

March 14, 2007

To: Members, Formation Commission

From: Martha Poyatos
Executive Officer

Subject: Report & Recommended Determinations-Municipal Service Review for Town of Colma, Colma Fire Protection District and Broadmoor Police District

Summary:

The attached municipal service review examines the nine categories set forth in Government Code Section 56430 in regard to municipal services in the Colma Broadmoor Area including Town of Colma, Colma Fire District and Broadmoor Police District and includes updated information since the Draft Service Review was issued. This service review process included circulation of a draft report for comment and two community meetings, one at Broadmoor Community Center and one at Colma Town Council Chambers. The input and participation of the Town, the Districts and community members is appreciated and incorporated in the attached report. Of note were comments at the Broadmoor community meeting indicating satisfaction with the Police and Fire Districts, strong ties between the community and the Districts and a long-standing, passionate sense of community that sets it apart from surrounding Daly City.

The Cortese Knox Hertzberg Local Government Act requires that Prior to January 1, 2008, LAFCo conduct municipal services reviews and sphere reviews on all cities and special districts in the County. Section 56430 governing municipal service reviews requires that LAFCo make determinations concerning infrastructure, growth and population projections, financing constraints, opportunities for cost avoidance, rate restructuring and shared facilities, government structure options, evaluation of management efficiencies and local accountability and governance. Recommended determinations adopted by the Commission are attached to the Service Review Report as Exhibits A, B and C would be used in reviewing and updating spheres of influence or a proposal for reorganization. It has been emphasized throughout this process that the Service Review is not a proposal for reorganization and San Mateo LAFCo policies favor applications from the affected communities and agencies rather than initiation by LAFCo.

Recommendation: It is recommended that the Commission consider the following report and additional public comments and adopt the recommended municipal service review determinations (Exhibits A, B and C) with any desired changes.

Municipal Service Review

Town of Colma and
Broadmoor Unincorporated Area, including
Town of Colma
Colma Fire Protection District
Broadmoor Police Protection District
County of San Mateo
March 14, 2007

Introduction

Government Code Section 56430 requires that LAFCO complete municipal service reviews and sphere of influence reviews on all cities and special districts by January 2008. This report is a municipal service review for unincorporated Broadmoor/Garden Village, Town of Colma and the adjacent unincorporated pockets commonly referred to as Unincorporated Colma¹. Service providers studied include the Town of Colma, Colma Fire Protection District, Broadmoor Police Protection District, County of San Mateo and North San Mateo County Sanitation District. This municipal service review is not a proposal for reorganization of agencies, rather a study of service provision in regard to nine areas of determination as set forth in Section 56430:

- (1) Infrastructure needs or deficiencies
- (2) Growth and population projections for the affected area
- (3) Financing constraints and opportunities
- (4) Cost avoidance opportunities
- (5) Opportunities for rate restructuring
- (6) Opportunities for shared facilities
- (7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers
- (8) Evaluation of management efficiencies
- (9) Local accountability and governance

This State-mandated study is not a proposal for reorganization, rather it provides an opportunity for the public and affected agencies to comment on service provision and costs prior to LAFCO adoption of required determinations. Once adopted, LAFCO uses determinations in updating spheres of influence which is a plan for boundaries and governance of a public agency.

¹ In addition to Broadmoor, unincorporated areas adjacent to Colma Town boundaries are in the sphere of influence of the City of Daly City.

Local Agency Formation Commission (LAFCo): LAFCo is a State-mandated, independent commission with countywide jurisdiction over the boundaries and organization of cities and special districts including annexations, detachments, incorporations, formations and dissolutions. The Commission includes two members of the Board of Supervisors, two members of city councils, two board members of independent special districts, a public member, and four alternate members (county, city, special district and public). LAFCo adopts a budget and contracts with the County of San Mateo for services. The Executive Officer serves as LAFCo staff reviewing boundary change applications and preparing municipal service reviews and sphere of influence studies. LAFCo's net operating budget is apportioned in thirds to the County of San Mateo, the 20 cities in the County and the 24 special districts.

Areas under Study: The study area includes Town of Colma, adjacent unincorporated areas and unincorporated Broadmoor service providers and services examined are summarized below.

	Town of Colma	Broadmoor Unincorp.	"Unincorp. Colma"
Police	Town of Colma ²	Broadmoor Police Dist. (BPPD)	Broadmoor Police Co. Sheriff (partial ³)
Fire	Colma Fire Dist. ⁴	Colma Fire Dist.	Colma Fire Dist.
Streets	Town of Colma	County of San Mateo	Co. of San Mateo
Street Lights	Colma Highway Lighting Dist. ⁵	Colma Highway Lighting Dist.	Colma Highway Lighting Dist.
Park & Rec.	Town of Colma	Co. of San Mateo ⁶	Co. of San Mateo
Sewer	Town of Colma via contracts with NSMCSD/SSF	No. San Mateo County ⁷ Sanitation District	No. San Mateo County Sanitation Dist.
Water	CalWater ⁸	CalWater	CalWater
Garbage	Allied Waste	Allied Waste	Allied Waste

² The Town of Colma contracted with Broadmoor Police Protection District until August 1975 when the Town created a police department.

³ BART lands and an unincorporated parcel on F Street between BART land and Town of Colma are not in BPPD service area. One parcel in question is the subject of a development approval by the County of San Mateo. The County and Town of Colma are in discussions regarding police service for the proposed development.

⁴ Town of Colma annexed to the Fire District in 1975.

⁵ Colma Highway Lighting District is a County-governed district operated by the County of San Mateo Public Works Department to maintain street lighting.

⁶ The County of San Mateo operates regional parks including San Bruno Mountain County Park, but does not offer recreational services in the study area. Daly City permits participation in City recreation programs to Colma Town residents at resident rates, and other non-residents at non-resident rates. Colma Town permits non-resident attendance at non-resident rates in enrichment classes only.

⁷ North San Mateo County Sanitation District is a subsidiary district of the City of Daly City that provides sewer and water service including sewer service to unincorporated areas outside the City of Daly City and will be included in the Daly City municipal service review.

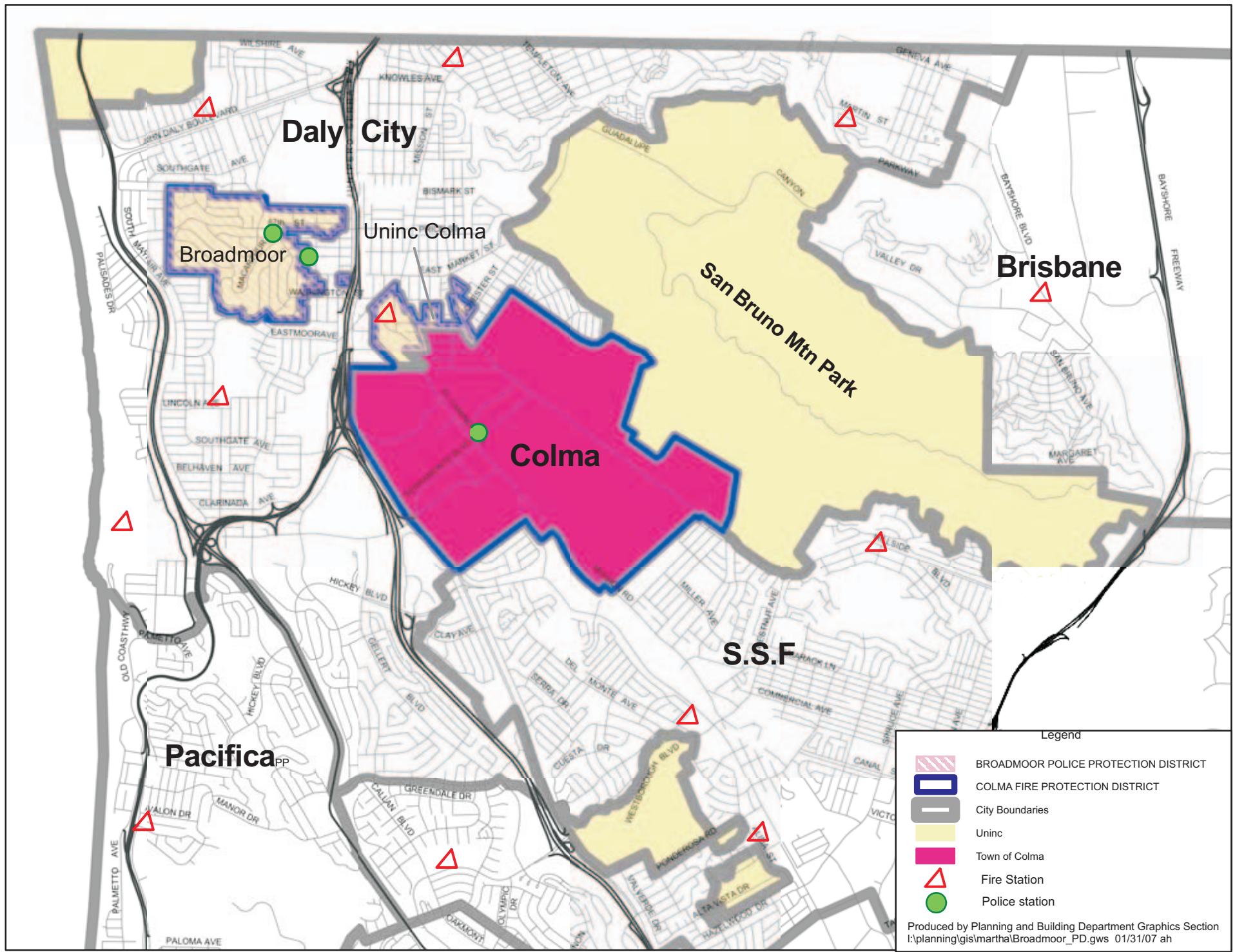
⁸ California Water Service Company is an investor-owned public utility and is not subject to LAFCo jurisdiction.

