

RODEO-HERCULES FIRE PROTECTION DISTRICT

MEMORANDUM

Date: February 26, 2021

To: Board of Directors

From: Bryan Craig, Fire Chief

Subject: Filling of Board Vacancy

BACKGROUND:

Effective Wednesday, February 10, 2021, Director William Prather resigned from his elected position as a District Director. The District has several options for filling vacancies, including appointing an individual to fill the vacancy, calling an election, or allowing the county board of supervisors to make an appointment (Cal. Govt. Code section 1780). The District must notify the county elections official of the vacancy no later than 15 days after either the date on which the Board is notified of the vacancy or the vacancy's effective date, whichever is later. The county election official was notified of the vacancy by the Fire District Council on February 13, 2021. How long the appointed individual holds office depends on when the vacancy occurs. Since the vacancy occurred in the second half of the Director's term of office, the person appointed by the Board will serve for the remainder of the term of Director Prather's office, which is until December 2022.

INFORMATION:

After notification to the county election official, the Board of Directors can choose one of the following:

1. Appoint an individual to fill the vacancy.

Fifteen days before the appointment, the District must post notice of the vacancy in three or more conspicuous places in the District.

The Board must make the appointment within 60 days of either the date on which the Board is notified of the vacancy or the effective date of the vacancy, whichever is later. Because Wednesday, February 10, 2021, was the date the District received the notification, which was also the date that it was effective and announced to all of the remaining Board members, the Board must make the appointment by Sunday, April 11, 2021, which is 60 days from February 10, 2021.

2. Call an election to fill the vacancy.

If the Board chooses to hold an election instead of making an appointment. In that case, the Board must call the election within 60 days of the date the Board was notified of the vacancy or the effective date of the vacancy, whichever is later. This means the Board must call an election by April 11, 2021. The election would then be held at the "next established election date," which is 130 or more days after the Board calls the election. The next established election date is March 2, 2021. However, the Board may not hold an election for the vacant Director's seat on that date because it is within 130 days of any date that the Board may call an election after its been notified of the vacancy. The soonest "next established election date" that the Board could use to fill the vacancy is Tuesday, June 7, 2022.

3. Allow the County Board of Supervisors to take action.

If the District Board neither makes an appointment nor calls an election within the appropriate time, then the County Board of Supervisors may make the appointment. In addition, instead of making the appointment, the Board of Supervisors could order the District to call an election. If the Board of Supervisors fails to fill the seat within 90 days of the District Board being notified of the vacancy or the effective date of the vacancy, whichever is later, then the District must hold an election at the "next established election date" that is 130 or more days after the date the District Board calls the election, which would be Tuesday, June 7, 2022.

CONCLUSION:

To provide continuity and continued leadership from the Board of Directors, fire district staff and general counsel have provided the Board with three options following the California government code for filling board vacancies.

ACTION:

After the fire district board of directors have reviewed and discussed the provided options, direct district staff in procedures based on that decision. This is an action item.



RODEO-HERCULES FIRE PROTECTION DISTRICT
680 REFUGIO VALLEY ROAD, HERCULES, CA 94547
(510) 799-4561 FAX: (510) 799-0395

DIRECTOR/CAP MEMBER APPLICATION

Please fill out and return by 12:00 Noon, Wednesday, April 7, 2021 to Kimberly Corcoran (corcoran@rhfd.org). Attach additional sheets if necessary.

DATE: _____

_____	_____
NAME	ADDRESS
_____	_____
PHONE NO.	CITY
_____	_____
E-MAIL	OCCUPATION AND EMPLOYER

No. of years residing in District

EDUCATION:

PUBLIC/COMMUNITY SERVICE:

REASON FOR APPLYING: (Please use a separate sheet of necessary)

DATE SIGNATURE

RODEO-HERCULES FIRE PROTECTION DISTRICT

MEMORANDUM

TO: Board of Directors, RODEO HERCULES FIRE PROTECTION DISTRICT

FROM: Bryan Craig, FIRE CHIEF

DATE: February 26, 2021

RE: Measure O Annual Report for FY2019-2020

BACKGROUND:

Pursuant to Ordinance 2016-01, the Ordinance that authorized the Fire District to levy the special tax known as Measure O:

The Fire Chief, or his designee, including but not limited to the District's chief fiscal officer, shall file an annual report with the Board. The annual report shall at a minimum, report upon the following: (a) the amount of tax proceeds collected and expended; and (b) the status of any project required or authorized to be funded in accordance with this section.

