



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

NOTICE OF REGULAR MEETING AND AGENDA **Marin Local Agency Formation Commission**

June 11, 2026, ▪ 6:30 PM

Marin Wildfire Prevention Authority Meeting Room | Suite 335 | 1600 Los Gamos Dr., San Rafael, CA (enter through Main Lobby “A” facing the freeway.)

PUBLIC ACCESS AND PUBLIC COMMENT INSTRUCTIONS FOR HYBRID ATTENDEES

The public may attend in person or, as a courtesy and if technology allows, via teleconference. LAFCo cannot guarantee uninterrupted access, and the meeting will proceed despite technical issues unless required by the Brown Act. Watch the live meeting on Zoom at <https://us02web.zoom.us/j/89889719068> or listen by calling +1 669 444 9171 with Meeting ID 898 8971 9068#. Alternatively, the public may listen in to the meeting by dialing +1 669 444 9171 and entering **Meeting ID 898 8971 9068#** when prompted.

SPOKEN PUBLIC COMMENTS FOR HYBRID ATTENDEES:

Spoken comments will be accepted through the teleconference meeting. To address the Commission, click on the link <https://us02web.zoom.us/j/89889719068> to access the Zoom-based meeting.

1. Please enter your name and email; your name will be visible online and used to notify you when it's your turn to speak.
2. When your item is called, click the “raise hand” icon; you'll be notified shortly before speaking.
3. Speakers are limited to 3 minutes when called.

CALL TO ORDER BY CHAIR

ROLL CALL BY CLERK

AGENDA REVIEW

The Chair or designee will consider any requests to remove or rearrange items by members.

PUBLIC OPEN TIME

This portion of the meeting is reserved for persons desiring to address the Commission on any matter not on the agenda. All statements that require a response will be referred to staff for reply in writing or will be placed on the Commission's agenda for consideration at a later meeting.

CONSENT CALENDAR ITEMS (discussion and possible action)

All items calendared as consent are considered ministerial or non-substantive and subject to a single motion approval. The Chair or designee will also consider requests from the Commission to pull an item for discussion.

1. Approval of Minutes for April 9, 2026, Regular Meeting
2. Commission Ratification of Payments from April 1, 2026, to May 31, 2026
3. Review and File Fiscal Year 2025-2026 GASB 75 Report
4. Approval of Legislative Committee Recommendations Related to CALAFCO Legislation

PUBLIC HEARING

5. Approval of the Novato Area Municipal Service Review and Sphere of Influence Update
 - a. Approval of the Workplan from Report;
 - b. Adopt Resolution 26-02 Approving the Novato Area Municipal Service Review and Sphere of Influence Study and Written Statement of Determinations and Finding it Exempt from CEQA pursuant to State CEQA Guidelines Section 15306, Class 6;
 - c. Adopt Resolution 26-03 Amending the Sphere of Influence of the City of Novato and Making Written Determinations and Finding it Exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3);

- d. Adopt Resolution 26-04 Amending the Sphere of Influence of the Novato Sanitary District and Making Written Determinations and Finding it Exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3);
- e. Adopt Resolution 26-05 Reaffirming the Sphere of Influence of the Novato Fire Protection District and Making Written Determinations and Finding it Exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3).
- f. Adopt Resolution 26-06 Reaffirming the Sphere of Influence of the Bel Marin Keys Community Services District and Making Written Determinations and Finding it Exempt from CEQA pursuant to State CEQA Guidelines Section 15061(b)(3).
6. Receive Report on AB 2561 Discussion on Status of Employee Vacancies, Recruitment and Retention Efforts
7. Adoption of Final Operating Draft Budget for Fiscal Year 2026-2027

BUSINESS ITEMS (discussion and possible action)

Business Items involve administrative, budgetary, legislative, or personnel matters and may or may not be subject to public hearings.

8. Election of Chair and Vice Chair
9. Review and Discussion of the Draft Marin County Fire Services Special Study
10. Update and Discussion on CALAFCO Related Matters, Including Marin LAFCo Membership with CALAFCO for FY 26-27
11. Consideration and Approval of Third Amendment to Employment Agreement with Executive Officer

EXECUTIVE OFFICER REPORT

- a) Budget Update FY 2025-2026
- b) Current and Pending Proposals
- c) Marin LAFCo Workplan
- d) Correspondence

COMMISSIONER ANNOUNCEMENTS AND REQUESTS

ADJOURNMENT TO THE NEXT MEETING

August 13, 2026, at 6:30 P.M. | Marin Wildfire Prevention Authority

Attest: Claire Devereux
 Clerk/Jr. Policy Analyst

Any writings or documents pertaining to an open session item provided to a majority of the Commission less than 72 hours prior to a regular meeting shall be made available for public inspection at the Marin LAFCo Administrative Office, 1401 Los Gatos Drive, Suite 220, San Rafael, CA 94903, during normal business hours.

Pursuant to GC Section 84308, if you wish to participate in the above proceedings, you or your agent are prohibited from making a campaign contribution of \$500 or more to any Commissioner. This prohibition begins on the date you begin to actively support or oppose an application before LAFCo and continues until 3 months after a final decision is rendered by LAFCo. If you or your agent have made a contribution of \$500 or more to any Commissioner during the 12 months

preceding the decision, in the proceeding that Commissioner must disqualify himself or herself from the decision. However, disqualification is not required if the Commissioner returns that campaign contribution within 30 days of learning both about the contribution and the fact that you are a participant in the proceedings. Separately, any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet for a meeting upon request. Any person with a disability covered under the ADA may also request disability-related modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting. Please contact the LAFCo office at least three (3) working days prior to the meeting for any requested arrangements or accommodations.

Marin LAFCo

Administrative Office
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903

T: 415-448-5877
E: staff@marinlafco.org
W: marinlafco.org



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Item No. 1 (Consent Item)

TO: Local Agency Formation Commission

FROM: Claire Devereux, Clerk/Junior Analyst

SUBJECT: Approval of Minutes for April 9th, 2026, Regular Meeting

Background

The Ralph M. Brown Act was enacted by the State Legislature in 1953 and establishes standards and processes therein for the public to attend and participate in meetings of local government bodies and those local legislative bodies created by State law, the latter category applying to LAFCOs.

Discussion

The action minutes for the April 9th regular meeting accurately reflect the Commission's actions as recorded by staff. A video recording of the meeting is also available online for viewing at <https://www.marinlafco.org/meetings>

Staff Recommendation for Action

1. Staff recommendation – Approve the draft minutes prepared for the April 9th, 2026, meeting with any desired corrections or clarifications.
2. Alternative option – Continue consideration of the item at the next regular meeting and provide direction to staff, as needed.

Procedures for Consideration

This item has been placed on the agenda as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Attachment:

- 1) Draft Minutes for April 9th 2026



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

DRAFT

NOTICE OF REGULAR MEETING MINUTES

Marin Local Agency Formation Commission

Thursday, April 9th, 2026

CALL TO ORDER

Chair Coler called the meeting to order at 6:35 P.M.

ROLL CALL BY COMMISSION CLERK

Roll was taken, and a quorum was met. The following were in attendance:

Commissioners Present: Barbara Coler
Dennis Rodoni
Steve Burdo (Attending remotely under Gov. Code §54953.8.3(c)(5) for another agency)
Lew Kiou
Eric Lucan
Larry Chu
Craig Murray

Alternate Commissioners Present: Roger Smith
Cathryn Hilliard

Marin LAFCo Staff Present: Jason Fried, Executive Officer
Jeren Batchelder-Seibel, Deputy Executive Officer
Claire Devereux, Clerk/Jr. Policy Analyst

Marin LAFCo Counsel Present: Malathy Subramanian
Alternate Members Absent: Stephanie Moulton-Peters
Rachel Farac

AGENDA REVIEW

Chair Coler opened public comment. Seeing that no one wished to speak, the public comment was closed.

PUBLIC OPEN TIME

Chair Coler opened the public open time. Seeing no one wishing to speak, the public open time was closed.

CONSENT CALENDAR ITEMS (discussion and possible action)

1. Approval of Minutes for February 12, 2026, Regular Meeting
2. Commission Ratification of Payments from February 1, 2025, to March 31, 2026
3. Accept and File Marin LAFCo Audit for Fiscal Year 2024-2025 Audit and Authorize Audit for Fiscal Year 2025-2026

Approved: M/S by Commissioners Rodoni and Murray to approve the consent calendar.

Ayes: Commissioners Burdo, Lucan, Chu, Coler, Rodoni, Kiou, and Murray

Nays:

Abstain:

Absent:

Motion: Approved unanimously

PUBLIC HEARING

1. Presentation of the Novato Region Municipal Service Review and Sphere of Influence Update Public Draft. This is a hearing for the commission to review and make recommendations. (The hearing will be continued to the next meeting.)

DEO Seibel presented on the MSR
Commissioner Kious asked if Novato Fire would object to the recommendation.

DEO Seibel stated that he cannot speak for the board of Novato Fire, however, Marinwood has expressed interest, and Novato Fire has the capacity to serve.

Commissioner Lucan inquired about recommendation number 4, updating the SOI of the City of Novato.

DEO Seibel said that the SOI will be aligned to match the urban growth boundary and jurisdictional boundaries of the city of Novato.

Vice Chair Rodoni asked if the recommendation for Marinwood and San Rafael Fire would still remain.

DEO Seibel said yes.

Chair Coler said discussions with San Rafael Fire did not indicate much support for consolidation of departments.

Chair Coler continued the public hearing to the next meeting.