All unincorporated area under study is in the sphere of influence of the City of Daly City. Unincorporated areas adjacent to the Town of Colma are included in the Colma Area Specific Plan adopted by the County of San Mateo. The Specific Plan is an adopted land use plan promoting accessibility to regional transit (BART), opportunities for employment and housing for all income types. Under this plan the County has approved transit oriented, higher density residential development, most recently the El Camino Transit Village adjacent to Colma Town boundaries.

Broadmoor Village (including Garden Village) west of 280 is not included in the Colma Area Specific Plan. However the east area is included in Daly City's Sullivan Corridor Specific Plan adopted in 1998. The specific plan was adopted with objectives of establishing the Daly City Civic Center as a governmental and community focal point and improving the economic development potential of surrounding areas.

Please see map next page.

Broadmoor Police District, Colma Town & Colma Fire District



Municipal Service Review by Agency

Service review criteria as set forth in Government Code Section 56430 are examined below for each agency. Discussion provides background on each agency and is organized under the nine areas of determination required by Government Code Section 56430. Recommended determinations will be drafted after comment by the affected agencies, residents and interested parties.

Town of Colma:

The Town of Colma, incorporated in 1924 is a general law city with five elected council members. As noted on the Town's website, the Town is "best known for its 17 cemeteries which comprise approximately 73% of the town's land area. The Town incorporated in 1924 primarily to protect this land use." The Council selects the Mayor and appoints the City Manager and City Attorney. The State Department of Finance January 2006 estimated population for the Town was 1,575 persons (Census 2000 was 1,187). Colma encompasses approximately two square miles and is bounded by the City of South San Francisco, San Bruno Mountain, City of Daly City and unincorporated areas in the sphere of influence of the City Daly City. Town boundaries include 16 cemeteries, two shopping centers, several car dealerships and a card room. Town services, provided directly or by contract, include administration, police protection, recreational services, street maintenance (14 road miles), sewer service, planning and building inspection. As noted above, fire protection and paramedic service is provided by Colma Fire Protection District and water service is provided by California Water Service Company. Ambulance service is provided through a countywide joint power agreement⁹. The Town owns the sewer system and contracts with the North San Mateo County Sanitation District and the City of South Francisco for maintenance and sewage treatment. The Town is included in the Jefferson Unified School District. Appendix A includes a profile of the Town.

(1) Infrastructure needs or deficiencies

Town of Colma recently completed the Colma Community Center and the Police Facility issuing Certificates of Participation, which are tax-exempt government securities used to raise funds to

⁹ San Mateo County fire agencies participate in the San Mateo County Pre-hospital Emergency Services Joint Powers Authority (ALS-JPA), the San Mateo Operational Area Emergency Services JPA and the Fire Net Six providing centralized dispatch and a move-up-and-cover plan to ensure that systematic fire station coverage is provided during periods of increased service demand. American Medical Response (AMR) and four local fire agencies provide emergency advanced life support transport.

improve and construct buildings/finance capital costs related to construction or acquisition and may not be used to finance ongoing operating costs. COP's are sold to investors and in return, the investors receive COP payments, which include interest income that is exempt from federal and state income tax. In prior years, the Town has had a pay as you go policy in financing capital improvements. Long term debt obligations as reported for year ending June 30, 2005 (most recent basic financial statement available) was \$16,398,035 including improvement bonds of \$1,170,789, capital lease obligation of \$14,900,000 as well as compensated absences, claims payable, premium on capital lease and accrued interest payable.

Town facilities include Town hall and annex, police station, museum, three parks (Sterling Park, Community Center, Bark Park), corporation yard, senior housing and a gun range. Infrastructure needs include permanent offices for Planning and Engineering, which are currently housed in modular buildings. The Town reports that due to reduction in card room revenues (estimated at \$1.8 million in 2006-07)¹⁰, the Town has delayed renovating Town Hall, replacement of HVAC system and moving Planning and Engineering. The Town has also delayed most capital improvement projects with the exception of the Hillside Undergrounding project.¹¹ The Town reports no deficiencies in the sewer system and has planned for routine replacement, maintenance and repair tasks, which are anticipated in the 10 Year Capital Improvement Plan (CIP) budget in FY 2007-08 (\$200,000), FY 2012-13 (\$160,750) and FY 2013-14 (\$160,750).

Colma Highway Lighting District within Town of Colma:

Since distribution of the draft service review, County of San Mateo Public Works Department comments that: "The (County Governed Lighting) District has been in contact with the Town since 2001 regarding withdrawal of territory within the Colma Highway Lighting District that is also within the corporate limits of the Town. The District has provided the Town with estimates of the approximate amount of the District's fund balance that would be transferred to the Town and the approximate amount of property taxes that would be received by the Town if the Town areas were withdrawn. The District has expressed to the Town that based on the Town's proposed projects and past projects completed by the Town that it would be

¹⁰ To be updated with midyear budget review.

¹¹ Page XI of the Town's Adopted 2006-07 budget provides detail on capital improvement projects.

appropriate to withdraw the area in the Town from the District." Withdrawal of areas in the Town would be processed according to enabling legislation through the Board of Supervisors and would result in one-time transfer of a share of District fund balance, ongoing property tax revenues and service responsibility.

(2) **Growth and population projections for Town of Colma**

Based on the Association of Bay Area Governments (ABAG) "Projections 2007", the Town of Colma 2000 population is projected to grow by 60% by 2025. Population in the Daly City sphere of influence is projected to grow by 13% by 2025. The following table summarizes these projections:

Census 2000 & ABAG 2025	2000	2025
Town of Colma	1,187	1,900
Unincorporated Colma (In Daly City sphere)	957	1,081

In addition to the existing residential population, car dealerships, retail stores and an existing card room bring additional visitors to the area on a daily basis placing additional demand on city services. The Town of Colma estimates that non-resident population can rise to 50,000 or more people.

The Town notes that growth in surrounding unincorporated areas also has potential to impact traffic and other services within Town boundaries. It can also be noted that existing development with the Town bringing visitors to the area impacts traffic and services of surrounding jurisdictions.

(3) **Financing constraints and opportunities**

As a 'low property tax city' with property tax comprising 2% of Town revenues, the Town does not have a diverse revenue base and is primarily dependent upon sales tax (68% of Town revenues). The Town cites limited land for infill development. In comments on the draft service review, the Town comments that development adjacent to Town boundaries impacts traffic and parking within the Town, demand for emergency response in unincorporated areas by Town of Colma police and Colma Fire District and encourages LAFCo to adopt Guidelines to regulate urbanization of unincorporated areas unless and until adequate emergency services can be provided. LAFCo does not have land use authority however both LAFCo State and local policies and the County General Plan encourage annexation to cities of areas in need of urban services. In some cases, annexation of proposed

development would require annexation of adjacent developed areas to create logical boundaries. While LAFCo and County policies support annexation of urban areas to cities, historically annexation to the City of Daly City has not been supported by the police and fire districts or the community.

The Town has also commented that \$3.7 million of the Colma Town improvements to Junipero Serra Boulevard should be reimbursed by Measure "A" half-cent sales tax in part due to the Town's significant contribution the Measure "A" sales tax revenue administered by the San Mateo County Transportation Authority (see attached June 1, 2005 letter from the Town to the County).

Financing opportunities cited by the Town include resolution of Tax Equity Allocation funding (TEA)¹², recently adopted impact fees and other revenue enhancements under consideration.

The following table summarizes the general fund revenues available to the Town as reported in the adopted 2006/2007 budget:

General Fund Revenues	2004-05 Budgeted	2005-06 Budgeted	2006-07 Proposed
Property Tax & Other Taxes	\$11,911,611	11,255,337	9,798,400
Licenses & Permits	202,668	107,674	196,800
Fines & Forfeitures	157,552	115,021	121,200
Other Agencies	246,123	96,986	91,500
Charges for Services	342,112	345,571	330,300
Interests & Rent	840,657	751,868	696,801
Other Revenues	33,619	349,105	16,100
Total	\$13,734,422	\$13,021,563	\$11,251,101

As shown above, from Fiscal year 2004-05 to Fiscal year 2006-07, gross general fund revenues are reduced by approximately \$2.48 million predominantly due to reduction in card room tax¹³. Not included in the budget is the one time Tax Equity Allocation property tax settlement of \$882,900 and an estimate¹⁴ of TEA funding for 2006-07 of approximately \$299,843. The Town Budget

¹² TEA Funding implemented through AB 709 and AB1197 is a mandated formula in which California's no or low property tax cities receive a minimum of 7% of the property tax revenue available within their boundaries. In San Mateo County it was determined in 2005 that Colma, Woodside, Portola Valley and Half Moon Bay had not been allocated TEA funding and the County corrected this and the agencies recently reached a settlement on amount due the agencies for previous years agencies did not receive TEA funding. Town of Colma's total TEA funding settlement amount for previous years totaled \$882,900. County Controller states that estimates are not available for future years.

