$2.646 billion and represents the difference between total assets and total liabilities along with adjusting for deferred resources (i.e., pension outflows and inflows).

The County’s net position on governmental activities has steadily decreased during the report period with an overall change of (39.0%) from \$4.341 to \$2.646 billion. The overall decrease in the net position – however – adjusts positively to 42.7% ending at \$6.197 billion if excluding pension and benefit obligations.

This most recent year-end amount is (9.8%) lower than the average year-end sum of \$2.919 billion documented during the five-year report period. The net position on governmental activities has changed overall by (39.0%) during the corresponding 60 months. Adjusting the net position to exclude new pension and benefit reporting – which was implemented in 2014-2015 – shows an overall increase of 42.7% or \$1.855 billion.

County of San Diego Audited Net Position: Governmental Activities Only

Table 7.1c | Source: County of San Diego

Category	FY2014	FY2015	FY2016	FY2017	FY2018	5-Year Average	5-Year Trend
Capital	3,015,405,000	3,042,782,000	3,124,804,000	3,130,429,000	3,229,874,000	3,108,658,800	7.1%
Restricted	669,832,000	619,565,000	604,917,000	596,862,000	666,597,000	63,1554,600	(0.5%)
Unrestricted	655,954,000	(1,268,029,000)	(1,090,381,000)	(1,151,817,000)	(1,250,068,000)	(820,868,000)	(290.6%)
	4,341,191,000	2,391,318,000	2,639,340,000	2,575,474,000	2,646,403,000	2,919,345,200	(39.0%)
Adjusted...	4,341,191,000	4,344,157,000	5,221,298,000	6,550,656,000	6,196,636,000	5,330,787,600	42.7%

Note:

The adjustment adds monies to the net position otherwise booked as liabilities involving pension and other benefit obligations.

The County maintains four distinct funds – general, special revenue, debt service, and capital projects – underlying the net position of its governmental activities. The general fund is the primary funding source for the CSA No. 135 and specifically its fire protection and emergency medical service functions and finished the last audited fiscal year with a balance of \$2.307 billion. This amount represents the available and spendable portion of the fund balance subject to discretionary designations and represents 7.4 months of actual operating expenses in 2017-2018.²⁵

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 an available balance to cover 7.4 months of normal operating expenses.

²⁵ Actual general fund expenses in 2017-2018 totaled 2.307 billion and translate to a monthly cost of \$311.0 million.

7.2 Measurements | Liquidity, Capital, and Margin

A review of the audited financial statement issuances covering the five-year report period shows the County of San Diego experienced mixed results with respect to the three measured categories – liquidity, capital, and margin – utilized in this document. Liquidity levels based on tracking the County’s current ratio declined during the period by more than one-tenth but nevertheless finished relatively healthy at 6.2 to 1 and shows \$6.20 in cash for each \$1.00 in near-term obligations. Similarly, capital levels within the County fluctuated with positive changes in debt ratio (i.e., aggregate relationship between total assets and total liabilities) versus negative changes in debt to net-position (i.e., portion of net position subject to long-term debt or borrowing.) The County’s bottom line during the period remained positive overall with an average total margin of 4.7%. A summary of liquidity, capital, margin, and structure ratio trends follow.

Standard measurements used to assess the County of San Diego’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%.

County of San Diego Financial Measurements – Governmental Activities

Table 7.2a | Source: San Diego LAFCO

Fiscal Year	Current Ratio	Days' Cash	Debt Ratio (Adjusted)	Debt to Net Position (Adjusted)	Total Margin	Operating Margin
2013-2014	7.1 to 1	n/a	36.2%	56.9%	8.3%	n/a
2014-2015	6.8 to 1	n/a	35.3%	102.7%	7.0%	n/a
2015-2016	6.1 to 1	n/a	10.5%	94.5%	5.7%	n/a
2016-2017	6.7 to 1	n/a	33.1%	94.3%	(1.6%)	n/a
2017-2018	6.2 to 1	n/a	32.5%	95.1%	4.2%	n/a
Average	6.6 to 1	n/a	29.5%	88.7%	4.7%	n/a
Trend	(12.6%)		(10.5%)	67.0%	(50.0%)	

Adjustments to debt ratio and debt-to-net position have been made by LAFCO staff to exclude pension and benefit obligation costs given the costs were added to the financial statements in the middle of the report period as a result of changes enacted by GASB 68 and 75. Summary definitions of the measurements follow.