Approved: M/S by Commissioners Murray and Chu to continue the hearing to the June meeting

Ayes: Commissioners Burdo, Lucan, Chu, Coler, Rodoni, Kious, and Murray

Nays:

Abstain:

Absent:

Motion: Approved unanimously

2. Adoption of Proposed Operating Draft Budget for Fiscal Year 2026-2027

EO Fried reported on the Draft Budget

Vice-Chair Rodoni thanked staff and made a reminder that many agencies have tight budgets and to remain mindful.

Chair Coler asked what the county COLA is

Vice-Chair Rodoni stated it is 4%

Commissioners agreed to change COLA from 3% to 4% to match the county.

Chair Coler asked what the current reserve policy is

EO Fried stated that 25% of total expenditures. This year, we are 100% fully funded.

Chair Coler opened the public hearing. Seeing no one wishing to speak, the public hearing was closed.

Approved: M/S by Commissioners Lucan and Burdo to approve the Draft Budget with a 4% COLA.

Ayes: Commissioners Burdo, Lucan, Chu, Coler, Rodoni, Kious, and Murray

Nays:

Abstain:

Absent:

Motion: Approved unanimously

BUSINESS ITEMS (discussion and possible action)

Business Items involve administrative, budgetary, legislative, or personnel matters and may or may not be subject to public hearings.

1. Update and Discussion on CALAFCO Related Matters including Marin LAFCo Membership with CALAFCO

EO Fried gave the staff report.

Chair Coler stated that the item she requested to be put on the CALAFCO agenda was not done. Continuing on that, EO Fried provides value to CALAFCO and to wait till June to make the decision.

Commissioner Chu asked staff/commission to think about whether they are providing enough benefit with the uncertainty of not knowing what the dues structure will be.

Vice-Chair Rodoni stated he is fine with waiting till June and what the cost of not being a member in terms of conferences and other paid CALAFCO services.

EO Fried stated that he will do the analysis.

EXECUTIVE OFFICER REPORT

a) Budget Update FY 2025-2026

The agency remains under budget overall, though some line items may require adjustments.

b) Current and Pending Proposals

No pending proposals at this time

c) Marin LAFCo Workplan

EO Fried presented the staff report

d) Request From Budget Committee to Discuss Whether to Have Formal Performance Evaluation of Legal Services

The Commission discussed whether to conduct a review or pursue a future RFP process for legal services. Commissioners generally agreed that current legal counsel's performance has been satisfactory and noted the value of specialized LAFCo expertise, competitive rates, and existing cost-saving measures such as remote attendance.

Several Commissioners emphasized the importance of transparency, fiscal prudence, and periodically evaluating service arrangements as part of the Commission's fiduciary responsibilities.

Discussion clarified that the agenda item was focused on whether to conduct a review, not an RFP process. Consensus generally supported not pursuing a formal performance evaluation at this time, while expressing openness to revisiting legal service options or a potential RFP discussion at a future meeting

COMMISSIONER ANNOUNCEMENTS AND REQUESTS

Chair Coler opened announcements and requests.

Chair Coler adjourned the meeting at 8:30

CLOSED SESSION

Public Employee Performance Evaluation (Gov. Code 54957)

Title: Executive Officer

Conference with Labor Negotiators (Gov. Code 54957.6)

Agency Designated Representative: Chair Coler and Vice Chair Rodoni

Unrepresented Employee: Jason Fried, Executive Officer

Chair Coler moved the Commission to closed session. Upon returning to open session, Chair Coler stated there was nothing to report from closed session.

ADJOURNMENT TO NEXT MEETING

June 11th, 2026, at 6:30 P.M. | Marin Wildfire Prevention Authority

Attest: Claire Devereux
Clerk/Jr. Policy Analyst



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11, 2026

Item No. 2 (Consent Item)

TO: Local Agency Formation Commission

FROM: Jason Fried, Executive Officer

SUBJECT: Commission Ratification of Payments from April 1, 2026, to May 31, 2026

Background

Marin LAFCo adopted a Policy Handbook delegating the Executive Officer to make purchases and related procurements necessary to oversee the agency's day-to-day business. The Policy Handbook also directs that all payments made by the Executive Officer be reconciled by LAFCo's contracted bookkeeper. Additionally, all payments will be reported to the Commission at the next Commission meeting for formal ratification.

The following item is presented for the Commission to consider the ratification of all payments made by the Executive Officer from April 1, 2026, to May 31, 2026, totaling \$100,244.24. The payments are detailed in the attachment.

Staff Recommendation for Action

1. Staff Recommendation—Ratify the payments made by the Executive Officer between April 1, 2026, and May 31, 2026, as shown in the attachment.
2. Alternate Option - Continue consideration of the item at the next regular meeting and provide directions to staff as needed.

Procedures for Consideration

This item has been placed on the agenda as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Attachment:

- 1) Payments from April 1, 2026, to May 31, 2026

Marin Local Agency Formation Commission

Expense Detail

April 1-May 31, 2026

TRANSACTION DATE	TRANSACTION TYPE	NUM	NAME	DESCRIPTION	AMOUNT
Services and Supplies					
05 Commissioner Per Diems					
04/15/2026	Check	21269	KIOUS, LEWIS		250.00
04/15/2026	Check	21270	CHU, LAURENCE		125.00
04/15/2026	Check	21271	Hilliard, Cathryn		125.00
04/15/2026	Check	21272	SMITH, ROGER		125.00
04/15/2026	Check	21273	LUCAN, ERIC		125.00
04/15/2026	Check	21274	RODONI, DENNIS JAMES		250.00
04/15/2026	Check	21275	MURRAY, CRAIG K		250.00
04/15/2026	Check	21276	COLER, BARBARA		125.00
04/22/2026	Check	21279	BURDO, STEVE		250.00
Total for 05 Commissioner Per Diems					\$1,625.00
10 Conferences					
05/19/2026	Expense		CARDMEMBER SERVICES	pismo beach restaurant	23.49
05/19/2026	Expense		CARDMEMBER SERVICES	pismo beach restaurant	24.80
05/19/2026	Expense		CARDMEMBER SERVICES	pismo beach lodging	1,256.55
Total for 10 Conferences					\$1,304.84
20 IT & Communications Services					
04/19/2026	Expense		CARDMEMBER SERVICES	quickbooks	19.00
04/19/2026	Expense		CARDMEMBER SERVICES	adobe	71.97
04/19/2026	Expense		CARDMEMBER SERVICES	getstreamline	220.00
04/19/2026	Expense		CARDMEMBER SERVICES	zoom	15.99
04/19/2026	Expense		CARDMEMBER SERVICES	comcast	160.48
04/19/2026	Expense		CARDMEMBER SERVICES	verizon	106.97
05/19/2026	Expense		CARDMEMBER SERVICES	quickbooks	38.00
05/19/2026	Expense		CARDMEMBER SERVICES	adobe	71.97
05/19/2026	Expense		CARDMEMBER SERVICES	getstreamline	220.00
05/19/2026	Expense		CARDMEMBER SERVICES	zoom	15.99
05/19/2026	Expense		CARDMEMBER SERVICES	comcast	160.48
05/19/2026	Expense		CARDMEMBER SERVICES	verizon	106.91
05/19/2026	Expense		CARDMEMBER SERVICES	marin mactech	746.00
05/19/2026	Expense		CARDMEMBER SERVICES	marin mactech	295.80
Total for 20 IT & Communications Services					\$2,249.56
25 Legal Services					
04/19/2026	Expense		CARDMEMBER SERVICES	best best & kriegler	1,130.50
05/19/2026	Expense		CARDMEMBER SERVICES	best best & kriegler	2,584.45
Total for 25 Legal Services					\$3,714.95
35 Misc Services					
04/10/2026	Check	eft	PAYCHEX		92.30
04/15/2026	Check	21278	MCCMC		25.00
04/19/2026	Expense		CARDMEMBER SERVICES	marin ij	30.12
04/24/2026	Check	eft	PAYCHEX		92.30

Marin Local Agency Formation Commission

Expense Detail

April 1-May 31, 2026

TRANSACTION DATE	TRANSACTION TYPE	NUM	NAME	DESCRIPTION	AMOUNT
05/08/2026	Check	eft	PAYCHEX		92.30
05/19/2026	Expense		CARDMEMBER SERVICES	marin ij	30.12
05/19/2026	Expense		CARDMEMBER SERVICES	marin ij	30.12
05/22/2026	Check	eft	PAYCHEX		92.30
Total for 35 Misc Services					\$484.56
45 Office Lease/Rent					
04/28/2026	Check	21281	Richard Tremante		3,197.00
Total for 45 Office Lease/Rent					\$3,197.00
50 Office Supplies & Postage					
04/19/2026	Expense		CARDMEMBER SERVICES	costco	12.99
04/19/2026	Expense		CARDMEMBER SERVICES	dine in marin	63.82
05/19/2026	Expense		CARDMEMBER SERVICES	primo water	65.96
Total for 50 Office Supplies & Postage					\$142.77
55 Professional Services					
05/12/2026	Check	21283	SCHIFFMANN, ALYSSA		1,161.83
05/27/2026	Check	10066	MacLeod Watts, Inc		4,775.00
Total for 55 Professional Services					\$5,936.83
60 Publications/Notices					
04/15/2026	Check	21277	MARIN INDEPENDENT JOURNAL		90.71
Total for 60 Publications/Notices					\$90.71
70 Training					
05/19/2026	Expense		CARDMEMBER SERVICES	coursera	49.00
Total for 70 Training					\$49.00
Total for Services and Supplies with sub-accounts					\$18,795.22
Salary and Benefit Costs					
100 Salaries					
105 Sal - Regular Staff					
04/10/2026	Check	eft	PAYROLL		15,744.13
04/24/2026	Check	eft	PAYROLL		15,744.13
05/08/2026	Check	eft	PAYROLL		15,744.13
05/22/2026	Check	eft	PAYROLL		15,744.13
Total for 105 Sal - Regular Staff					\$62,976.52
110 Payroll Tax					
111 Medicare Tax					
04/10/2026	Check	eft	PAYROLL TAXES		234.00
04/24/2026	Check	eft	PAYROLL TAXES		228.93
05/08/2026	Check	eft	PAYROLL TAXES		234.00
05/22/2026	Check	eft	PAYROLL TAXES		228.93
Total for 111 Medicare Tax					\$925.86
Total for 110 Payroll Tax with sub-accounts					\$925.86
Total for 100 Salaries with sub-accounts					\$63,902.38