¹³ Projected revenue reduction results from enforcement of \$200 limit on wagering.

¹⁴ Per County Controller's Office, estimates are subject to change when final year-end data is available.

assumes TEA revenue will continue at \$200,000 annually. General Fund Reserve Accounts total \$6.4 million or 44% of the proposed budget, falling short of the Town's previous reserve policy to maintain a reserve equal to the proposed operating budget (the 2005-06 reserve was \$13.5 million or 91% of the operating budget). Nevertheless, while no amounts are budgeted to pay off Certificates of Participation ahead of schedule, the town's regular debt service payments are funded in the budget.

(4) Cost avoidance opportunities

The Town comments that BART provides police services along the BART line in Colma. Fire service is provided by the Colma Fire Protection District and street lighting by the County-governed Colma Highway Lighting District. Existing cost avoidance practices include contracts for city attorney, planning, building, engineering and records and property management. The Town participates in a joint power agreement for the Pollicita Athletic Field¹⁵ and Gymnasium and the San Mateo County Office of Emergency Services [OES] Joint Powers Agreement between the 20 incorporated cities and the County of San Mateo, which provides emergency planning and training countywide. The Town also contracts for sewage maintenance and treatment with North San Mateo County Sanitation District and City of South San Francisco. Expenditures from 2004-05, 2005-06 and 2006-07 fiscal years are summarized below.

Operating Expenditures	2004-05 Budgeted	2005-06 Budgeted	2006-07 Budgeted
Salaries	3,780,500	4,069,000	4,311,000
Benefits	2,645,084	2,314,290	2,053,520
Services, Supplies	1,386,700	1,338,300	1,842,474
Contracts	5,875,585	6,854,750	4,054,800
Capital Outlay	236,800	256,000	69,000
Total Expenditures	\$13,924,669	\$14,832,340	\$12,330,794

In response to revenue reductions the Town has made budget reductions where possible and as positions become vacant, hiring decisions will be made on a case-by-case basis. The Town also funds basic residential cable for residents (previously discussed in the draft service review under rate restructuring and moved to this section because cable service is not a Town service). Given this is a discretionary practice by the Town,

¹⁵ The Town's participation with City of Daly City and the school district in the Pollicita Field makes Town residents eligible for City of Daly City park and recreation at resident rates.

it can be identified as an additional opportunity for cost savings (\$198,500 for the 2006-07 Fiscal Year).

(5) Opportunities for rate restructuring

The Town states that for the first time since 1998 the Council approved fee increases for the Planning Department to bring the department toward greater cost recovery and that Police and Building fees are being analyzed as well as other options to diversify Town revenues. The Town subsidizes residential sewer service charging \$1 per year (approx. \$160 per year per residence).¹⁶ The Town funds recreation programs at 90% for adult programs and 95% for senior and youth programs. As enterprise activities in which rates are typically established to recover the cost of providing service, reduction of subsidies or offset by the Town in these programs and services present opportunities for rate restructuring that would mitigate shortfalls in revenues.

The Town comments that consideration could be given to mitigation of impacts to Town services that result from development approved by the County in unincorporated areas adjacent to Town boundaries. As noted in Footnote 7, the County entered into discussions with the Town regarding police services for an approved development adjacent to Town boundaries. (Please also see Discussion in Section 2 above.)

(6) Opportunities for shared facilities.

The Pollicita Athletic Field and Gymnasium are a shared facility of the Town of Colma, City of Daly City and the Jefferson Unified School District and the Town's police gun range and used by other agencies and the police station is available for training, conferences and meetings.

(7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.

As required discussion in a municipal service review under Section 56430, governance alternatives for municipalities include annexation of areas within the city's sphere, consolidation with another city or disincorporation. The Colma

¹⁶ Sewer service is provided by contract with North San Mateo County Sanitation District (NSMCSD) and the City of South San Francisco. Sewer costs subsidized by the Town vary. NSMCSD rates based on water consumption at \$4.59 per unit and South San Francisco charging a flat annual fee of \$323 for residential use.

sphere of influence is coterminous with Town boundaries and therefore absent an amendment of the sphere, annexation is not an alternative. Historically, the Town incorporated to protect land use of the existing boundaries and interest in expansion of Town boundaries has been limited.

While disincorporation or consolidation might result in economies of scale and redistribution of revenues on a more regional basis, it would also result in reduced level of service to Town residents. And while small by California standards, the Town was incorporated in 1924, is well established and fiscally viable.

As an area included in the Colma Fire Protection District (CFPD), the CFPD Board has jurisdiction for fire protection within Town boundaries. Discussion of governance alternatives regarding fire protection is included in the following section on the Colma Fire Protection District.

(8) **Evaluation of management efficiencies.**

The Town has 45 full-time positions budgeted in the 2006-2007 fiscal year, including 26 in police personnel equating to 1 fulltime city position per 35 of population or 1 fulltime police position per 60 of population¹⁷. The Town contracts for: City Attorney (1), Planning (2.5), Engineering (4), Public Works (4) and Building (1.5). Backup and nighttime dispatch services are provided by the City of South San Francisco. Sewer maintenance and landscaping are also provided by contract. Use of contract staffing provides flexibility in staffing levels.

(9) **Local accountability and governance**

This section examines the degree to which an agency keeps affected residents informed about district services, budget, programs, anticipated changes in service, effectiveness of the district in responding to requests for information and the degree to which the an agency encourages public participation in decision making.

The Colma Town Council meets the second Wednesday of the each month at 7:30 p.m. The agenda is distributed to a list of subscribers that include residents, members of the press and

¹⁷ This does not take into account non-resident population resulting from retail, commercial, cemeteries, car dealerships and card room and those traveling Colma Town.

interested parties. The agenda is also posted at three official bulletin boards, which include Town Hall, Clarke Street and Sterling Park Recreation Center. The Town produces a monthly newsletter which is distributed to residents and businesses and the Town maintains a website. The budget is not on the website but is available as part of the budget process and upon request. A one-page summary of the budget is also available. Council meetings are subject to the Ralph M. Brown Act governing public meetings.

Recommended LAFCo Determinations Pursuant to Government Code Section 56430 are found in Exhibit A attached to this report.

Colma Fire Protection District

Colma Fire Protection District is an independent fire district governed by a three-member board elected by voters of the District. The District was formed in 1937 pursuant to Health and Safety Code 13800 to provide fire protection, rescue, emergency medical, hazardous materials response, ambulance, and other services related to protection of lives and property. The District provides all of these services except ambulance, which is provided via the San Mateo County Pre-hospital Emergency Services Joint Powers Authority (ALS-JPA) with American Medical Response (AMR) providing emergency advanced life support transport. The District also participates in the San Mateo Operational Emergency Medical Services JPA and the Fire Net Six providing centralized dispatch and a move-up-and-cover plan to ensure that systematic fire station coverage is provided during periods of increased service demand.

Since District formation in 1937, key events fire protection include:

- Urban development and intensification of land use in North County
- Annexations to the City of Daly City resulting in reduction of service area responsibility and revenue base
- Annexation of the Town of Colma to the District in 1975
- Proposition 13 in 1978 which limited property tax to 1% of assessed value and resulted in low property tax share to the District based on the District's low taxation prior to Prop. 13 which was based on District expenditures as volunteer district
- District transition to paid call service and expansion of service responsibilities to include per diem paramedic in 1998 increasing operational costs of the District
- In 2000, District voters approved a public safety tax based on square footage for commercial and a flat \$50 per year for residential to supplement District property tax revenues

The boundaries of Colma Fire Protection District include non-contiguous areas including unincorporated Broadmoor/Garden Village, the Town of Colma (annexed in 1975) and adjacent unincorporated areas, totaling approximately 3.2 square miles. As shown on the preceding map the boundaries are irregular and include non-contiguous areas that resulted over time as areas

were annexed to the City of Daly City. The territory includes single-family, multi- and high-density housing, commercial and retail business, car dealerships, a card room and cemeteries.

The District operates with 36 paid-call officers¹⁸ and firefighters, three type 1 engines and one 100' aerial ladder truck. The District reports that all members are trained to the California State Fire Marshall Fire Fighter One Level and receive additional training in structural and wild land firefighting. The District added advanced life support (paramedic) in 1998 using additional per-diem staffing to insure 24-hour paramedic coverage. This operational model is based on the engine model adopted by county fire agencies 1999.

The District teaches CPR and first aid and has begun a CERT program (Community Emergency Response Team) for Colma and Broadmoor. Consistent with response throughout the County, the District provides hazardous materials response at First Responder Operational level, with field and decontamination support to the more offensive response team from Belmont/San Carlos Fire Department. Fire prevention and inspection services are provided by a combination of contract services and one fire prevention specialist Captain. District members provide public education at schools and through station tours. With the exception of accounting, all administrative functions are performed internally. Each captain is assigned an operations responsibility including fleet maintenance, facilities, safety clothing, paramedic scheduling, etc.

As party to the Countywide fire agencies automatic aid agreement, the District responds to calls for service outside District boundaries and uses all agencies for assistance as needed. The District notes that the exception is the North County Fire Authority, as the Authority excludes Colma Fire District fire stations from responses in the North County Fire Authority boundaries.