Current Ratio (Liquidity)

Compares available assets against near-term obligations; the minimum desirable ratio is 1.0 and means for every dollar in liability the agency has one dollar available to pay.

Days' Cash (Liquidity)

Measures the number of days the agency can fund normal operations without any new cash income; an appropriate minimum threshold is 180 days.

Debt Ratio (Capital)

Measures the relationship between the agency’s total assets and liabilities; the higher the ratio the more susceptible the agency is to long-term cash flow stresses.

Debt to Net Position (Capital)

Measures the amount of long-term debt or borrowing of the agency against its accumulated net worth.

Total Margin (Margin)

Measures the bottom line of the agency with respect to comparing all revenues to all expenses; a positive percentage is desirable within the caveat capital improvement expenditures may appropriately result in a negative percentage in individual years.

Operating Margin (Margin)

Measures the relationship between core operational revenues and expenses and excludes one-time transactions, like grants and loans; a consistent positive percentage shows the agency has established a structured budget.

7.3 Pension Obligations

CSA No. 135 through its dependent status under the County of San Diego provides a defined pension benefit plan to employees through an investment risk-pool contract with the San Diego County Employees’ Retirement Association or SDCERA. This pension contract provides County employees, divided between safety and general, with specified retirement benefits and includes annual cost-of-living adjustments. Actual pension benefits are based on the date of hire and assignment therein to one of five tiers – 1, A, B, C, and D – with a formula range for non-safety employees between a high of 3.0% at 60 (A) to a low of 1.62% at 65 (D).²⁶ Plan costs are affected by the age, years of service and compensation of active members.

Participant Information

As of the end of the report period there were 17,869 active pension members with an average age of 44.1 along with 11.0 years of average service credit. These active members also have an average compensation of \$72,245. The total number of active members have increased overall by 2.3% during the report period. The total number of retired pension members and beneficiaries were 19,028 with an average monthly benefit of \$3,170. The current active-to-inactive participant ratio is 0.9 to 1.

County of San Diego Pension Enrollee Information Table 7.3a Source: San Diego LAFCO					
Type	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Active	17,466	17,656	17,768	17,994	17,869
Inactive	16,373	17,186	17,734	18,247	19,028
Total Enrollees	33,839	34,842	35,502	36,241	36,897
Active-Inactive Ratio	1.1 to 1	1.0 to 1	1.0 to 1	1.0 to 1	0.9 to 1

Funded Status

The County of San Diego’s composite unfunded pension liability at the end of 2017-2018 totaled \$3.488 million (2017-2018). This amount – which reflects the monies owned and not covered by assets – finished nearly one-tenth higher than the five-year report period average and translates to a funding ratio of 77.9% based on market value. Overall the County’s funded ratio decreased by (6.5%) during the report period.

²⁶ All new employees are assigned to Tier D and after 30 years of service will be eligible to receive an annual pension payment equal to 48.6% of their highest average salary over a three-year period beginning at age 65.