This report will be presented to the Measure O Oversight Committee at their next meeting. At that time, they will have 60 days to issue its Annual Report to the Board, pursuant to the Measure O Oversight Committee Bylaws (Section V 5.04a).

RECOMMENDATION:

Accept the Fire Chief's Annual report and authorize issuance to the Measure O Oversight Committee.

ATTACHED:

Fire Chief's Annual Measure O Report FY2019-2020



MEASURE O ANNUAL FIRE CHIEF REPORT

FISCAL YEAR 2019 - 2020

Table of Contents

Contents

Measure O	1
Financial Summary	3

The Fire Chief, or his designee, including but not limited to the District's chief fiscal officer, shall file an annual report with the Board. The annual report shall at a minimum, report upon the following: (a) The amount of tax proceeds collected and expended; and (b) The status of any project required or authorized to be funded in accordance with this section.

Measure O

History

In November 2016, the residents of Rodeo and Hercules voted overwhelmingly to pass Measure O, an annual parcel tax of \$216.00 (this amount may increase annually by the lesser of 3% or the CPI in the San Francisco-Oakland-San Jose Area by a vote of the Board of Directors). The Rodeo-Hercules Board of Directors passed this CPI increase in fiscal year 2019-20, raising the annual parcel tax to \$222. Measure O funding continues to be a crucial component of the Fire District's ability to maintain its fire stations and fire station staffing.

Senior Exemptions

Seniors who are 65 or older are eligible for an exemption to the parcel Tax. For someone to qualify for the senior exemption, they must meet the following qualifications:

- The qualifying person must reside in the property for which they are claiming an exemption.
- A new exemption form must be submitted on an annual basis and returned to the Measure O Parcel Tax Administrator by the deadline of January 31 of each year and include proof of eligibility.

For the convenience of our residents, an exemption drop-off mailbox is in front of our District offices.

Financial Highlights

The Fire District received 328 Senior Exemptions for fiscal year 19-20, a slight decrease from fiscal year 18-19, which equates to a \$ \$72,816 reduction in Measure O revenue. Fiscal year 19/20 Measure O funds were distributed for

Health Insurance for Active Employees, Retiree Health Insurance, Unfunded Actuarial Accrued Liability Payments, County Measure O Collection Fee.

Efficiencies

The practice of illustrating the Measure O revenues in a separate budget category within the Fire District's annual budget will continue.

Bryan Craig
Fire Chief
February 26, 2021

The proceeds of the special tax funding replacement measure imposed by this Ordinance shall be placed in a special account or fund to be used solely for any lawful purpose permissible to Fire Districts pursuant to California Health and Safety Code §13800 et seq., including but not limited to enhancing the level of fire prevention, emergency fire protection and paramedic response services through increasing staffing levels to operate and maintain the District's fire stations, maintaining and when necessary replacing fire protection and lifesaving equipment and apparatus to optimal levels of function and performance, and to fund capital improvements.

Financial Summary

Measure O Revenues received were \$2,475,105, and total expenditures were \$1,890,351, leaving a fund balance of \$802,155¹.

Measure O funds were used for the following expenses:

Unfunded Actuarial Accrued Liability	\$ 1,113,976.00
Active Employee Medical Premiums	\$ 409,150.18
OPEB Matching Funds	\$ 54,295.56
Retiree Medical Premiums	\$ 303,059.25
County Fees	\$ 9,869.69
	\$ 1,890,350.68

Detailed Measure O expenditure information is provided in the Independent Accountant's Report, a copy of which is attached to this Annual Report.

¹ This fund balance is allocated for use in the next fiscal year's Measure O expenses for approximately four months until the Measure O revenues are realized in October.