(1) Infrastructure needs or deficiencies

CFPD reports that the District owns one fire station located at 50 Reiner Street in unincorporated Colma. The station was built in 1950 to accommodate the District's then volunteer fire fighters. Additions and improvements have since been made,

¹⁸ The paid call model operates with paid call fire fighters reporting to the station when a call is dispatched versus traditional 24/7 staffing in which fire fighters are housed at the station for a complete shift.

including a kitchen upgrade/remodel and addition of dorm rooms. The station is in need of seismic upgrades and is too small for current District operations or to house 24-hour shifts. Funds are not available for seismic work or station replacement.¹⁹ The District has purchased the adjacent lot and while there is no immediate plan, the District purchased the land with the intention of expansion in the future²⁰. The District purchased a two-room trailer from the Town of Colma for \$1.00 and uses it as a storage area for the North Zone medical supply cache and plans to use it in the future for additional office space.

The District owns three type 1 engines (1984, 1988 and 1991) and one 1005 aerial ladder truck (2004). The District has one new engine on order noting that the 1988 engine will also need to be replaced in the future. The loan for the ladder truck was paid off in 2005. In addition two of the three smaller command/supervisor vehicles will need replacement in the near future. The District has applied for grant funding to replace self-contained breathing apparatus and safety clothing. The District comments that as is the case with some other fire agencies, on going equipment needs are deferred for lack of funding.

(2) **Growth and population projections for the affected area.**

The 2000 Census population for Colma Fire Protection District is 6,387. Based on the Association of Bay Area Governments (ABAG) "Projections 2007", population in the Daly City sphere of influence is projected to grow by 13% by 2025 and the Town of Colma 2000 population is projected to grow by 60% by 2025.

Growth Projections: Association of Bay Area Government (ABAG)
"Projections 2005":

	2000 Census	2025 Projected
Town of Colma	1,187	1,900
Broadmoor	4,243	4,794
Unincorporated Colma	957	1,081
Colma Fire District	6,387	7,775

¹⁹ Estimates of fire station replacement costs including temporary facilities range from \$3,000,000 to \$4,000,000. (Source: Colma Fire Protection Authority Fire Protection Services Feasibility Report, 2005 cited in District Financial Statement)

²⁰ District purchase of adjacent lot was with funds advanced by the Town of Colma.

Projected growth for current Colma Fire Protection District is 1,388 or 22% by 2025. Also of significance in regard to demand for emergency service is that additional visitors are attracted to the area by auto dealerships, retail business, card room and cemeteries. The Town of Colma estimates that non-resident population can rise to 50,000 or more people.

(3) Financing constraints and opportunities

Colma Fire Protection District relies on property tax revenues, a special tax of \$50 per residential parcel (commercial and parcel tax is based on square footage and vacant parcels are assessed \$25), limited fees for fire inspection, development related revenue and reimbursement from the ALS JPA for advanced life support services.

The following table summarizes the general fund revenues and funding sources available to the District as reported in the adopted 2006/2007 budget provided to the Controller:

General Fund Revenues	2004-2005 <u>Actual</u>	2005-2006 <u>Estimated</u>	2006-07 <u>Adopted</u>
Type			
Property Tax	486,050	539,221	503,900
Special Tax	313,649	315,379	310,000
Interest Earned	28,838	31,578	20,000
Miscellaneous (EMS)	16,102	11,678	10,000
Miscellaneous (Fire Prevention)	18,035	12,013	10,000
Other Revenues	17,140	824	1,000
Total Revenues	\$859,742	\$842,321	\$889,697
Other Funding Sources			
Fund Balance Available	656,807	455,876	541,016
Cancellation of Prior Year Reserves	475,940	549,247	426,072
Total Revenue Sources	\$1,992,489	\$1,910,490	\$1,820,988

(4) Cost avoidance opportunities

Please see #8 Management Efficiencies

(5) Opportunities for rate restructuring

The District is in the process of reviewing the District ordinance to update the fee structure, with the goal of recovering costs for contract plan review. As a fire district other opportunities to recover costs through fees are limited.

As noted above, in 1999, District voters approved a parcel tax for public safety as detailed below:

Residential:

Single Family Residence:	\$50.00
Duplex:	\$75.00
Triplex:	\$100.00
Fourplex:	\$125.00
Condominium:	\$50.00

Apartment Complex with 5 or more units: \$50.00 for the building and \$25.00 for each dwelling unit.

Unimproved Residential Property: \$25.00

Commercial: \$0.12 per square foot, with square footage determined by the Building Official in the same manner as calculating the applicable "School Impact Fee", as defined by Government Code sections 65955 et. seq. and 53080 et. seq. and their successor statutes, for said property.

Unimproved Commercial Property \$25.00

The District states that an analysis of current and projected expenditures for the paid call system indicates that the annual special tax should be increased to approximately \$100 to \$150 per parcel to assure that services and facilities can be maintained in the foreseeable future. The District anticipates that the special tax for commercial development would not be increased significantly.

The 2004-05, 2005-06 and 2006-07 budgets are shown below:

General Fund Revenues	2004-2005 Actual	2005-2006 Estimated	2006-07 Adopted
Property Tax	486,050	539,221	503,900
Special Tax	313,649	315,379	310,000
Interest Earned	28,838	31,578	20,000
Miscellaneous (EMS)	16,102	11,678	10,000
Miscellaneous (Fire Prevention)	18,035	12,013	10,000
Other Revenues	17,140	824	1,000
Total Revenues	\$859,742	\$842,321	\$889,697
Other Funding Sources			
Fund Balance Available	656,807	455,876	541,016
Cancellation of Prior Year Reserves	475,940	549,247	426,072
Total Revenue Sources	\$1,992,489	\$1,910,490	\$1,820,988

Expenditures	2004-2005 Actual	2005-2006	2006-07 Adopted
Salaries & Benefits	598,069	667,901	725,000
Services & Supplies	198,752	227,991	258,000
Fixed Assets	140,544	73,254	175,000
Contingencies	0	(25,744)	30,000
Reserves-Capital Outlay	0	0	100,000
General Reserve	0	0	300,450
Total Expenditures	\$937,365	\$943,402	\$1,588,450

Operating expenditures exceed general fund revenues, requiring offset from reserves. Without accounting for one-time revenues such as development fees or grant funding, in order to meet future year appropriations for current level of service (paid call staffing) excluding appropriation for reserve or capital, without drawing from prior year reserves it would be necessary to augment the special parcel tax revenue by approximately \$300,000²¹. While development of special assessment financing is beyond the scope of a municipal service review and any increase to the parcel tax formula would involve analysis of actual number and type of the parcels and require voter approval pursuant to State law, based on the statement that commercial assessment would not be changed significantly and an estimate of 1,800 residential parcels in Colma Fire District boundaries it appears that it would be necessary to increase the annual residential parcel tax by at least \$170.

Again this is an estimate based on estimated parcels. Actual consideration by the voters would require a detailed analysis of number of parcels to be assessed and appropriate funding level for an adequate level of fire protection and emergency services. Also, as shown in the Broadmoor Police District's voter approved parcel tax formula discussed below, Colma Fire District might consider voter approval of not only an augmented parcel tax but voter approval of authority for the Board to increase the parcel tax annually by a not-to-exceed percent such as 5% to adjust for inflation.

(6) Opportunities for shared facilities

The District comments that it is part of the County dispatch system, shares the breathing support unit housed at South San

²¹ Maintenance of current service level and appropriation for reserve and capital would require filling a revenue-expenditure gap of approximately \$700,000.

Francisco Fire Department Station 61 and participates in available joint training. The District indicates an ongoing interest in shared facilities with neighboring agencies should the opportunity arise. (Please see attached letter from City of South San Francisco Fire Chief).

(7) **Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.**

Section 56430 requires discussion of governance alternatives and advantages and disadvantages of reorganization. The sphere of influence of the Colma Fire Protection is zero indicating that fire service would be provided by cities upon annexation of unincorporated areas. This discussion is not a proposal to dissolve the District rather it provides information to the affected agencies and taxpayers on service governance alternatives.

In 2005, the District and the Town of Colma entered into an agreement to form the Colma Fire Authority to pursue conversion of Colma Fire District to a full-time staffed fire agency. Upon formation of the JPA, each agency transferred \$50,000 to a joint account and a feasibility study was commissioned. Based on the findings of the study, the joint power board was disbanded²². The report, prepared by Robert Olson Associates Inc., examined a range of service delivery alternatives including converting the District to full-time paid fire personnel and contracting for fire service with North County Fire Authority, California Department of Forestry (CDF) and South San Francisco. Based on both ongoing operation costs and costs associated with converting the fire station to meet industry standards to house full-time fire personnel and operating costs, the report concluded that the most cost effective service arrangement would be a contract for full-time fire services with Daly City Fire Department/North County Fire Authority. At the time the report was prepared, formation of the fire authority assumed that the Town would contribute significantly to fund operation of the fire district. Since the study was completed, the JPA was disbanded and Colma Town determined that it would not be equitable for the Town to contribute Town funding since the District also serves unincorporated areas and all properties

²² Source: Colma Fire Protection District Auditor's Report, June 3, 2005. Note: The report was accepted by the Fire Authority but was not accepted by the full CFPD Board. Governance alternatives presented below are not based on the Robert Olson & Associates report.

within the District already contribute general fund property tax and special tax.