County of San Diego | Pension Funding Status

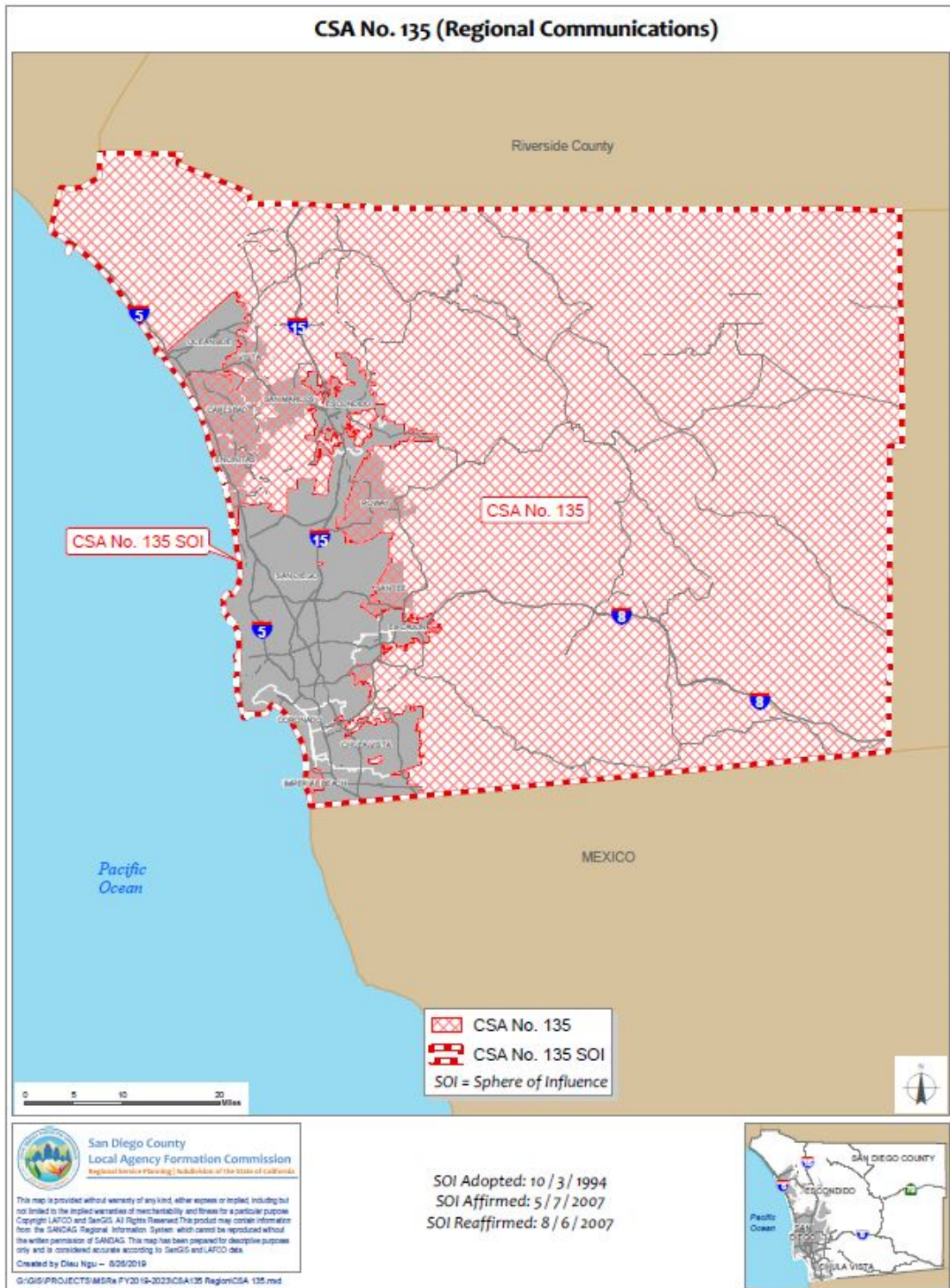
Table 7.3b | Source: SDCERA

Category	FY2014	FY2015	FY2016	FY2017	FY2018	Trend	Average
Pension Assets	10,109,908	10,285,947	10,253,230	11,395,274	12,274,477	21.4%	10,863,767
Pension Liabilities	12,141,149	13,080,080	14,437,090	14,937,872	15,763,237	29.8%	14,071,886
Unfunded Liability	2,031,241	2,794,133	4,095,860	3,542,598	3,488,760	71.8%	3,190,518
Funded Ratio	83.3%	78.6%	71.5%	76.3%	77.9%	(6.5%)	77.5%