RODEO - HERCULES FIRE PROTECTION DISTRICT

HERCULES, CALIFORNIA

MEASURE O REPORT

JUNE 30, 2020

HARSHWAL 
& COMPANY LLP
CERTIFIED PUBLIC ACCOUNTANTS

RODEO - HERCULES FIRE PROTECTION DISTRICT
TABLE OF CONTENTS
JUNE 30, 2020

Page

Independent Accountant's Report on Applying Agreed-Upon Procedures	1
---	---

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

To the Board of Directors of the
Rodeo - Hercules Fire Protection District
Hercules, California

Report on Financial Statements

We have performed the procedures enumerated below, which were agreed to by the Rodeo - Hercules Fire Protection District's management, on the Rodeo - Hercules Fire Protection District's (the "District") Measure O - Special Tax revenues received and expenditures made by the District for the fiscal year ended June 30, 2020. The District's management is responsible for the receipt of Measure O - Special Tax revenues and deposit of such proceeds into the District's Measure O - Special Tax Revenue Fund and use it solely for any lawful purpose permissible to the District as instructed in Ordinance 2016-1. The sufficiency of these procedures is solely the responsibility of the District's management. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

PROCEDURES:

The procedures performed and findings are listed below:

1. We agreed the actual Measure O - Special Tax proceeds collected and expended to the amounts recorded in the District's general ledger and recalculated the mathematical accuracy of the following schedule provided by the District:

Revenues:	
Measure O - Special Tax Revenue	\$ <u>2,475,105</u>
Expenditures:	
Group Insurance Health Active Employees	463,446
Group Insurance - Retiree	303,059
Unfunded Actuarial Accrued Liability Payments	1,113,976
County Collection Fee	<u>9,870</u>
Total Expenditures	<u>1,890,351</u>
Net Change in Measure O Funds	584,754
Available Measure O Funds, Beginning	<u>217,401</u>
Available Measure O Funds, Ending	<u><u>\$ 802,155</u></u>

The District received the Measure O Parcel tax funds mostly in October 2019. During fiscal year 2019-20, funds were used as follow:

Group Insurance Active Employees - The District transferred a total of \$463,446 from the Measure O Fund to the General Fund through a County Interfund transfer to cover Group Insurance of active employees through June 30, 2020. Detail of insurance paid through Measure O Fund resources were as follows:

Group Insurance Active Employees Paid through General Fund:

July 2019	\$	68,296
August 2019		33,505
September 2019		(33)
October 2019		67,693
November 2019		33,742
December 2019		55,920
January 2020		35,441
February 2020		34,097
March 2020		15,821
April 2020		34,189
May 2020		34,724
June 2020		50,051
		<hr/>
	\$	<u>463,446</u>

Group Insurance - Retiree - The District transferred a total of \$303,059 from the Measure O Fund to the General Fund through a County Interfund transfer to cover Group Insurance Retiree through June 30, 2020. Detail of insurance paid through Measure O Fund resources were as follows:

Group Insurance - Retiree Paid through General Fund:

July 2019	\$	50,411
August 2019		24,956
September 2019		(255)
October 2019		50,421
November 2019		24,955
December 2019		25,703
January 2020		25,703
February 2020		25,703
March 2020		(255)
April 2020		25,703
May 2020		25,581
June 2020		24,433
		<hr/>
	\$	<u>303,059</u>

Unfunded Actuarial Accrued Liability Payments - The District transferred a total of \$1,113,976 from the Measure O Fund to the General Fund through a County Interfund transfer to cover the District's Unfunded Actuarial Accrued Liability to Contra Costa County Employee's Retirement Association in November 2019.

County Collection Fees - Contra Costa County assesses fees to levy assessments and taxes. Charges for the Measure O Levy totaled \$9,870, which was paid using Measure O Fund resources.

2. We traced the proceeds of the Measure O tax and reviewed the expenditures made by using those proceeds, as listed in aforementioned schedules, in accordance with Ordinance 2016-1 Section 4 and California Health and Safety Code section 13800 et seq. regarding use of tax proceeds.

FINDINGS:

Proceeds of taxes as listed in the schedule presented by the District's management were paid into the District's Measure O Special Revenue Fund and had been used by the District, in compliance with Ordinance 2016-1 Section 4 and California Health and Safety Code section 13800 et seq, with no exceptions.

This engagement to apply agreed-upon procedures was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the District's Measure O - Special Tax revenues received and expenditures made by the District for the fiscal year ended June 30, 2020. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the District's management and is not intended to be and should not be used by anyone other than these specified parties.

Harshwal & Company LLP

Oakland, California
January 28, 2021