Because the Colma Fire Protection District serves unincorporated Broadmoor/Garden Village, Town of Colma and surrounding unincorporated area, the reorganization of service provision could include:

- 1) Detachment of areas in Town of Colma from Colma Fire Protection District and continued existence of the Colma Fire district to serve the balance of the unincorporated areas. In this scenario, the Town would receive property tax currently collected by the Fire district and the Town would have the discretion to use it to contract with another agency. This would result however in reduction of revenues to Colma Fire District further compromising the District's ability to fund service.
- 2) Dissolution of the District, which would require at a minimum:
 - Either annexation of the unincorporated areas to City of Daly City or transfer of property tax currently collected by Colma Fire District to County of San Mateo and the County would capture this revenue and have discretion contracts for fire protection. The County would also have discretion to continue the paid call fire program based on funding available. In this scenario a county service area would be formed to capture revenues and the laws governing dissolution would transfer real property (station) to the jurisdiction where the property is located. In which case the County could either use it for a continued paid call fire fighter program, sell the property or use it for some other community purpose.
 - Under this scenario, for areas in the Town of Colma property tax from the dissolved fire district would be transferred to the Town of Colma and the Town would have the discretion to contract for fire protection.
- 3) Status Quo or continued existence of the Colma Fire District with paid call fire service would require that the District revisit the special tax and establish a special tax rate that meets on going funding needs. It should also be noted that because the Cortese Knox Hertzberg Act permits annexation of individual or multiple parcels to the City of Daly City, which would require detachment from the

Colma Fire Protection District, the District would be subject to reductions in property tax and parcel tax revenues if individual annexations take place over time. Besides local control over delivery of fire protection and emergency services, an advantage cited to status quo includes having a depth of fire apparatus (3 engines and 1 ladder truck) located at the Colma station compared to surrounding stations with either an engine or a truck at each.

In this discussion, LAFCo acknowledges the history of close ties in the Colma and Broadmoor communities to both the fire and police districts. Past evidence of community support for the districts includes voter approval of the existing special taxes on residential and commercial property. Furthermore, comments at the community meeting in Broadmoor indicated satisfaction with service provided by the Districts and cited the value of having a variety of apparatus at the District's station.

As indicated in Section 5 above, the District acknowledges that continued existence of the CFPD with paid call fire fighters is dependent upon an increase in the special tax. Continued existence with transition to full-time paid fire fighters would require more significant increase in annual tax of the Broadmoor/Colma taxpayers and additional capital funding for a fire station to house fulltime personnel. In this respect, while the advantage to continued existence of the District is maintaining the community's ties to a locally governed fire district, the disadvantage is the disproportionately higher cost to tax payers compared to neighboring jurisdictions²³ and potential fiscal uncertainty because increased special parcel tax and increased appropriations limits are dependent upon future voter approval.

As noted elsewhere, in the case of dissolution, District assets (station and equipment) would be transferred to the successor agency. Continuance of the current paid call system would be dependent upon future resources available and the discretion of the contracting or successor jurisdiction.

²³ Colma Fire District expenditures for 2005-06 without capital improvements were \$148 per capita and Daly City Fire Department's expenditures for 2005-06 including capital outlay were \$117 per capita. Note: Per capita comparison does not account for service demand or cost of service related to non-resident population for retail and visitor serving activities

(8) **Evaluation of management efficiencies.**

This section examines efficiencies of an agency in the context of effectiveness and ability to provide service with resources available.

As noted above, the District has a long history of volunteer based services, which has evolved into paid call fire fighters and per diem paramedic. By necessity the District reduces costs whenever possible, operating on a strict budget/spending plan with all expenses approved by the Chief and budget monitoring on a monthly basis by the Chief, Business Coordinator and Fire Board. The use of paid-call firefighters provides that members are only paid while in service to the community rather than for full shifts. The District notes that there are monthly costs for the employees but considers these manageable. The District actively monitors spending with an effort to achieve additional savings.

As reported in San Mateo County Dispatch Annual Statistics, the District was dispatched to 745 incidents in 2005 and 676 in 2006. The District notes that the station location at 50 Reiner Street in the unincorporated portion of Colma²⁴ places it close to the geographic center of the District service area resulting in very low number of late arrival times to medical calls.²⁵ Nevertheless, while paid call fire fighters may be the most cost-efficient way to provide emergency response, this model does not offer full-time staffing consistent with urban fire protection and emergency services in the County because the fire fighters are not housed at the station for complete shifts. This is not intended as a criticism of the District governance, management or fire personnel, rather identification of challenges and limitations of a paid call staffing model for emergency response in a small, urbanized community. To achieve savings, in addition to organizational change alternatives outlined above the District Board is also permitted to contract with another agency for fire protection which has become a common practice for small fire agencies, particularly those operating with a single station.

²⁴ Other fire stations in the area include Daly City Station 92 at 499 Santa Barbara (1.1 mile and 2 minutes), Daly City Station 94 at 444 Gellert (2.4 miles or 4 minutes), Daly City Station 95 (1.7 miles or 5 minutes), Daly City Station 91 at 151 Lake Merced Blvd. (2.7 miles or 5 minutes), and S.S.F. Station 63 at 33 Arroyo (2.9 miles or 6 minutes) [Distance and travel time per Yahoo Maps is based on distance from stations to Colma Fire Station at 50 Reiner Street. Distance and travel time from these stations to specific areas of Broadmoor or Colma will be shorter.]

²⁵ San Mateo County Fire Chiefs' Association adopted response time is for urban areas is 6.59 minutes.

(9) **Local accountability and governance**

This section examines the degree to which an agency keeps affected residents informed about district services, budget, programs, anticipated changes in service, effectiveness of the district in responding to requests for information and the degree to which the an agency encourages public participation in decision making.

The Colma Fire Protection District is governed by a three-member board, elected by voters in the district. The Board meets on the third Tuesday of the month at 7:00 p.m. at the Colma Fire Protection District at 50 Reiner Street, Colma. The agenda is posted the Friday before the meetings at the Fire Station, the Broadmoor Community Center and the public Notice board at Clark & 'E' Street in Colma. Board meetings are subject to the Ralph M. Brown Act governing public meetings. The Board adopts a budget annual and the budget is available to the public. The District is pursuing a website, which it does not currently have and the District states that as a small community, Board members and the fire chief are accessible to the public.

Recommended Determinations found in Exhibit B at the end of this report

Broadmoor Police Protection District

Broadmoor Police Protection District (BPPD) is an independent district governed by a three-member Board of Police Commissioners elected by voters of the District. The District was formed in 1948 pursuant to Health and Safety Code 20000. BPPD is the last operational police district in the State of California operating under this enabling legislation. District boundaries include unincorporated Broadmoor and unincorporated area adjacent to Colma, totaling .53 square miles. As shown on the map on Page 4, the boundaries are irregular and include non-contiguous areas that resulted as areas were annexed to the City of Daly City over time. The territory includes single-family, multi- and high-density housing and commercial and retail business.

The District operates with a non-sworn dispatcher and nine sworn peace officers, augmented by a staff of 25 part-time volunteer (reserve) peace officers. All of the District's sworn personnel are required to meet the standards set forth by the Commission on California Peace Officer Standards and Training.

(1) Infrastructure needs or deficiencies

Broadmoor Police Protection District (BPPD) owns the District station located at 388 - 88th Street (87th Street Plaza), Daly City just outside District boundaries. The 87th Street Plaza was constructed in 2003 and the District owns 3,088 square feet in this new facility. The District cites no infrastructure needs or deficiencies.

(2) Growth and population projections for the affected area.

The 2000 Census population for Broadmoor Police Protection District is 5,155. Based on the Association of Bay Area Governments (ABAG) "Projections 2005", population in the Daly City sphere of influence is projected to grow by 13% by 2025.

Growth Projections: Association of Bay Area Government (ABAG)
"Projections 2005":

	2000 Census	2025 Projected
Broadmoor	4,243	4,794
Unincorporated Colma ²⁶	912	1,030
Broadmoor Police District	5,155	5,824

As summarized in the table, projected growth for Broadmoor Police Protection District is 669 or approximately 13% by 2025.

(3) **Financing constraints and opportunities**

Broadmoor Police Protection District revenues include a share of general property tax revenue, an annual special tax, court fines and service fees, interest and State of California Supplemental Law Enforcement Grant (SLEF). The District reports that State-mandated contribution to the Educational Revenue Augmentation Fund represents a reduction of approximately \$311,000 for Fiscal Year 2005-2006 and is adjusted annually.

The following table summarizes the District's Budget including revenues available.

General Fund Revenues	2005-2006 Estimated	2006-07 Adopted
Type		
Property Tax	\$1,140,677	\$1,186,304
Special Tax	748,456	778,394
Interagency Revenue	0	0
Charges for Services	21,450	23,000
Other Revenues	270,749	281,578
Total Revenues	2,181,332	\$2,269,276
ERAF	(311,000)	(323,440)
Net Revenues	\$1,870,332	\$1,945,836
Expenditures		
Salary & Benefits	1,415,058	1,472,730
Maintenance & Operations	427,409	445,886
Total Expenditures	\$1,842,467	\$1,918,616²⁷

²⁶ Excludes portion of unincorporated Colma near 'F' Street, not included in Broadmoor Police boundaries. BPPD provides concurrent jurisdiction with BART Police Department at the Colma BART station, maintenance facility, and property owned by BART in that area. This area is entirely within in Broadmoor Police District and also part of the BART Area Specific Plan.

²⁷ As submitted to the County Controller, the district also assumes an appropriation to Reserve of \$77,570.