Marin Local Agency Formation Commission

Expense Detail

April 1-May 31, 2026

TRANSACTION DATE	TRANSACTION TYPE	NUM	NAME	DESCRIPTION	AMOUNT
120 County of Marin - Group Health					
121 Life Insurance					
04/13/2026	Check	eft	The Hartford		72.10
04/30/2026	Check	eft	The Hartford		72.10
Total for 121 Life Insurance					\$144.20
122 Dental Insurance					
04/10/2026	Check	eft	Delta Dental of California		72.63
04/22/2026	Check	eft	Delta Dental of California		72.63
05/13/2026	Check	eft	Delta Dental of California		72.63
05/28/2026	Expense	eft	Delta Dental of California		72.63
Total for 122 Dental Insurance					\$290.52
123 Vision Service Plan					
04/10/2026	Check	eft	VSP		4.88
05/06/2026	Check	eft	VSP		4.88
Total for 123 Vision Service Plan					\$9.76
124 Auto Allowance					
04/10/2026	Check	eft	PAYROLL		350.00
04/24/2026	Check	eft	PAYROLL		0.00
05/08/2026	Check	eft	PAYROLL		350.00
05/22/2026	Check	eft	PAYROLL		0.00
Total for 124 Auto Allowance					\$700.00
126 Health Insurance					
04/10/2026	Check	eft	Kaiser Foundation Health Plan		1,073.54
04/10/2026	Check	eft	Teamsters Local 856 Health & Welfare		1,045.00
04/15/2026	Check	eft	CONNECT YOUR CARE	COBRA ADMIN	1.11
04/16/2026	Check	eft	Teamsters Local 856 Health & Welfare		1,045.00
04/16/2026	Check	eft	Kaiser Foundation Health Plan		1,073.54
04/29/2026	Check	eft	Kaiser Foundation Health Plan		1,073.54
05/13/2026	Check	eft	Teamsters Local 856 Health & Welfare		1,045.00
05/14/2026	Check	eft	Kaiser Foundation Health Plan		1,073.54
05/19/2026	Check	eft	CONNECT YOUR CARE	COBRA ADMIN	1.11
05/28/2026	Expense	eft	Kaiser Foundation Health Plan		1,073.54
Total for 126 Health Insurance					\$8,504.92
Total for 120 County of Marin - Group Health with sub-accounts					\$9,649.40

Marin Local Agency Formation Commission

Expense Detail

April 1-May 31, 2026

TRANSACTION DATE	TRANSACTION TYPE	NUM	NAME	DESCRIPTION	AMOUNT
130 MCERA / Pension					
131 Co Ret Cont Tier IV					
04/10/2026	Check	eft	PAYROLL		1,974.31
04/24/2026	Check	eft	PAYROLL		1,974.31
05/08/2026	Check	eft	PAYROLL		1,974.31
05/22/2026	Check	eft	PAYROLL		1,974.31
Total for 131 Co Ret Cont Tier IV					\$7,897.24
Total for 130 MCERA / Pension with sub-accounts					\$7,897.24
Total for Salary and Benefit Costs with sub-accounts					\$81,449.02
TOTAL					\$100,244.24



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Item No. 3 (Consent Item)

TO: Local Agency Formation Commission

FROM: Jason Fried, Executive Officer

SUBJECT: Review and File Fiscal Year 2025-2026 GASB 75 Report.

Background

Every year, we must have a Government Accounting Standards Board (GASB) 75 done for our OPEB obligations. Our consultant completed our report for the fiscal year 2025-2026, which is attached for your review. Several years ago the Commission decided that we should work to be at the 100% funding level. Over the past few years we tend to be just about 100% with years we are not we add a contribution to our account to get to 100%. This year based on this report we are slightly over 100% so no contribution is needed.

Procedures for Consideration

This item has been placed on the agenda as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Staff Recommendation for Action

1. Staff Recommendation – Accept and file the fiscal year 2023-2024 GASB 75 report.
2. Alternate Option – Take no action today and give staff any needed instructions.

Attachment:

- 1) GASB 75 Report

MacLeod Watts

May 21, 2026

Jason Fried
Executive Officer
Marin Local Agency Formation Commission
1401 Los Gamos, Suite 220
San Rafael, CA 94903

Re: Marin Local Agency Formation Commission Other Post-Employment Benefits
June 30, 2025, Actuarial Valuation and GASB 75 Report for Fiscal Year Ending June 30, 2026

Dear Mr. Fried:

We are pleased to enclose our actuarial report providing financial information about the other post-employment benefit (OPEB) liabilities of Marin Local Agency Formation Commission (the Commission). The report's text describes our analysis and assumptions in detail.

The primary purposes of this report are to:

1. Recalculate plan liabilities as of June 30, 2025, in accordance with GASB 75's biennial valuation requirement.
2. Provide information required by GASB 75 ("Accounting and Financial Reporting for Postemployment Benefits Other Than Pension") to be reported in the Commission's financial statements for the fiscal year ending June 30, 2026.
3. Develop Actuarially Determined Contributions for prefunding plan benefits.
4. Provide information to be submitted to the California Employers' Retiree Benefit Trust (CERBT) to satisfy filing requirements for the trust.

The exhibits presented in this report reflect that the Commission is contributing, on average, less than 100% of the Actuarially Determined Contribution each year. We assumed that OPEB trust assets will remain in CERBT Asset Allocation Strategy 2. We based the valuation on the employee data, details on plan benefits and retiree benefit payments reported to us by the Commission. Please review our summary of this information to be comfortable that it matches your records. *We estimated OPEB contributions for the fiscal year. When actual contributions are known, we'd be happy to update the report.*

We appreciate the opportunity to work on this analysis and acknowledge the efforts of Commission employees who provided valuable time and information to enable us to prepare this report. Please let us know if we can be of further assistance.

Sincerely,

Michael J. Papendieck, EA, FCA, MAAA
Consulting Actuary

Enclosure



Marin Local Agency Formation Commission

Actuarial Valuation of Other
Post-Employment Benefit Programs
As of June 30, 2025

Development of OPEB Prefunding Levels
& GASB 75 Report for the FYE June 30, 2026

Submitted May 2026

MacLeod Watts

Table of Contents

A. Executive Summary	1
OPEB Obligations	1
Important Dates.....	1
Summary of Results	2
OPEB Funding Policy	3
Updates Since the Prior Report.....	3
Use and Reliance.....	3
B. Valuation Results	4
Reconciliation	6
C. Accounting Information (GASB 75)	8
Components of Net Position and Expense	8
Change in Net Position During the Fiscal Year	9
Change in Fiduciary Net Position During the Measurement Period	10
Expected Long-term Return on Trust Assets	10
Deferred Resources and Expected Future Recognition	11
Sensitivity of Liabilities.....	12
Schedule of Changes in the Net OPEB Liability.....	13
Schedule of Contributions.....	15
Progress in Plan Funding	16
Detail of Changes to Net Position	17
Schedule of Deferred Resources	18
Contributions to the Plan.....	19
Projected Benefit Payments.....	20
Sample Journal Entries.....	21
D. Funding Information	22
E. Summary of Participant Data.....	26
F. Retiree Benefit Provisions.....	28
G. Actuarial Assumptions and Methods.....	29
H. Certification	35
Appendix 1: Valuation Process	36
Appendix 2: MacLeod Watts Age Rating Methodology	39
Appendix 3: MacLeod Watts Mortality Projection Methodology	40
Appendix 4: Funding Considerations.....	41
Glossary.....	46



A. Executive Summary

This report presents the results of the June 30, 2025, actuarial valuation and the accounting information for financial reporting of the other post-employment benefit (OPEB) program of the Marin Local Agency Formation Commission (the Commission). The purposes of this report are to: 1) summarize the results of the valuation; 2) provide disclosure information as required by Statement No. 75 of the Governmental Accounting Standards Board (GASB 75) for the fiscal year ending June 30, 2026; 3) develop Actuarially Determined Contribution (ADC) levels for prefunding plan benefits; and 4) provide information required by the California Employers' Retiree Benefit Trust (CERBT).

A description of the valuation process can be found in the appendices. We recommend users of the report read this information to familiarize themselves with the process and context of actuarial valuations. The glossary also contains descriptive definitions of terms you may see in this or other actuarial reports.

Results of this June 30, 2025, valuation may also be used to prepare the Commission's GASB 75 report for the fiscal year ending June 30, 2027. If there are any significant changes in plan members, plan benefits or eligibility and/or OPEB funding policy, an earlier valuation might be required or appropriate.

OPEB Obligations

The Commission provides continuation of certain types of post-employment coverage to its retiring employees. See Retiree Benefit Provisions for a description of these benefits. Post-employment coverage may create one or more types of OPEB liabilities:

- **Explicit subsidy liabilities:** An "explicit subsidy" exists when the employer contributes directly toward the cost of a retiree's coverage, such as contributing toward the cost of healthcare premiums.
- **Implicit subsidy liabilities:** An "implicit subsidy" may exist when premiums paid for retiree coverage are not expected to cover retiree claims, and the cost difference is expected to be borne by the employer. This commonly occurs when the employer is charged the same premium for active and retired employees, even though retirees generally incur higher claims.