Market Valuation

Blank for Photocopying

APPENDIX A Map of CSA No. 135 Public Safety Radio Communications



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

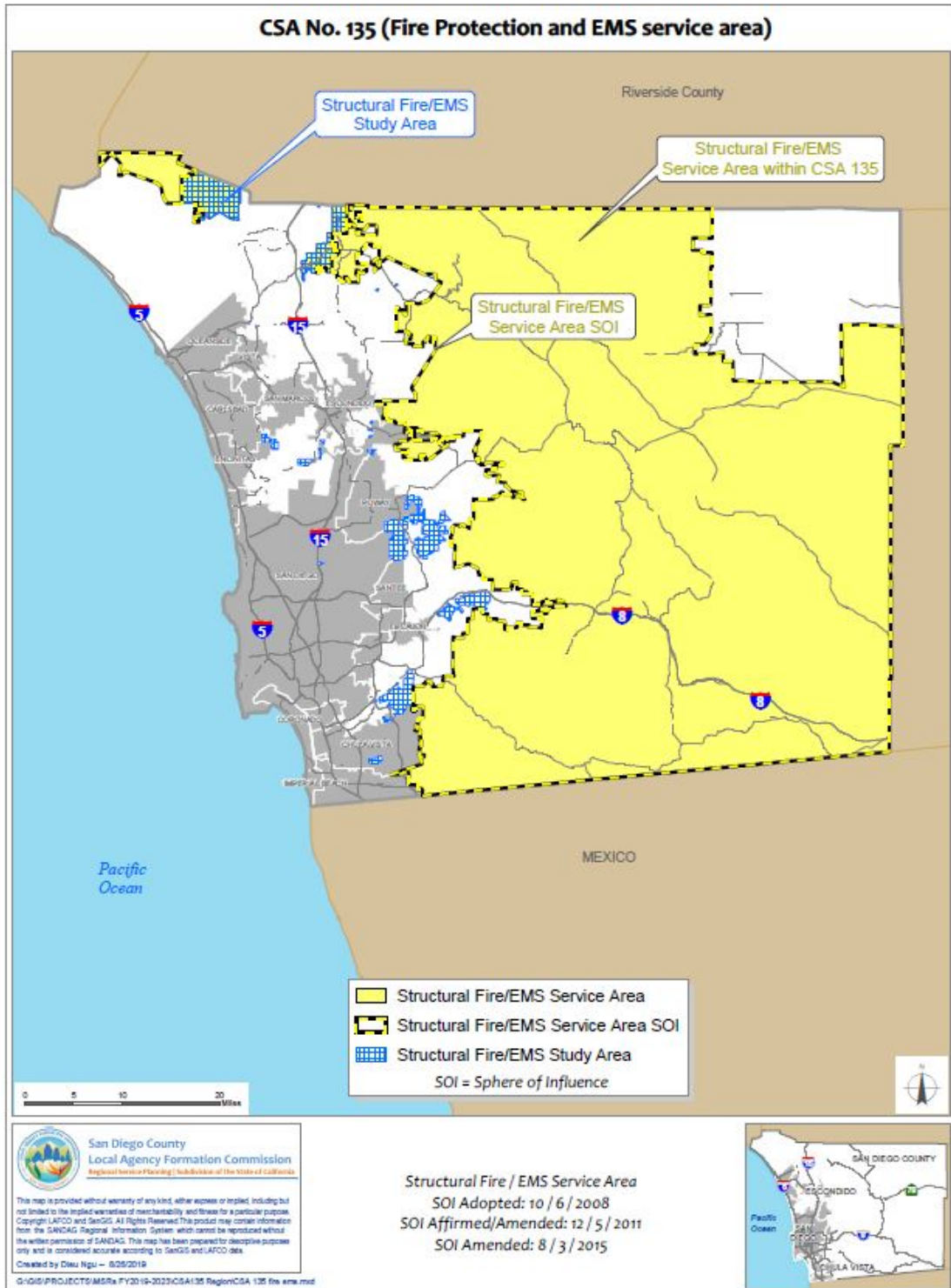
This map is provided without warranty of any kind, either express or implied, including but not limited to the implied warranties of merchantability and fitness for a particular purpose. Copyright LAFCO and SanGIS. All Rights Reserved. This product may contain information from the SANDAG Regional Information System, which cannot be reproduced without the written permission of SANDAG. This map has been prepared for descriptive purposes only and is considered accurate according to SanGIS and LAFCO data.