Other funding sources include: Fund Balance for 2004-05, 2005-06 and 2006-07 was 907,732, 340,939, and 293,645 respectively and reserve of \$0, \$582,477 and \$721,398 respectively.

Assuming a reserve appropriation of \$104,970 in the 2006-07 Fiscal Year Budget as indicated in Footnote 27, absent unanticipated revenues the 2006-07 budget represents a revenue expenditure gap of \$77,751. However, the District reports that because the District has no major infrastructure needs/capital improvement costs, the actual reserve contribution each year is the amount revenues exceed other operations expenditures. In the current fiscal year the estimated reserve amount is \$27,220.

(4) Cost avoidance opportunities

The District reports that services/facilities do not overlap or duplicate services of there agencies and makes no recommendations for cost avoidance. However, as indicated in Footnote 26, the District provides concurrent service on BART lands and based on BART polices, the District is almost always the first responder.

(5) Opportunities for rate restructuring

The District reports that fees charged by the District are minimal and relate to report copy fee, fingerprint, citation certification and vehicle impound fee.

In 2000, Broadmoor Police Protection District voters approved a ballot measure that repealed the existing special tax and approved a new tax that would remain in effect unless repealed by the voters. The measure also authorized the District Board to increase the special tax each year no greater than 5%. Since passage of the new special tax, the Board increased the tax twice by approximately 3% and three times by approximately 4%. The special tax rates approved in 2000 and the current rates are detailed below:

	2000-01	2006-07
Single Family Residence:	\$297.00	\$379.00
Multi-family per assessable unit	\$297.00	\$379.00
Board & Care (Per Bed)	\$249.00	\$316.00
Commercial per parcel	\$645.00	\$828.00
Unimproved Residential per parcel	\$ 99.00	\$123.00

With the District Board authorized to increase the special tax no greater than 5% per year, for 2007-08 fiscal year the maximum increase permitted would be approximately \$38,900. And while there is no estimate available at this time, property tax revenues for the District should also increase.

(6) Opportunities for shared facilities.

The District provides police protection to unincorporated Broadmoor and Colma and makes no recommendation for shared facilities.

(7) Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.

Section 56430 requires discussion of governance alternatives including advantages and disadvantages of reorganization. This discussion does represent a proposal for dissolution or annexation. The sphere of influence of the Broadmoor Police Protection is zero indicating that police service would be provided by the City of Daly City upon annexation of unincorporated areas. As noted above, the Broadmoor Police Protection District has a history of close community ties in the unincorporated Colma and Broadmoor areas and community support is demonstrated by voter approval of the District's special parcel tax. Governance alternatives include status quo, dissolution of the district and annexation to the City of Daly City or dissolution of the district and formation of a county service area to capture property tax revenue and either deliver police service by County Sheriff or through contract with the City of Daly City.

Dissolution and Annexation:

Historically there has not been support from the Broadmoor community for annexation to the City of Daly City. However, the area served by the District is in the sphere of influence of the City of Daly City, surrounded by the City and is eligible for annexation. Because Proposition 13 limits property tax to 1% of assessed value, annexation would not result in increased

property tax and could possibly reduce or eliminate the existing special tax for police service.²⁸ In regard to level of service, it would result in fewer officers serving the territory. Laws governing dissolution stipulate that assets of a dissolved district would be transferred to the successor agency. In regard to process, an organizational change such as dissolution would require application by either the voters or property owners in District boundaries or an affected public agency and would include a protest process and possibly an election.

The Cortese Knox Hertzberg Act permits annexation of individual or multiple parcels to the City of Daly City, which would require detachment from the Broadmoor Police Protection District and result in reduction of property tax and parcel tax revenues to the District.

(8) **Evaluation of management efficiencies.**

The District employs nine sworn peace officers, augmented by 25 part-time volunteer (reserve) peace officers, and one non-sworn clerk-dispatcher. The District comments that although there are no local regulations or standards that drive staffing and management levels, the staffing levels allow the District to provide police services seven days per week, twenty-four hours a day. All sworn personnel are required to meet the minimum standards established by the Commission on California Peace Officer Standards and Training. Broadmoor Police District with a population of 5,155 has nine sworn officers or 1 sworn officer per 572 persons. The City of Daly City with a population of 104,223 has 97 sworn officers or 1 per 1,074 persons.

(9) **Local accountability and governance**

This section examines the degree to which an agency keeps affected residents informed about district services, budget, programs, anticipated changes in service, effectiveness of the district in responding to requests for information and the degree to which the an agency encourages public participation in decision making.

The Broadmoor Police Protection District is governed by a three-member board elected by voters in the district. The Board meets

²⁸ Expenditures for BPPD for 2006/2007 fiscal year are \$477 per capita compared to \$229 per capita for City of Daly City police and \$4,213 for Town of Colma police. Per capita comparison does not account for service demand or cost of service related to non-resident population for retail and visitor serving activities and in this case comparison includes the largest city in the county and the smallest.

on the second Tuesday of the month at 7:00 p.m. at the Broadmoor Police District Office at 388 - 88th Street, Daly City. Agendas are posted before the meetings at the District office, Colma Fire Station and Broadmoor Community Center. Board meetings are subject to the Ralph M. Brown Act governing public meetings. The Board adopts a budget annual and the budget is available to the public. The District's website is www.pd.broadmoor.ca.us.

Also, the Broadmoor Property Owner's Association meetings (third Thursday of the month) offer an additional forum to offer information and solicit feedback from the Community, which BPPD staff members regularly attend. The Property Owners Association also publishes a newsletter (The Grapevine) designed to keep the community informed of local matters.

Recommended determinations in Exhibit C attached to this report.

TOWN OF COLMA

1198 El Camino Real
 Colma, CA 94014

Contact Person: Diane McGrath
 City Manager
 650/997-8300
 650/997-8308/FAX

Date of Incorporation: August 5, 1924

City Council: Five-member town council elected to four-year terms

- a. Membership and Term Expiration Date: Frossanna "Fro" Vallerga, Mayor (11/2008), C.R. "Larry" Formalejo, Vice Mayor (11/2008), Helen Fisicaro (11/2010), Joseph Silva (11/2008), Joanne F. Del Rosario (11/2010)
- b. Compensation: \$655 per month plus benefits
- c. Public Meetings: Second Wednesday of each month at 7:30 pm
 Town Council Chambers
 1198 El Camino Real, Colma

Services Provided: Police protection, recreational services, street maintenance, building inspection, plan check engineering

Area Served: 2 sq. miles

Estimated Population: 1,560 (DOF, 2006)

Contractual Arrangements: Sewage capacity agreement with South San Francisco and the North San Mateo County Sanitation District

Number of Personnel - 45: 26 Police, 4.75 City Manager, 1.75 Finance, 3 Public Works, 9.5 Recreation Dept., 1 City Treasurer, 7 Public Works/Maintenance;

Contract Positions -12.75: 1 City Attorney, 2.5 City Planner, 4 Engineering, 4 Public Works, 1.25 Building

School Districts: Jefferson Elementary School District, Jefferson Union High School District, South San Francisco Unified School District, San Mateo County Community College District

Sphere of Influence: Status quo (boundaries of 1985)

General Fund Revenues	2004-05 Actual	2005-06 Budgeted	2006-07 Proposed
Property Tax & Other Taxes	\$11,911,691	11,255,337	9,798,400
Licenses & Permits	202,668	107,674	196,800
Fines & Forfeitures	157,552	115,021	121,200
Other Agencies	246,123	96,986	91,500
Charges for Services	342,112	345,571	330,300
Interests & Rent	840,657	751,868	696,801
Other Revenues	33,619	349,105	16,100
Total	\$13,734,422	\$13,021,563	\$11,251,101
Operating Expenditures	2004-05	2005-06	2006-07
Salaries	3,780,500	4,069,000	4,311,000
Benefits	2,645,084	2,314,290	2,053,520
Services, Supplies	1,386,700	1,338,300	1,842,474
Contracts	5,875,585	6,854,750	4,054,800
Capital Outlay	236,800	256,000	69,000
Total Expenditures	\$13,924,669	\$14,832,340	\$12,330,794

COLMA FIRE PROTECTION DISTRICT

Date of Formation: April 21, 1937

Enabling Legislation: Section 13800 et seq. Health & Safety Code

Governing Board: Three-member board of directors elected to four-year terms

- a. Membership and Term Expiration Date: Peter Dabai (11/2007),
Janet Fisicaro (11/2009), Gina Sheridan (11/2007)
 - b. Compensation: \$100 per meeting
 - c. Public Meetings: 3rd Tuesday of each month at 7:00 pm
50 Reiner Street, Colma

Services Provided: Fire suppression/prevention, emergency medical

Area Served: 3.2 sq. miles **Estimated Population:** 6,387 (as of 2000)

Contractual Arrangements: Mutual aid agreements within the framework established by the San Mateo County Fire Chiefs Association