We determine explicit subsidy liabilities using the expected direct payments promised by the plan toward retiree coverage. We determine the implicit subsidy liability as the projected difference between (a) estimated retiree claim costs by age and (b) premiums charged for retiree coverage, to the extent borne by the Commission.

Important Dates

GASB 75 allows reporting liabilities using (1) a *valuation date* no more than 30 months plus 1 day prior to the fiscal year end; and (2) a *measurement date* up to one year prior to the fiscal year end. The following dates were used for this report:

Fiscal Year End	June 30, 2026
Measurement Date	June 30, 2025
Measurement Period	July 1, 2024 to June 30, 2025
Valuation Date	June 30, 2025



Executive Summary

(Continued)

Summary of Results

The plan's impact on Net Position will be the sum of the difference between assets and liabilities as of the measurement date plus the unrecognized net outflows and inflows of resources. The plan's impact on Net Position and Expense for the current fiscal year is shown below.

Summary of Results for Fiscal Year Ending June 30, 2026	LAFCo Marin	
Total OPEB Liability	\$	58,189
Fiduciary Net Position		(88,870)
Net OPEB Liability (Asset)	\$	(30,681)
<i>Adjustment for Deferred Resources:</i>		
Deferred (Outflows)		(7,339)
Deferred Inflows		33,484
Impact on Statement of Net Position	\$	(4,536)
 OPEB Expense, FYE 6/30/2026	 \$	 52

A summary of the changes to the Net OPEB Liability that have occurred since the prior measurement date is shown below. A more detailed reconciliation of changes can be found in the Valuation Results section.

Summary of Changes to Net OPEB Liability	
Net OPEB Liability (Asset), FYE 6/30/2025	\$ (15,089)
Assumption Changes	(14,527)
Investment Experience	(3,513)
Cost of Plan Changes	1,509
Ongoing Plan Operations	1,425
Plan Experience	(486)
Total Changes	(15,592)
Net OPEB Liability (Asset), FYE 6/30/2026	\$ (30,681)

Ongoing plan operations includes benefits earned during the year by active employees, interest on plan liabilities, expected return on assets, and administrative expenses.



Executive Summary

(Concluded)

OPEB Funding Policy

The Commission's OPEB funding pattern over the most recent 5-year period has been to contribute, on average, less than 100% of Actuarially Determined Contribution each year. When contributing less than the Actuarially Determined Contribution, GASB requires use of a blended discount rate for the development of disclosure liabilities (see Discount Rate and Crossover Test in the Glossary for more information).

The Bond Buyer General Obligation 20-Bond Municipal Bond Index, 5.20% on the measurement date, and a long-term trust earnings rate of 6.20% were used to develop the GASB 75 blended rate. Information on how the long-term trust earnings rate was determined is provided in the Expected Return on Trust Assets section of Accounting Information.

On the measurement date, the blended rate used to develop accounting disclosures was 6.20%.

Updates Since the Prior Report

The Commission reported plan benefit changes since the prior report. The new benefits are summarized in the Retiree Benefit Provisions section of the report and the financial impact is shown in the Reconciliation provided in the Valuation Results section. A description of the changes can be found in the Changes section of Actuarial Methods and Assumptions. The Commission provided an updated census of plan participants which was used in the valuation to determine "plan experience". A description of the components of plan experience and their impact on the liability can be found in the Reconciliation shown in Valuation Results. See the Glossary for a definition of Plan Experience. Certain assumptions were changed for this valuation. A description of the changes can be found in the Changes section of Actuarial Methods and Assumptions. The liability impact of the assumption changes can be found in the Reconciliation provided in Valuation Results. Investment experience (the difference between actual and expected trust earnings) was determined as well. The financial impact is shown in the Reconciliation provided in Valuation Results.

Use and Reliance

This report is intended to present actuarial information related to other postemployment benefits (OPEB) for the Commission's financial statements in accordance with GASB Statement No. 75. The results and conclusions are appropriate for this purpose but may not be suitable for other uses, as different assumptions, methods, or actuarial standards of practice may be required or more suitable.

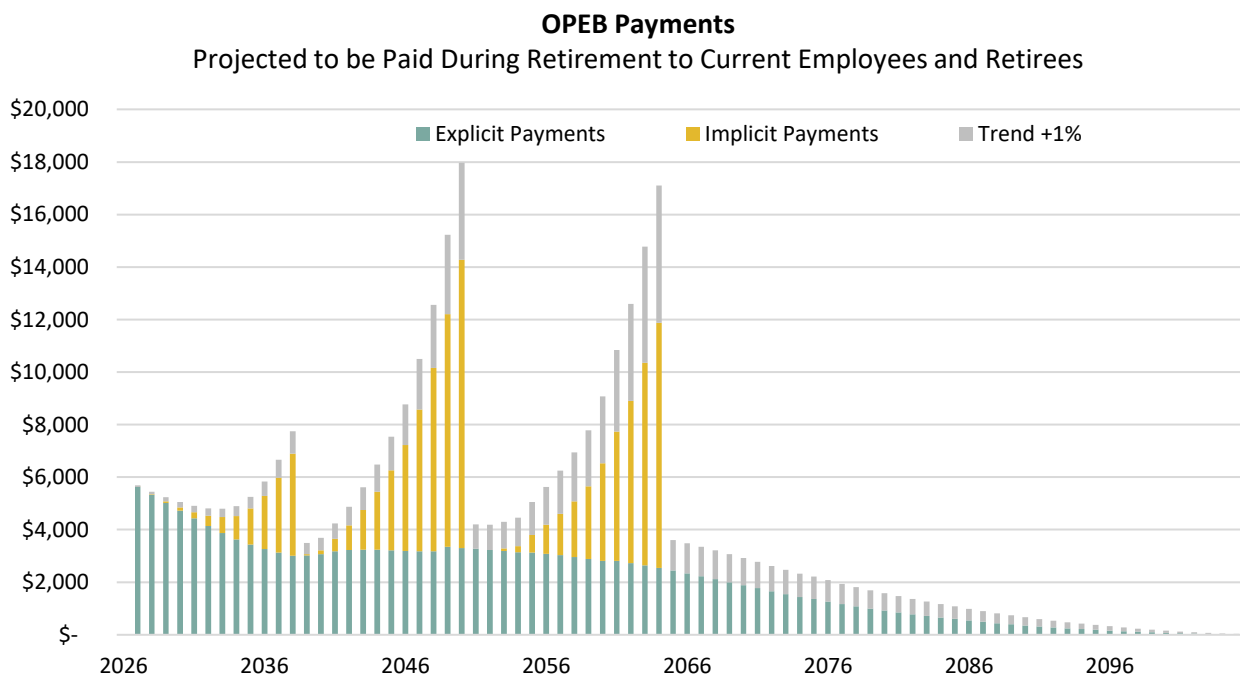
The actuarial valuation reflects plan provisions and related information as provided by the Commission. The Commission is assumed to have access to, and to rely upon, its own legal counsel for advice on legal matters, including the compliance of plan provisions with applicable laws, regulations, Board requirements, or other governing authorities. MacLeod Watts does not practice law, and nothing in this report should be construed as legal advice. While MacLeod Watts is not a public accounting firm, any financial reporting information herein has been prepared in accordance with our understanding of applicable reporting requirements. The Commission should coordinate with its internal accounting staff and external auditors regarding the application of these results to the Commission's financial statements.



B. Valuation Results

The Commission's OPEB liability as of June 30, 2025, was determined using the updated employee data, plan provisions and asset information provided to us for the valuation. The actuarial information was derived following the Valuation Process described in the appendices. This process uses many assumptions which can be reviewed in the Actuarial Assumptions section of this report. We recommend the Commission review our understanding of retiree benefits found in the Retiree Benefits Provisions section of this report. Finally, the Summary of Employee Data section provides a summary of the data provided by the Commission for this valuation.

Using all the information provided for this report, we projected all future benefit payments expected to be paid on behalf of current retirees and current employees of the Commission (see the chart below).



Explicit payments represent direct payments by the Commission to or on behalf of retirees. Implicit payments reflect the difference between expected retiree claims and premiums paid for coverage, to the extent the cost difference is expected to be borne by the Commission. The grey area on the chart indicates the increase in projected payments if the assumption for healthcare cost inflation were 1% higher in all future years.

The first 15 years of projected benefit payments are shown in tabular form in the Projected Benefit Payments section of Accounting Information. Liabilities relating to these projected benefits are shown beginning on the following page.



Valuation Results
(Continued)

This chart compares the results measured as of June 30, 2024, with the new results measured as of June 30, 2025, based on the current valuation.

Valuation Date	6/30/2023			6/30/2025		
Fiscal Year Ending	6/30/2025			6/30/2026		
Measurement Date	6/30/2024			6/30/2025		
Discount rate	5.60%			6.20%		
Number of Covered Employees						
Actives	3			3		
Retirees	1			1		
Total Participants	4			4		
OPEB Subsidy Type	Explicit	Implicit	Total	Explicit	Implicit	Total
Actuarial Present Value of Projected Benefits						
Actives	\$ 23,683	\$ 21,715	\$ 45,398	\$ 19,238	\$ 23,288	\$ 42,526
Retirees	51,133	-	51,133	41,918	-	41,918
Total APVPB	74,816	21,715	96,531	61,156	23,288	84,444
Total OPEB Liability (TOL)						
Actives	7,584	6,592	14,176	7,716	8,555	16,271
Retirees	51,133	-	51,133	41,918	-	41,918
TOL	58,717	6,592	65,309	49,634	8,555	58,189
Fiduciary Net Position			80,398			88,870
Net OPEB Liability (Asset)			(15,089)			(30,681)
Service Cost						
For the period following the measurement date	1,384	1,198	2,582	996	1,327	2,323

A reconciliation between the liabilities shown above begins on the following page.