Created by Diem Ngu - 8/26/2019
G:\GIS\PROJECTS\MGR\FY2019-2023\CSA135 Regional\CSA 135.mxd

SOI Adopted: 10 / 3 / 1994
SOI Affirmed: 5 / 7 / 2007
SOI Reaffirmed: 8 / 6 / 2007

Blank for Photocopying

APPENDIX B Map of CSA No. 135 Fire Protection and Emergency Medical

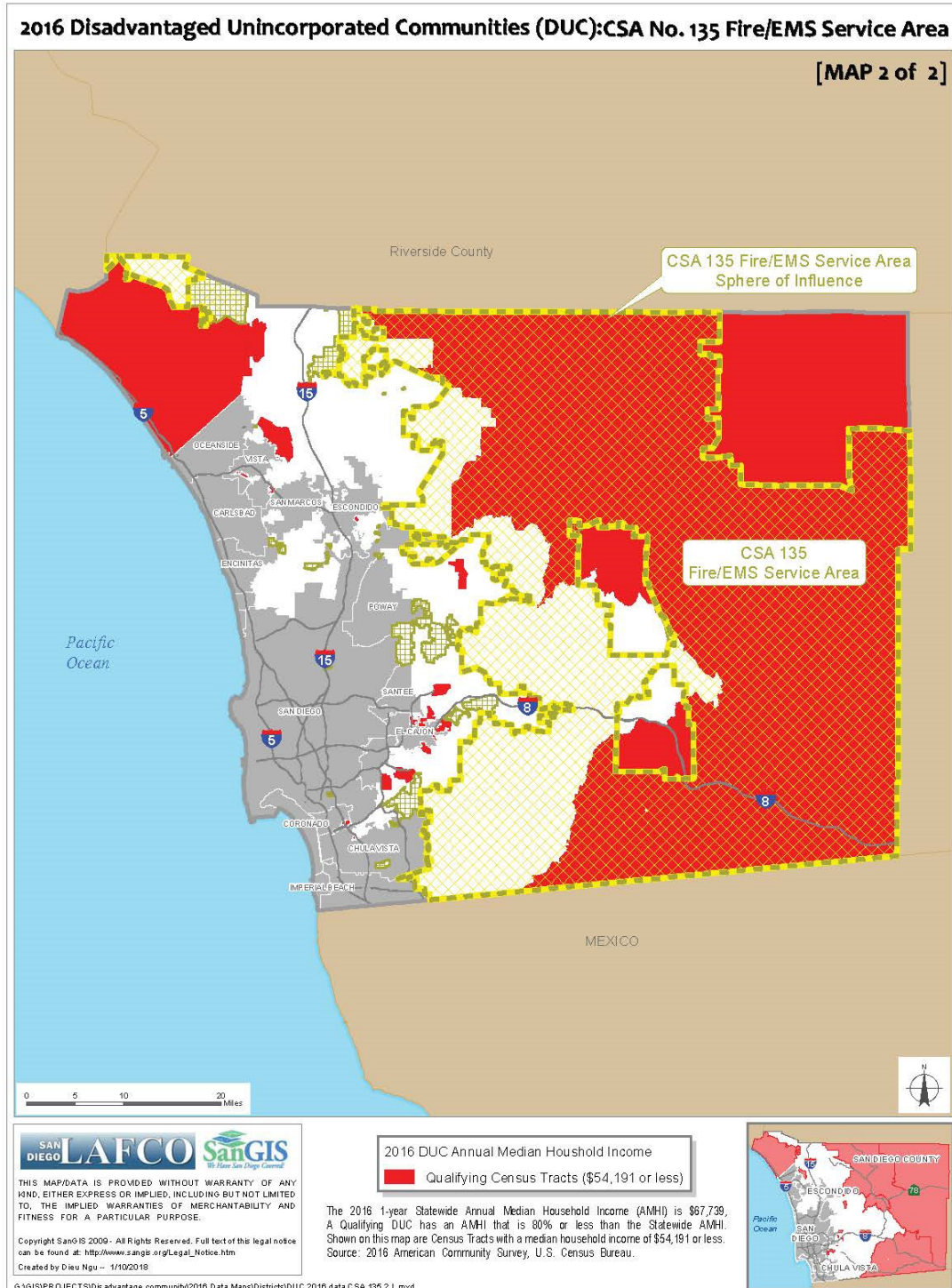


Blank for Photocopying

APPENDIX C Map of CSA No. 135 Disadvantaged Unincorporated Communities



APPENDIX C Map of CSA No. 135 Disadvantaged Unincorporated Communities



APPENDIX D Comparison Chart: CSAs v. FPDs

Category	CSA Law	FPD Law
Boundaries	Restricted ... unincorporated focus ... cities must consent by resolution to inclusion ... contiguous or noncontiguous	Restrictionless ... unincorporated or incorporated ... contiguous or noncontiguous
Oversight	CKH Applies	CKH Applies
Formation Proceedings	Affected county can initiate application ... notice of hearing pursuant to 6061	Affected county or city can initiate application notice of hearing pursuant to 6061
Governing Board	Dependent Only ... board of supervisors	Independent or Dependent ... board of supervisors or council option ... directly elected board option ... hybrid: appointed by board or council
Delegation Authority	None	Any or all to Fire Commission (5-7 Members)
Advisory Committees	Available	Available within Zones
Meeting Requirements	At least annually (budget)	At least once every three months
Eminent Domain Power	Yes	Yes
Power to Self-Insure	No	Yes