Number of Personnel: 36 paid-call

Sphere of Influence: Zero

General Fund Revenues	2004-2005 Actual	2005-2006 Estimated	2006-07 Adopted
Type			
Property Tax	486,050	539,221	503,900
Special Tax	313,649	315,379	310,000
Interest Earned	28,838	31,578	20,000
Miscellaneous (EMS)	16,102	11,678	10,000
Miscellaneous (Fire Prevention)	18,035	12,013	10,000
Other Revenues	17,140	824	1,000
Total Revenues	\$859,742	\$842,321	\$889,697
Other Funding Sources			
Fund Balance Available	656,807	455,876	541,016
Cancellation of Prior Year Reserves	475,940	549,247	426,072
Total Revenue Sources	\$1,992,489	\$1,910,490	\$1,820,988
Expenditures	2004-05 Actual	2005-06	2006-07 Adopted
Salaries & Benefits	598,069	667,901	725,000
Services & Supplies	198,752	227,991	258,000
Fixed Assets	140,544	73,254	175,000
Contingencies	0	(25,744)	30,000
Reserves-Capital Outlay	0	0	100,000
General Reserve	0	0	300,450
Total Expenditures	\$937,365	\$943,402	\$1,588,450

BROADMOOR POLICE PROTECTION DISTRICT

388 Eighty-Eighth Street
Post Office Box 306
Colma, CA 94014

Contact Person: Greg Love, Chief
650-755-3840
650-755-9732

Date of Formation: December 21, 1948

Enabling Legislation: Section 20000 et seq. Health and Safety Code

Governing Board: Three member Board of Police Commissioners elected to three-year terms

a. Membership and Term Expiration Date: J. Wayne Johnson, Chairman (11/2007), Glynis J. Carreira (11/2009), Joseph "Joe" Sheridan (11/2009)

b. Compensation: None

c. Public Meetings: Second Tuesday of each month 7:00 pm
388 88th Street, Daly City

Services Provided: Police protection

Area Served: .55 Sq. miles Estimated Population: 5,155 (as of 2000)

Number of Personnel: 10 total full time (9 officers, one clerk) and 25 Volunteer Reserve Officers

Sphere of Influence: Zero

General Fund Revenues	2005-2006 Estimated	2006-07 Adopted
Type		
Property Tax	\$1,140,677	\$1,186,304
Special Tax	748,456	778,394
Interagency Revenue	0	0
Charges for Services	21,450	23,000
Other Revenues	270,749	281,578
Total Revenues	2,181,332	\$2,269,276
ERAF	(311,000)	(323,440)
Net Revenues	\$1,870,332	\$1,945,836
Expenditures		
Salary & Benefits	1,415,058	1,472,730
Maintenance & Operations	427,409	445,886
Total Expenditures	\$1,842,467	\$1,918,616

Exhibit A

Municipal Service Review
Town of Colma

Determinations pursuant to Government Code Section 56430:

- 1. Regarding infrastructure needs and deficiencies, the Commission determines:**
 - a) The Town of Colma has had until recent years a pay as you go policy for infrastructure improvements and has established policies for financing infrastructure and planning infrastructure balancing Town needs and revenues available.
 - b) A portion of the County governed Colma Lighting District includes lighting infrastructure located wholly within the Town with associated fund balance and property tax revenue. Withdrawal of areas in the Town would result in one-time transfer of a share of District fund balance, ongoing property tax revenues and service responsibility for infrastructure benefiting the Town.
- 2. Regarding growth and population projections for the affected area, the Commission determines:**
 - a) Population growth from the 2000 Census population of 1,187 for Town of Colma as projected by the Association of Bay Area Governments (ABAG Projections 2007) is 1,900 or 60% by 2025. The California Department of Finance population estimate for January 2006 for Town of Colma is 1,575.
 - b) Service demands of non-resident population drawn by retail, commercial and cemetery activities in Town boundaries and surrounding areas will continue to place additional service demands on the Town.
- 3. Regarding financing constraints and opportunities and opportunities for rate restructuring, the Commission determines:**
 - a) As a "low property tax city", the Town's relies heavily on sales tax and card room tax, which represent 68% and 17% of Town revenues, respectively.
 - b) Opportunities exist for the Town to restructure rates to better recover the cost of services such as park and recreation and sewer, which are currently provided at a subsidized rate to Town residents.
- 4. Regarding cost avoidance opportunities and shared resources, the Commission determines:**
 - a) The Town of Colma uses contract positions as a cost saving measure in that contract positions result in the Town being

billed only for actual hours rather than funding full-time salaried positions and associated overhead costs.

- b) An additional opportunity for cost avoidance exists in the practice of subsidizing basic cable for Town residents.
- 5. **Regarding opportunities for rate restructuring, (see #3 above)**
- 6. **Regarding opportunities for shared facilities (See #4 above)**
- 7. **In regard to government structure options, including the advantages and disadvantages of consolidation or reorganization of service providers, the Commission determines:**
 - a) The Town's status as a well established and fiscally viable city incorporated in 1924 providing for a variety of municipal services does not provide basis for discussion of governance alternatives.
- 8. **Regarding evaluation of management efficiencies, the Commission determines:**
 - a) The Town provides services to resident and non resident population with a combination of paid personnel and contract services which allows the Town to adjust service levels based on resources available and service needs.
- 9. **Regarding local accountability and governance, the Commission determines:**
 - a) The Town is governed by a five-member locally elected council, and the Board meets on the second Wednesday of the month at 7:30 p.m. at the Town Council Chambers at 1198 El Camino Real, Colma.
 - b) The agenda is distributed to a list of subscribers that include residents, members of the press and interested parties. The agenda is also posted at three official bulletin boards, which include Town Hall, Clarke Street and Sterling Park Recreation Center. The Town produces a monthly newsletter which is distributed to residents and businesses and the Town maintains a website.
 - c) The budget is not on the website but is available as part of the budget process and upon request. A one-page summary of the budget is also available.
 - d) Council meetings are subject to the Ralph M. Brown Act governing public meetings.
 - e) The Town maintains a website which is www.colma.ca.gov

Exhibit B
Recommended Determinations

Municipal Service Review
Colma Fire Protection District

Determinations pursuant to Government Code Section 56430:

1. **Regarding infrastructure needs and deficiencies, the Commission determines:**
 - a) Colma Fire Protection District owns a station constructed in 1950, an adjacent parcel and accessory structures. The station requires seismic upgrades and is too small for current District operations or to house 24-hour shifts. Funds are not available for seismic work or station replacement.
2. **Regarding growth and population projections for the affected area, the Commission determines:**
 - a) Census 2000 population for Colma Fire Protection District is 6,387
 - b) Projected growth for current Colma Fire Protection District is 1,388 or 22% by 2025.
 - c) Service demands of non-resident population drawn by retail, commercial and cemetery activities in District boundaries will continue to present unique burdens and challenges to emergency services.
3. **Regarding financing constraints and opportunities and opportunities for rate restructuring, the Commission determines:**
 - a) As a District formed in 1937 to provide volunteer fire protection, the District has evolved into a paid-call fire district with per diem paramedic operating in a highly urbanized area and funded with a low level of property tax and special tax revenues.
 - b) The District's ability to raise revenues is dependent upon voter support of a special tax to establish an appropriate funding level for emergency services.
 - c) The 2006-07 Fiscal Year Budget represents a revenue expenditure gap ranging from \$300,000 without appropriation for reserve and capital outlay to \$700,000 with appropriation for reserve and capital outlay, indicating a need for significant adjustment of the District's voter approved special tax to maintain the current level of paid call fire fighter and per diem paramedic service.

- d) District conversion to a full-time paid fire/paramedic operation, would require significant capital expenditure estimated at up to \$4,000,000 for station construction and on-going annual appropriations of over \$1.5 million for personnel costs alone compared to current annual revenues of approximately \$900,000.
- 4. **Regarding cost avoidance opportunities and shared resources, the Commission determines:**
 - a) The Colma Fire District shares the breathing support unit housed at South San Francisco Fire Department Station 61 and is part of the County Dispatch System.
 - b) The District shares boundaries with the Cities of Daly City and South San Francisco with stations in proximity to Colma Fire District service area which present opportunities for cost avoidance if the District Board determines that adequate revenues are not available to serve the area
- 5. **Regarding opportunities for rate restructuring, (see #3 above)**
- 6. **Regarding opportunities for shared facilities (See #4 above)**
- 7. **In regard to government structure options, including the advantages and disadvantages of consolidation or reorganization of service providers, the Commission determines that governance alternatives include:**
 - a) Detachment of areas in Town of Colma from Colma Fire Protection District with the option of contracting with another fire agency and continued existence of the Colma Fire district to serve the balance of the unincorporated areas. This would result in reduction of revenues to Colma Fire District further compromising the District's ability to fund service.
 - b) Dissolution of the District, which would require at a minimum: annexation of the unincorporated areas to City of Daly City or transfer of property tax currently collected by Colma Fire District to County of San Mateo and Town of Colma could contract with appropriate fire agency.
 - c) Status Quo or continued existence of the Colma Fire District with paid call fire service, which would be dependent upon either a voter approved special tax and establish a special tax that adequately funds fire and emergency service or contract for service or both to arrive at service and funding level to meet the needs of the service area.

- 8. Regarding evaluation of management efficiencies, the Commission determines:**
 - a) While the District's staffing model of paid call fire fighters and per diem paramedic is based on a long history of volunteerism, it does not offer full-time staffing consistent with standards for urban fire protection and emergency services in San Mateo County because the fire fighters are not located at the station for complete shifts but report to the station when a call is dispatched.
 - b) Efficiencies consistent with urban service level standards can be examined by the District including contracting for service or a component of service with neighboring emergency service providers.
- 9. Regarding local accountability and governance, the Commission determines:**
 - a) The Colma Fire Protection District is governed by a three-member locally elected board, and the Board meets on the third Tuesday of the month at 7:00 p.m. at the Colma Fire Protection District at 50 Reiner Street, Colma.
 - b) The agenda is posted the Friday before the meetings at the Fire Station, the Broadmoor Community Center and the public Notice board at Clark & 'E' Street in Colma. Board meetings are subject to the Ralph M. Brown Act governing public meetings.
 - c) The Board adopts a budget annual and the budget is available to the public.