Valuation Results

(Continued)

Reconciliation

Between the June 30, 2024, and June 30, 2025, measurement dates, the Net OPEB Liability (NOL) decreased by \$15,592. This change can be broadly grouped into expected changes and unexpected changes.

- **Expected changes** - The NOL was expected to increase by \$1,425 through normal plan operation. These changes are shown in the first section of the reconciliation chart on the following page.
- **Unexpected changes** – The NOL experiences unexpected changes when results projected in the prior valuation are not exactly realized. These unexpected changes can be broadly grouped into one of these categories:
 1. *Changes in Benefit Provisions* – Changes in plan benefits since the prior valuation are reflected as an unexpected change. Benefit changes reported by the Commission increased the NOL by \$1,509. See Actuarial Methods and Assumptions for a description of benefit changes reflected here.
 2. *Plan Experience* – Plan experience reflects unexpected changes in a plan’s actual demographic outcomes (see Glossary – Plan Experience). Unexpected plan experience caused the NOL to decrease by \$486.
 3. *Assumption Changes* – Each full valuation includes a review of assumptions to ensure current expectations are used in the future projection and discounting of plan benefits. Assumption changes caused the NOL to decrease by \$14,527. For more details on the assumptions used in the current valuation, see Actuarial Methods and Assumptions later in the report.
 4. *Investment Experience* – Trust earnings deviating from the expected trust earnings rate decreased the NOL by \$3,513.

The reconciliation chart appears on the following page.



Valuation Results – Reconciliation

(Concluded)

This chart reconciles the Net OPEB Liability measured on June 30, 2024, to the Net OPEB Liability from the current valuation measured on June 30, 2025.

Reconciliation of Changes During Measurement Period	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (Asset) (c) = (a) - (b)
Balance at Fiscal Year Ending 6/30/2025 <i>Measurement Date 6/30/2024</i>	\$ 65,309	\$ 80,398	\$ (15,089)
Expected Changes During the Period:			
Service Cost	2,582		2,582
Interest Cost	3,802		3,802
Expected Investment Income		4,984	(4,984)
LAFCo Marin Contributions		-	-
Administrative Expenses		(25)	25
Benefit Payments	-	-	-
Total Expected Changes During the Period	6,384	4,959	1,425
Expected at Fiscal Year Ending 6/30/2026 <i>Measurement Date 6/30/2025</i>	\$ 71,693	\$ 85,357	\$ (13,664)
Unexpected Changes During the Period:			
Change Due to Investment Experience		3,513	(3,513)
Change Due to Benefit Changes	1,509		1,509
<i>Plan Experience:</i>			
Premiums and Estimated Claims Other Than Expected	511		
Termination Rates Other Than Expected	2,134		
Mortality Rates Other Than Expected	2,211		
Annual Benefit Liability Released For One Current Retiree	(5,093)		
Other Plan Experience	(249)		
Change Due to Plan Experience			(486)
<i>Assumption Changes:</i>			
Change in Discount Rate	(2,749)		
Change in Healthcare Trend	150		
Updated Demographic Assumptions	(11,928)		
Change Due to Assumption Changes			(14,527)
Total Unexpected Changes During the Period	(13,504)	3,513	(17,017)
Balance at Fiscal Year Ending 6/30/2026 <i>Measurement Date 6/30/2025</i>	\$ 58,189	\$ 88,870	\$ (30,681)



C. Accounting Information (GASB 75)

The following exhibits are designed to satisfy the reporting and disclosure requirements of GASB 75 for the fiscal year ending June 30, 2026.

Components of Net Position and Expense

The exhibit below shows the development of Net Position and Expense as of the Measurement Date.

Plan Summary Information for FYE June 30, 2026

Measurement Date is June 30, 2025

Marin LAFCo

Items Included in Net Position:

Total OPEB Liability	\$ 58,189
Fiduciary Net Position	(88,870)
Net OPEB Liability (Asset)	(30,681)

Deferred items affecting Net Position:

Deferred Outflows	(5,889)
Deferred Inflows	33,484
Deferred Contributions	(1,450)

Impact on Statement of Net Position, FYE 6/30/2026 **\$ (4,536)**

Items Included in OPEB Expense:

Service Cost	\$ 2,582
Interest Cost	3,802
Expected Earnings on Assets	(4,984)
Administrative Expenses	25

Ongoing financial cost of the plan **\$ 1,425**

Represents the recurring components of OPEB expense for the measurement period, before plan changes and deferred recognition.

Adjustments to arrive at OPEB Expense:

Recognition of Cost of Plan Changes	1,509
Recognition of Deferred Outflows	3,729
Recognition of Deferred Inflows	(6,611)

OPEB Expense, FYE 6/30/2026 **\$ 52**



Accounting Information

(Continued)

Change in Net Position During the Fiscal Year

The exhibit below shows the year-to-year changes in the components of Net Position.

For Reporting at Fiscal Year End <i>Measurement Date</i>	6/30/2025 <i>6/30/2024</i>	6/30/2026 <i>6/30/2025</i>	Change During Period
Total OPEB Liability	\$ 65,309	\$ 58,189	\$ (7,120)
Fiduciary Net Position	(80,398)	(88,870)	(8,472)
Net OPEB Liability (Asset)	(15,089)	(30,681)	(15,592)
<i>Deferred (Outflows) Due to:</i>			
Assumption Changes	(623)	(503)	120
Plan Experience	(2,283)	(1,886)	397
Investment Experience	(6,712)	(3,500)	3,212
Deferred Contributions	-	(1,450)	(1,450)
<i>Deferred Inflows Due to:</i>			
Assumption Changes	2,193	15,108	12,915
Plan Experience	15,963	14,399	(1,564)
Investment Experience	3,413	3,977	564
Impact on Statement of Net Position	\$ (3,138)	\$ (4,536)	\$ (1,398)

Change in Net Position During the Fiscal Year

Impact on Statement of Net Position, FYE 6/30/2025	\$ (3,138)
OPEB Expense	52
LAFCo Marin Contributions During Fiscal Year	(1,450)
Impact on Statement of Net Position, FYE 6/30/2026	\$ (4,536)

OPEB Expense

LAFCo Marin Contributions During Fiscal Year	\$ 1,450
Deterioration (Improvement) in Net Position	(1,398)
OPEB Expense, FYE 6/30/2026	\$ 52



Accounting Information

(Continued)

Change in Fiduciary Net Position During the Measurement Period

Fiduciary Net Position at Fiscal Year Ending 6/30/2025	\$	80,398
<i>Measurement Date 6/30/2024</i>		
Changes During the Period:		
Investment Income		8,497
LAFCo Marin Contributions		-
Administrative Expenses		(25)
Benefit Payments		-
Net Changes During the Period		8,472
Fiduciary Net Position at Fiscal Year Ending 6/30/2026	\$	88,870
<i>Measurement Date 6/30/2025</i>		

Expected Long-term Return on Trust Assets

CalPERS last updated the projected future investment returns for CERBT in June 2024. The returns were determined using a building-block method and best-estimate ranges of expected future real rates of return for each major asset class (expected returns, net of OPEB plan investment expense and inflation). The target allocation and best estimates of geometric real rates of return published by CalPERS for each major class are split for years 1-5 and years 6-20. We assumed that the returns for years 6 through 20 would continue in later years.

CERBT Strategy 2		Years 1-5			Years 6-20		
Major Asset Classification	Target Allocation	General Inflation Rate Assumption	1-5 Year Expected Real Rate of Return	Compound Return Yrs 1-5	General Inflation Rate Assumption	6-20 Year Expected Real Rate of Return	Compound Return Years 6-20
Global Equity	34%	2.40%	3.90%	6.30%	2.40%	4.70%	7.10%
Fixed Income	41%	2.40%	2.70%	5.10%	2.40%	2.60%	5.00%
Global Real Estate (REITs)	17%	2.40%	3.70%	6.10%	2.40%	4.00%	6.40%
Treasury Inflation Protected Securities	5%	2.40%	1.70%	4.10%	2.40%	1.40%	3.80%
Commodities	3%	2.40%	2.90%	5.30%	2.40%	2.00%	4.40%
Volatility	9.5%		Portfolio	5.9%		Portfolio	6.2%

Portfolio compound return is time-weighted and net of administrative fees.

To derive the expected future trust return specifically for the Commission, we first adjusted CalPERS' future return expectations to align with the 2.50% general inflation assumption used in this report. Then applying the plan specific benefit payments (as determined from the June 30, 2025, valuation) to CalPERS' bifurcated return expectations, we determined the single equivalent long-term rate of return to be 6.20%.



Accounting Information

(Continued)

Deferred Resources and Expected Future Recognition

The exhibit below shows deferred resources used in the current fiscal year. The plan's Expected Average Remaining Service Life ("EARSL") is 11.02 years. This period is used to recognize any non-investment related deferred resources established as of the measurement date. Investment related deferred resources are always recognized over five years. Details of deferred resources used in the current fiscal year are presented in the Schedule of Deferred Resources.

Marin Local Agency Formation Commission	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of Assumptions	\$ 503	\$ 15,108
Differences Between Expected and Actual Experience	1,886	14,399
Net Difference Between Projected and Actual Earnings on Investments	-	477
Deferred Contributions	1,450	-
Total	\$ 3,839	\$ 29,984

The Commission will recognize Deferred Contributions in the next fiscal year. The exhibit below shows future recognition of all other deferred resources.