Service Powers	Expansive (Focus on Organization and Funding) ... Fire Protection ... Rescue ... Emergency Medical ... Hazardous Materials ... Ambulance ... Weed and Rubbish Abatement ... Police Protection ... Recreation ... Libraries ... Television Communications ... Water ... Wastewater ... Pest and Vector Control ... Street, Road, Bridges, Etc. ... Street Lighting and Landscaping ... Garbage ... Fund Land Use Planning ... Soil Conservation ... Animal Control ... Transportation ... Cemeteries ... Undergrounding Utilities ... Airports ... Flood Control ... Community Facilities	Limited (Focus on Organizing, Funding, and Delivery) ... Fire Protection ... Rescue ... Emergency Medical ... Hazardous Materials ... Ambulance ... Weed and Rubbish Abatement
Code Enforcement Powers	Not Specified	Yes
Special Tax Authority	Yes	Yes
Benefit Assessment Authority	Yes	Yes
Mello Roos Authority	No	Yes
Issuance of Bonds	Yes	Yes
Bond Limit	5% of Assessed Value	10% of Assessed Value
Service Charges and Fees	Yes	Yes
Establish Service Zones	Yes	Yes
Employee Benefits Program	No	Yes
Employee Relations System	No	Yes
Miscellaneous	... revolving credit/fund with county; \$2.0m ... FY loan allowance with county	... ability to grant leaves of absence in lieu of TDP per LC 4850

Blank for Photocopying

APPENDIX E

Document Sources

A complete list will be provided as part of the final report. In the interim, a working source list is available at the LAFCO Office.

Blank for Photocopying