Exhibit C

Municipal Service Review **Broadmoor Police Protection District**

Determinations pursuant to Government Code Section 56430:

- 1. Regarding infrastructure needs and deficiencies, the Commission determines:**
 - a) Broadmoor Police Protection District owns a newly constructed station and has no significant infrastructure needs or deficiencies.
- 2. Regarding growth and population projections for the affected area, the Commission determines:**
 - a) Census 2000 population for Broadmoor Police District is 5,155
 - b) Projected growth for Broadmoor Police District Protection District as projected by Association of Bay Area Governments (ABAG) Projections 2007 is 669 or 13% by 2025.
 - c) Based on the current officer per 1000 of population staffing levels, the District's staffing level allows it to meet added service demands.
- 3. Regarding financing constraints and opportunities and opportunities for rate restructuring, the Commission determines:**
 - a) As a non-enterprise district, Broadmoor Police Protection District's primary revenue sources are property tax and a special tax.
 - b) The voter authorization for the Board to increase the special tax up to 5% per year is an on-going opportunity to match revenues to expenditures.
- 4. Regarding cost avoidance opportunities and shared facilities, the Commission determines:**
 - a) The District cites no opportunities for shared facilities.
- 5. Regarding opportunities for rate restructuring, (see #3 above)**
- 6. Regarding opportunities for shared facilities (See #4 above)**
- 7. In regard to government structure options, including the advantages and disadvantages of consolidation or**

reorganization of service providers, the Commission determines Governance alternatives as outlined in the foregoing report include:

- a) Status quo
 - b) Dissolution of the district and annexation to the City of Daly City or dissolution of the district and formation of a county service area to capture property tax revenue and either deliver police service by County Sheriff or through contract with the City of Daly City
- 8. Regarding evaluation of management efficiencies, the Commission determines:**

The District employs nine sworn peace officers, augmented by 25 part-time volunteer (reserve) peace officers, and one non-sworn clerk-dispatcher or 1 sworn officer per 572 persons. With a significantly higher staffing ratio than most urban police agencies, this affords the district the opportunity to adjust staff level downward in future based on resources.

- 9. Regarding local accountability and governance, the Commission determines:**
- a) The Broadmoor Police Protection District is governed by a three-member locally elected board, that meets on the second Tuesday of the month at 7:00 p.m. at the Broadmoor Police Protection District at 388 88th Street, Broadmoor.
 - b) Agendas are posted before the meetings at the District office, Colma Fire Station and Broadmoor Community Center. Board meetings are subject to the Ralph M. Brown Act governing public meetings.
 - c) The Board adopts a budget annual and the budget is available to the public.
 - d) Broadmoor Police Protection District staff members regularly attend the Broadmoor Property Owner's Association meetings, which offer an additional forum to offer information and solicit feedback from the Community.
 - e) The District's website is www.pd.broadmoor.ca.us.



Fire Department

March 6, 2007

Martha Poyatos
Executive Officer
San Mateo LAFCo
455 County Center
Redwood City, CA 94063

Dear Ms. Poyatos,

The purpose of this letter is to comment on the Municipal Service Review for the Town of Colma, Colma Fire Protection District and Broadmoor Police Protection District draft report that was distributed on February 15, 2007 by your office. Specifically, I would like to comment about the section titled "**“Colma Fire Protection District”**" beginning on Page 12.

As the Fire Chief of the South San Francisco Fire Department I consider the Colma Fire Protection District an important and equal partner in the provision of fire, EMS and rescue services in North San Mateo County. On numerous occasions our citizens and businesses have directly benefited from their prompt and efficient response to major emergencies that have taxed our resources.

I would also like to comment about the section of the report on Page 17 titled "**“Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers”**".

The South San Francisco Fire Department supports the maintenance of the status quo or continued existence of the District until such time the funds become available for it to become a full-time, paid fire department. The District has been providing excellent service to the communities of Colma and Broadmoor for over 70 years and is capable of continuing to do so for the foreseeable future until this becomes possible.

If at some future date the District becomes interested in entering into discussions about shared services, contracting out, or other means to improve both of our organization's operating efficiencies, the South San Francisco Fire Department is always ready and willing to participate.

In closing, I would like to take this opportunity to thank the Colma Fire Protection District for their past assistance and hope that they will be able to find the means to become a full time, paid fire department. Thank you in advance for this opportunity to comment on your report.

Respectfully Submitted,



Philip D. White
Fire Chief

pdw

c: Geoff Balton
Fire Chief, Colma Fire Protection District



TOWN OF COLMA

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City Council June 1, 2005

Philip J. Lum, Jr.
Mayor

Helen Fisicaro
Vice Mayor

Joseph Silva
Council Member

Frossanna "Fro" Vallerga
Council Member

Claro "Larry" R. Formalejo
Council Member

City Officials

Diane McGrath
City Manager

Robert L. Lotti
Chief of Police

Rae P. Gonzalez
City Treasurer

Roger Peters
City Attorney

Richard Mao
City Engineer

Malcolm Carpenter
City Planner

Brian Dossey
Recreation Manager

Geoffrey Balton
Fire Chief

Mark Church
Chairman
Board of Directors
San Mateo County Transportation Authority
1250 San Carlos Avenue
P.O. Box 3006
San Carlos, CA 94070-1306

Re: Request for Reimbursement of 3.7 million dollars of Junipero Serra Blvd. Reconstruction Project Costs

Dear Mr. Church,

The Town of Colma understands that the Measure "A" half-cent sales tax was reauthorized in November of 2004 by voters in San Mateo County to extend the Measure for another 25 years, and the projected revenue will start to flow in 2008. The Junipero Serra Boulevard (JSB) reconstruction project was included in the supplemental project category and is slated for consideration for funding after the new program starts.

Due to pavement failure and the poor condition of the road, the Town has determined that the JSB project cannot be postponed because it poses a traffic hazard to the general public. The project includes:

- Pavement reconstruction and rehabilitation;
- The addition of a new sidewalk and related pedestrian access improvements;
- A bicycle lane;
- Drainage improvements;
- New landscaped median;
- Streetlights; and
- Bus stop enhancements.

The JSB project will be implemented in two phases. Phase I starts at the border of South San Francisco and the Town, and ends at Serramonte

Boulevard. Phase II covers the remainder of JSB from Serramonte Boulevard to the border of the Town and Daly City.

The total cost of the project is 6.9 million dollars for both phases. The Town completed JSB Phase I in January 2005 for a total cost of 1.7 million dollars. The estimated cost of JSB Phase II is 5.2 million dollars and is substantially over the Town's budgeted amount.

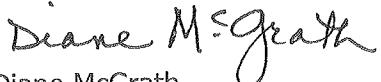
On February 9, 2005 the City Council of the Town of Colma approved the second phase of the JSB reconstruction plan and directed staff to inquire with the Transportation Authority regarding potential funding assistance.

On February 14, 2005 I sent a letter to Joe Hurley, Program Manager, San Mateo Transportation Authority, requesting the San Mateo County Transportation Authority consider funding 3.7 million dollars towards the JSB reconstruction project through the new Measure "A" tax funds, by reimbursing the Town of Colma when the money becomes available in 2008. At our May 24, 2005 meeting I brought a number of issues to his attention including:

- The half-cent sales tax contribution from the Town of Colma is approximately 4.5 million dollars annually;
- No projects have been constructed using existing Measure "A" money in the vicinity of the Town;
- By choosing to reimburse the Town of Colma for the JSB Phase II project when funds become available in 2008, the San Mateo County Transportation Authority will be funding the JSB Phase II project at the cheaper, 2005 construction cost;
- Junipero Serra Boulevard is a major arterial road parallel to the 280 freeway, and designated as a MTS system which functions as an alternate when the 280 freeway is blocked;
- The JSB Phase II project enhances multi-modal access to the Colma BART station by providing a bicycle lane, a sidewalk, and bus stop improvements;
- Junipero Serra Boulevard services a number of businesses which generate sales tax revenue that support the Measure "A" program. Improving access to these businesses will help generate additional funding for the program by potentially increasing their sales;
- Using Measure "A" funding to reimburse the Town 3.7 million dollars of the JSB Phase II construction costs leverages available funding for this project and enables the Town to complete all aspects of this project; and
- The Town is unable to wait until the new Measure "A" funding cycle is available because Junipero Serra Boulevard is rapidly disintegrating.

On behalf of the Town of Colma, I'm asking the San Mateo County Transportation Authority to consider, at the next available meeting, our request to reimburse the JSB Phase II construction costs when the new Measure "A" funding cycle becomes available in 2008.

Sincerely,



Diane McGrath
City Manager

Cc: Joe Hurley, Director, San Mateo Transportation Authority Program
Philip J. Lum, Jr., Mayor
Helen Fisicaro, Vice Mayor
Joseph Silva, City Council Member
Frossanna "Fro" Vallerga, City Council Member
Claro "Larry" R. Formalejo, City Council Member
Rick Mao, City Engineer