For the Fiscal Year Ending June 30	Recognized Net Deferred Outflows (Inflows) of Resources
2027	\$ (1,047)
2028	(4,044)
2029	(4,330)
2030	(3,939)
2031	(3,238)
Thereafter	(10,997)



Accounting Information

(Continued)

Sensitivity of Liabilities

The discount rate used for accounting purposes for the fiscal year ending June 30, 2026, is 6.20%. Future healthcare cost increases (i.e., healthcare trend rate) were assumed to start at 6.5% (increase effective January 1, 2027) and grade down to 3.9% for years 2075 and later. The impact of a 1% increase or decrease in these assumptions is shown in the chart below.

Sensitivity to:			
Change in Discount Rate	Current - 1% 5.20%	Current 6.20%	Current + 1% 7.20%
Total OPEB Liability	62,890	58,189	54,043
Increase (Decrease)	4,701		(4,146)
% Increase (Decrease)	8.1%		-7.1%
Net OPEB Liability (Asset)	(25,980)	(30,681)	(34,827)
Increase (Decrease)	4,701		(4,146)
% Increase (Decrease)	15.3%		-13.5%
Change in Healthcare Cost Trend Rate	Current Trend - 1%	Current Trend	Current Trend + 1%
Total OPEB Liability	53,227	58,189	64,074
Increase (Decrease)	(4,962)		5,885
% Increase (Decrease)	-8.5%		10.1%
Net OPEB Liability (Asset)	(35,643)	(30,681)	(24,796)
Increase (Decrease)	(4,962)		5,885
% Increase (Decrease)	-16.2%		19.2%



Accounting Information
(Continued)

Schedule of Changes in the Net OPEB Liability

Fiscal Year Ending	2026	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability									
Service Cost	\$ 2,582	\$ 2,555	\$ 3,258	\$ 3,078	\$ 2,226	\$ 2,161	\$ -	\$ -	\$ -
Interest Cost	3,802	3,685	3,788	3,987	3,505	3,365	3,309	3,413	3,529
Cost of Plan Changes	1,509	-	-	-	-	-	-	-	-
Differences between expected and actual experience	(486)	(4,868)	(5,855)	(9,711)	3,595	-	372	-	-
Changes of assumptions	(14,527)	(513)	(1,121)	770	(1,360)	-	348	-	-
Benefit payments	-	-	-	-	(898)	(5,400)	(5,013)	(5,456)	(5,615)
Change in total OPEB liability	(7,120)	859	70	(1,876)	7,068	126	(984)	(2,043)	(2,086)
Total OPEB liability - beginning	65,309	64,450	64,380	66,256	59,188	59,062	60,046	62,089	64,175
Total OPEB liability - ending	\$ 58,189	\$ 65,309	\$ 64,450	\$ 64,380	\$ 66,256	\$ 59,188	\$ 59,062	\$ 60,046	\$ 62,089
Fiduciary Net Position									
Contributions - employer	\$ -	\$ 2,156	\$ -	\$ -	\$ 898	\$ 5,400	\$ 5,013	\$ 21,071	\$ 25,102
Net investment income	8,497	5,979	2,487	(10,049)	13,132	3,431	4,208	2,544	1,894
Benefit payments	-	-	-	-	(898)	(5,400)	(5,013)	(5,456)	(5,615)
Administrative expenses	(25)	(24)	(20)	(20)	(24)	(31)	(13)	(76)	(15)
Change in fiduciary net position	8,472	8,111	2,467	(10,069)	13,108	3,400	4,195	18,083	21,366
Fiduciary net position - beginning	80,398	72,287	69,820	79,889	66,781	63,381	59,186	41,103	19,737
Fiduciary net position - ending	\$ 88,870	\$ 80,398	\$ 72,287	\$ 69,820	\$ 79,889	\$ 66,781	\$ 63,381	\$ 59,186	\$ 41,103
Net OPEB liability - ending	\$ (30,681)	\$ (15,089)	\$ (7,837)	\$ (5,440)	\$ (13,633)	\$ (7,593)	\$ (4,319)	\$ 860	\$ 20,986
Covered-employee payroll	\$ 378,883	\$ 352,530	\$ 313,029	\$ 323,489	\$ 280,829	\$ 229,570	\$ 125,319	\$ 144,601	\$ 217,782
Net OPEB liability as a percentage of covered-employee payroll	-8.10%	-4.28%	-2.50%	-1.68%	-4.85%	-3.31%	-3.45%	0.59%	9.64%



Accounting Information – Schedule of Changes in the Net OPEB Liability
(Concluded)

Used in Development of the NOL for the Fiscal Year Ending	2026	2025	2024	2023	2022	2021	2020	2019	2018
Measurement date	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Valuation date	6/30/2025	6/30/2023	6/30/2023	6/30/2021	6/30/2021	6/30/2019	6/30/2019	6/30/2017	6/30/2017
Discount rate	6.20%	5.60%	5.50%	5.60%	5.75%	5.75%	5.75%	5.75%	5.75%
Investment rate of return	6.20%	6.20%	5.50%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%
Salary increases	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	N/A	N/A
Healthcare cost trend rates	6.5% in 2027 3.9% by 2075	6.5% in 2025 3.9% by 2075	6.5% in 2025 3.9% by 2075	5.6% in 2023 4% by 2076	5.6% in 2023 4% by 2076	5.4% in 2021 4% by 2076	5.4% in 2021 4% by 2076	7.50% in 2019 5% by 2024	7.50% in 2019 5% by 2024
Retirement age	55 to 75	55 to 75	55 to 75	55 to 75	55 to 75	55 to 75	55 to 75	N/A; all retirees	N/A; all retirees
Mortality	2025 CalPERS	2021 CalPERS	2021 CalPERS	2017 CalPERS	2017 CalPERS	2017 CalPERS	2017 CalPERS	2014 CalPERS	2014 CalPERS
Mortality Improvement	MacLeod Watts 2022	MacLeod Watts 2022	MacLeod Watts 2022	MacLeod Watts 2022	MacLeod Watts 2022	MacLeod Watts 2018	MacLeod Watts 2018	MacLeod Watts 2017	MacLeod Watts 2017



Accounting Information
(Continued)

Schedule of Contributions

The chart below shows the Actuarially Determined Contribution (ADC), the Commission’s contribution, and the excess or shortfall.

Fiscal Year Ending	2026	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution (ADC)	\$ 596	\$ 854	\$ 2,156	\$ 2,191	\$ 1,606	\$ 1,801	\$ 1,981	\$ 1,526	\$ 15,615
Contributions in relation to the ADC	1,450	-	2,156	-	-	898	5,400	5,013	21,071
Contribution deficiency (excess)	\$ (854)	\$ 854	\$ -	\$ 2,191	\$ 1,606	\$ 903	\$ (3,419)	\$ (3,487)	\$ (5,456)
Covered-employee payroll	\$ 390,000	\$ 378,883	\$ 352,530	\$ 313,029	\$ 323,489	\$ 280,829	\$ 229,570	\$ 125,319	\$ 144,601
Contributions as a percentage of covered-employee payroll	0.37%	0.00%	0.61%	0.00%	0.00%	0.32%	2.35%	4.00%	14.57%

Used in Development of the ADC
for the Fiscal Year Ending

	2026	2025	2024	2023	2022	2021	2020	2019	2018
Valuation Date	6/30/2023	6/30/2023	6/30/2023	6/30/2021	6/30/2019	6/30/2019	6/30/2019	6/30/2017	7/1/2015
Discount rate/Trust return	6.20%	6.20%	5.50%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%
Inflation	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%
Salary increases	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	N/A	2.00%
Healthcare cost trend rates	6.5% in 2025 3.9% by 2075	6.5% in 2025 3.9% by 2075	6.5% in 2025 3.9% by 2075	5.6% in 2023 4% by 2076	5.4% in 2021 4% by 2076	5.4% in 2021 4% by 2076	5.4% in 2021 4% by 2076	7.50% in 2019 5% by 2024	4% Ultimate
Retirement age	55 to 75	55 to 75	55 to 75	55 to 75	55 to 75	55 to 75	55 to 75	N/A; all retirees	64 or 1 year after eligibility
Mortality	CalPERS 2021	CalPERS 2021	CalPERS 2021	CalPERS 2017	CalPERS 2017	CalPERS 2017	CalPERS 2017	CalPERS 2014	NCHS Mortality
Mortality Improvement	MacLeod Watts 2022	MacLeod Watts 2022	MacLeod Watts 2022	MacLeod Watts 2022	MacLeod Watts 2018	MacLeod Watts 2018	MacLeod Watts 2018	MacLeod Watts 2017	N/A
Amortization method	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar	Level Dollar
Amortization period	20 years	20 years	30 years	30 years	30 years	30 years	30 years	27 years	30 years
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value



Accounting Information

(Continued)

Progress in Plan Funding

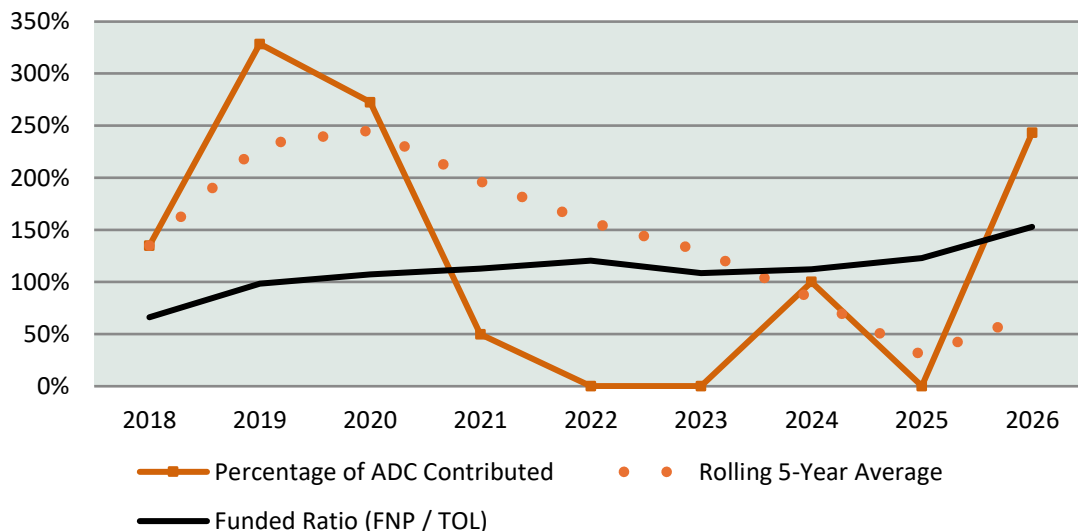
The Commission's contribution history and progress in funding is shown below. This chart itself is not a required disclosure but may assist the Commission in monitoring plan funding. The measures shown include:

- *Contribution Percentage:* Annual percentage of Actuarially Determined Contributions contributed by the Commission.
- *Average Contribution Ratio:* The rolling 5-year average of the Contribution Percentage above. Paragraph 38 of GASB 75 states that the most recent 5-year history of contributions should be considered when developing the liability discount rate in partially funded plans.
- *Funded ratio:* The ratio of plan assets (Fiduciary Net Position) to the Total OPEB Liability is a standard measure of plan funded status at a point in time. See Funded Status in the Glossary.

Fiscal Year Ending	Contribution History				GASB 75 Funded Status History			
	Actuarially Determined Contribution (ADC)	Contribution	Percentage of ADC Contributed	Rolling 5-Year Average	Total OPEB Liability (TOL)	Fiduciary Net Position (FNP)	Net OPEB Liability (Asset)	Funded Ratio (FNP / TOL)
2018	15,615	21,071	135%	135%	62,089	41,103	20,986	66%
2019	1,526	5,013	329%	232%	60,046	59,186	860	99%
2020	1,981	5,400	273%	245%	59,062	63,381	(4,319)	107%
2021	1,801	898	50%	196%	59,188	66,781	(7,593)	113%
2022	1,606	-	0%	157%	66,256	79,889	(13,633)	121%
2023	2,191	-	0%	130%	64,380	69,820	(5,440)	108%
2024	2,156	2,156	100%	84%	64,450	72,287	(7,837)	112%
2025	854	-	0%	30%	65,309	80,398	(15,089)	123%
2026	596	1,450	243%	69%	58,189	88,870	(30,681)	153%

Note: Rolling average based on latest 5 years, or maximum number available if less.

The relevant ratios shown above are provided in the chart below.



Accounting Information
(Continued)

Detail of Changes to Net Position

The chart below details changes to all components of Net Position.

Marin Local Agency Formation Commission	Total OPEB Liability (a)	Fiduciary Net Position (b)	Net OPEB Liability (Asset) (c) = (a) - (b)	(d) Deferred Outflows:				(e) Deferred Inflows:			Impact on Statement of Net Position (f) = (c) - (d) + (e)
				Assumption Changes	Plan Experience	Investment Experience	Deferred Contributions	Assumption Changes	Plan Experience	Investment Experience	
Balance at Fiscal Year Ending 6/30/2025 <i>Measurement Date 6/30/2024</i>	\$ 65,309	\$ 80,398	\$ (15,089)	\$ 623	\$ 2,283	\$ 6,712	\$ -	\$ 2,193	\$ 15,963	\$ 3,413	\$ (3,138)
Changes During the Period:											
Service Cost	2,582		2,582								2,582
Interest Cost	3,802		3,802								3,802
Expected Investment Income		4,984	(4,984)								(4,984)
LAFCo Marin Contributions		-	-								-
Cost of Plan Changes	1,509		1,509								1,509
Administrative Expenses		(25)	25								25
Benefit Payments	-	-	-								-
Assumption Changes	(14,527)		(14,527)					14,527			-
Plan Experience	(486)		(486)						486		-
Investment Experience		3,513	(3,513)							3,513	-
Recognized Deferred Resources				(120)	(397)	(3,212)	-	(1,612)	(2,050)	(2,949)	(2,882)
Contributions After Measurement Date							1,450				(1,450)
Net Changes in Fiscal Year 2025-2026	(7,120)	8,472	(15,592)	(120)	(397)	(3,212)	1,450	12,915	(1,564)	564	(1,398)
Balance at Fiscal Year Ending 6/30/2026 <i>Measurement Date 6/30/2025</i>	\$ 58,189	\$ 88,870	\$ (30,681)	\$ 503	\$ 1,886	\$ 3,500	\$ 1,450	\$ 15,108	\$ 14,399	\$ 3,977	\$ (4,536)



Accounting Information
(Continued)

Schedule of Deferred Resources

A listing of all deferred resource bases used to develop the Net Position and Pension Expense is shown below. Deferred Contributions are not shown.

Deferred Outflow or (Inflow)					Balance as of Jun 30, 2025	Scheduled Recognition in Expense						
Source	Date Created	Initial Amount	Period (Yrs)	Annual Recognition		2024-25 (FYE 2026)	2025-26 (FYE 2027)	2026-27 (FYE 2028)	2027-28 (FYE 2029)	2028-29 (FYE 2030)	2029-30 (FYE 2031)	Thereafter
Assumption Changes	6/30/2019	348	7.76	45	33	45	33	-	-	-	-	-
	6/30/2021	(1,360)	10.31	(132)	(700)	(132)	(132)	(132)	(132)	(132)	(132)	(40)
	6/30/2022	770	10.31	75	470	75	75	75	75	75	75	95
	6/30/2023	(1,121)	10.08	(111)	(788)	(111)	(111)	(111)	(111)	(111)	(111)	(233)
	6/30/2024	(513)	10.08	(51)	(411)	(51)	(51)	(51)	(51)	(51)	(51)	(156)
	6/30/2025	(14,527)	11.02	(1,318)	(13,209)	(1,318)	(1,318)	(1,318)	(1,318)	(1,318)	(1,318)	(6,619)
Investment Earnings	6/30/2021	(9,293)	5.00	(1,859)	-	(1,857)	-	-	-	-	-	-
	6/30/2022	14,642	5.00	2,928	2,930	2,928	2,930	-	-	-	-	-
	6/30/2023	1,422	5.00	284	570	284	284	286	-	-	-	-
	6/30/2024	(1,945)	5.00	(389)	(1,167)	(389)	(389)	(389)	(389)	-	-	-
	6/30/2025	(3,513)	5.00	(703)	(2,810)	(703)	(703)	(703)	(703)	(701)	-	-
Plan Experience	6/30/2019	372	7.76	48	36	48	36	-	-	-	-	-
	6/30/2021	3,595	10.31	349	1,850	349	349	349	349	349	349	105
	6/30/2022	(9,711)	10.31	(942)	(5,943)	(942)	(942)	(942)	(942)	(942)	(942)	(1,233)
	6/30/2023	(5,855)	10.08	(581)	(4,112)	(581)	(581)	(581)	(581)	(581)	(581)	(1,207)
	6/30/2024	(4,868)	10.08	(483)	(3,902)	(483)	(483)	(483)	(483)	(483)	(483)	(1,487)
	6/30/2025	(486)	11.02	(44)	(442)	(44)	(44)	(44)	(44)	(44)	(44)	(222)



Accounting Information

(Continued)

Contributions to the Plan

Commission contributions to the Plan occur as benefits are paid to or on behalf of retirees and/or as contributions are made to the OPEB trust. Benefit payments may occur in the form of direct payments for retiree benefits ("explicit subsidies") and/or indirect payments to retirees in the form of indirect payments to retirees for claims costs not expected to be fully supported by retiree premiums ("Implicit subsidies"). Note that the implicit subsidy contribution does not represent cash payments to retirees, but rather the reclassification of a portion of active healthcare expense to be recognized as a retiree healthcare cost. For more details, see the Implicit Subsidy definition in the Glossary.

Commission contributions during the measurement period are shown below.

For the Measurement Period, Jul 1, 2024 through Jun 30, 2025		Marin LAFCo
LAFCo Marin		
(a) Contribution To CERBT	\$	-
(b) Benefits Paid Directly To or On Behalf of Retirees		-
(c) Implicit Subsidy Payment		-
CERBT		
(d) Benefits Paid Directly To or On Behalf of Retirees		-
(e) Reimbursements to LAFCo Marin		-
<i>Total Benefits Paid During the MP, (b)+(c)+(d)</i>		-
<i>LAFCo Marin Contribution During the MP, (a)+(b)+(c)-(e)</i>		-

Estimated Commission contributions during the fiscal year are shown below. When actual contributions are known, we'd be happy to update the report.

For the Fiscal Year, Jul 1, 2025 through Jun 30, 2026		Marin LAFCo
LAFCo Marin		
(f) Contribution To CERBT	\$	1,450
(g) Benefits Paid Directly To or On Behalf of Retirees		-
(h) Implicit Subsidy Payment		-
CERBT		
(i) Benefits Paid Directly To or On Behalf of Retirees		-
(j) Reimbursements to LAFCo Marin		-
<i>Total Benefits Paid During the Current FY, (g)+(h)+(i)</i>		-
<i>LAFCo Marin Contribution During the Current FY, (f)+(g)+(h)-(j)</i>		1,450



Accounting Information

(Continued)

Projected Benefit Payments

The following is a 15-year projection of other post-employment benefits to be paid on behalf of current retirees and current employees expected to retire from the Commission. Expected annual benefits have been projected based on the actuarial assumptions outlined in Actuarial Methods and Assumptions.

These projections do not include any benefits expected to be paid on behalf of current active employees *prior to* retirement, nor do they include any benefits for potential *future employees* (i.e., those who might be hired in future years).

Fiscal Year Ending June 30	Explicit Subsidy			Implicit Subsidy			Total
	Current Retirees	Future Retirees	Total	Current Retirees	Future Retirees	Total	
2026	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2027	5,606	21	5,627	-	4	4	5,631
2028	5,281	38	5,319	-	21	21	5,340
2029	4,952	66	5,018	-	61	61	5,079
2030	4,619	102	4,721	-	131	131	4,852
2031	4,286	143	4,429	-	237	237	4,666
2032	3,955	188	4,143	-	384	384	4,527
2033	3,626	251	3,877	-	601	601	4,478
2034	3,302	325	3,627	-	895	895	4,522
2035	2,986	447	3,433	-	1,373	1,373	4,806
2036	2,674	592	3,266	-	2,021	2,021	5,287
2037	2,374	753	3,127	-	2,855	2,855	5,982
2038	2,089	922	3,011	-	3,881	3,881	6,892
2039	1,820	1,199	3,019	-	48	48	3,067
2040	1,570	1,499	3,069	-	144	144	3,213

The amounts shown in the explicit subsidy columns reflect the expected payment by the Commission toward retiree benefits in each of the years shown. The amounts shown in the implicit subsidy columns reflect the estimated excess of retiree medical and prescription drug claims over the premiums expected to be charged during the year for retirees' coverage. These amounts are also shown separately and in total for those currently retired on the valuation date and for those expected to retire in the future.



Accounting Information

(Concluded)

Sample Journal Entries

OPEB Accounts at

Beginning of Fiscal Year

	By Source		Sources Combined	
	Debit	Credit	Debit	Credit
Net OPEB Liability	15,089		15,089	
<i>Deferred Outflow:</i>				
Assumption Changes	623			
Plan Experience	2,283			
Investment Experience	6,712			
Contribution Subsequent to MD	-			
Deferred Outflows			9,618	
<i>Deferred Inflow:</i>				
Assumption Changes		2,193		
Plan Experience		15,963		
Investment Experience		3,413		
Deferred Inflows				21,569

Record Contributions to the Trust

	Debit	Credit
Net OPEB Liability	1,450	
Cash		1,450

Record End of Year

Updates to OPEB Accounts

	By Source		Sources Combined	
	Debit	Credit	Debit	Credit
Net OPEB Liability	14,142		14,142	
<i>Deferred Outflow:</i>				
Assumption Changes		120		
Plan Experience		397		
Investment Experience		3,212		
Contribution Subsequent to MD	1,450			
Deferred Outflows				2,279
<i>Deferred Inflow:</i>				
Assumption Changes		12,915		
Plan Experience	1,564			
Investment Experience		564		
Deferred Inflows				11,915
OPEB Expense	52		52	



D. Funding Information

The employer's OPEB funding policy and level of contributions to an irrevocable OPEB trust directly affects the discount rate which is used to calculate the OPEB liability to be reported in the employer's financial statements. Prefunding (setting aside funds to accumulate in an irrevocable OPEB trust) has certain advantages, one of which is the ability to (potentially) use a higher discount rate in the determination of liabilities for GASB 75 reporting purposes. Prefunding also improves the security of benefits for current and potential future recipients and contributes to intergenerational taxpayer equity by better matching the cost of the benefits to the service years in which they are "earned" and which correspond to years in which taxpayers benefit from those services.

Paying Down the UAAL

Once an employer decides to prefund, a decision must be made about how to pay for benefits related to accumulated prior service that have not yet been funded (the Unfunded Actuarial Accrued Liability, or UAAL). This is most often, though not always, handled through structured amortization payments. The period and method chosen for amortizing this unfunded liability can significantly affect the Actuarially Determined Contribution (ADC) or other basis selected for funding the OPEB program.

Much like paying off a mortgage, when the Actuarial Accrued Liability (AAL) exceeds plan assets, choosing a longer amortization period to pay off the UAAL means smaller payments, but the payments will be required for more years; plan investments will have less time to work toward helping reduce required contribution levels. When the plan is in a surplus position, the reverse is true, and a longer amortization period is usually preferable.

There are several ways the amortization payment can be determined. The most common methods are calculating the amortization payment as a level dollar amount or as a level percentage of payroll. The employer might also choose to apply a shorter period when the UAAL is positive, i.e., when trust assets are lower than the AAL, but opt for a longer period or to exclude amortization of a negative UAAL, when assets exceed the AAL. The entire UAAL may be amortized as one single component or may be broken into multiple components reflecting the timing and source of each change, such as those arising from assumption changes, benefit changes and/or liability or investment experience.

The amortization period(s) should not exceed the number of years which would allow current trust assets plus future contributions and earnings to be sufficient to pay all future benefits and trust expenses each year. Prefunding of OPEB is optional and contributions at any level are permitted. However, if trust sufficiency is not expected, a discount rate other than the assumed trust return will likely be required for accounting purposes.

Funding and Prefunding of the Implicit Subsidy

An implicit subsidy liability is created when retiree medical claims are expected to exceed the premiums charged for retiree coverage. Recognition of the estimated implicit subsidy each year is handled by an accounting entry, reducing the amount paid for active employees and shifting that amount to be treated as a retiree healthcare expense/contribution (see Sample Journal Entries). The implicit subsidy is a true benefit to the retiree but can be difficult to see when medical premiums are set as a flat rate for both actives and pre-Medicare retirees.



Funding Information

(Continued)

This might lead some employers to believe the benefit is not real or is merely an accounting construct, and thus to forgo prefunding of retiree implicit benefits.

Consider what would happen if the retiree premiums were based only on expected retiree claims experience. Almost certainly, retiree premiums would increase while premiums for active employees would go down if the active premiums no longer had to help support the higher retiree claims. *Who would pay the increases in retiree premiums?* Current plan documents and bargaining agreements would have to be consulted. Depending on circumstances, the increase in retiree premiums might remain the responsibility of the employer, pass entirely to the retirees, or some blending of the two. The answer would determine whether separate retiree-only premium rates would result in a higher or lower employer OPEB liability. In the current premium structure, with blended active and pre-Medicare retiree premiums, the employer is clearly, though indirectly, paying the implicit retiree cost.

The prefunding decision is complex. OPEB materiality, budgetary concerns, desire to use the full trust rate in developing the liability for GASB 75, and other factors must be weighed by each employer. Since prefunding OPEB benefits is not required, each employer's OPEB prefunding strategy will depend on how they balance these competing perspectives.

Development of the Actuarially Determined Contributions

The Commission has approved development of ADCs based on the following two components, which are then adjusted with interest to each fiscal year end:

- The amounts attributed to service performed in the current fiscal year (the normal cost) and
- Amortization of the *negative* unfunded actuarial accrued liability (i.e., a surplus) over a 20-year period on a level dollar basis. This approach is consistent with the funding policy guidance in the California Actuarial Advisory Panel's *Actuarial Funding Policies and Practices for Public Pension and OPEB Plans* (November 2015).

Actuarially Determined Contributions, developed as described above for the Commission's fiscal years ending June 30, 2026, 2027, and 2028 are shown the exhibit on the next page. Contributions credited toward meeting the ADC will be comprised of:

- 1) direct payments to insurers toward retiree premiums, to the extent not reimbursed to the Commission by the trust; plus
- 2) each year's implicit subsidy payment, to the extent not reimbursed to the Commission by the trust; and
- 3) contributions to the OPEB trust.

ADCs determined on this basis should provide for trust sufficiency, based on the current plan provisions and census data, provided all assumptions are exactly realized and if the Commission contributes 100% or more of the ADC each year. When an agency commits to funding the trust at or above the ADC, the expected long-term trust return may be used as the discount rate in determining the plan liability for accounting purposes. Trust sufficiency cannot be guaranteed to a certainty, however, because of the non-trivial risk that the assumptions used to project future benefit liabilities may not be realized.



Funding Information

(Continued)

We developed the Actuarially Determined Contributions (ADCs) for fiscal years ending June 30, 2027, and June 30, 2028, from the results of this valuation. The ADC for fiscal year end June 30, 2026, was developed from the prior valuation and is included for reference as well.

Valuation date	6/30/2023	6/30/2025	
Discount rate	6.20%	6.20%	
Number of Covered Employees			
Actives	3	3	
Retirees	1	1	
Total Participants	4	4	
For fiscal year ending	6/3/2026	6/3/2027	6/3/2028
Actuarial Present Value of Projected Benefits	\$ 93,467	\$ 83,562	\$ 82,937
Actuarial Accrued Liability (AAL)			
Actives	11,931	19,746	23,512
Retirees	51,680	38,399	34,974
Total AAL	63,611	58,145	58,486
Market Value of Assets	85,383	95,875	96,014
Unfunded AAL (UAAL)	(21,772)	(37,730)	(37,528)
UAAL Amortization method	Level Dollar	Level Dollar	Level Dollar
Remaining amortization period (years)	20	20	20
Amortization Factor	11.9857	11.9857	11.9857
Actuarially Determined Contribution (ADC)			
Normal Cost	\$ 2,377	\$ 2,393	\$ 2,465
Amortization of UAAL	(1,816)	(3,148)	(3,131)
Interest to fiscal year end	35	(47)	(41)
Total ADC (not less than \$0)	596	-	-

As described on the prior page, OPEB funding consists of 3 different sources. Items 1-3 in the chart above estimates how these 3 contribution sources would apply toward satisfying the ADC for each of these years.

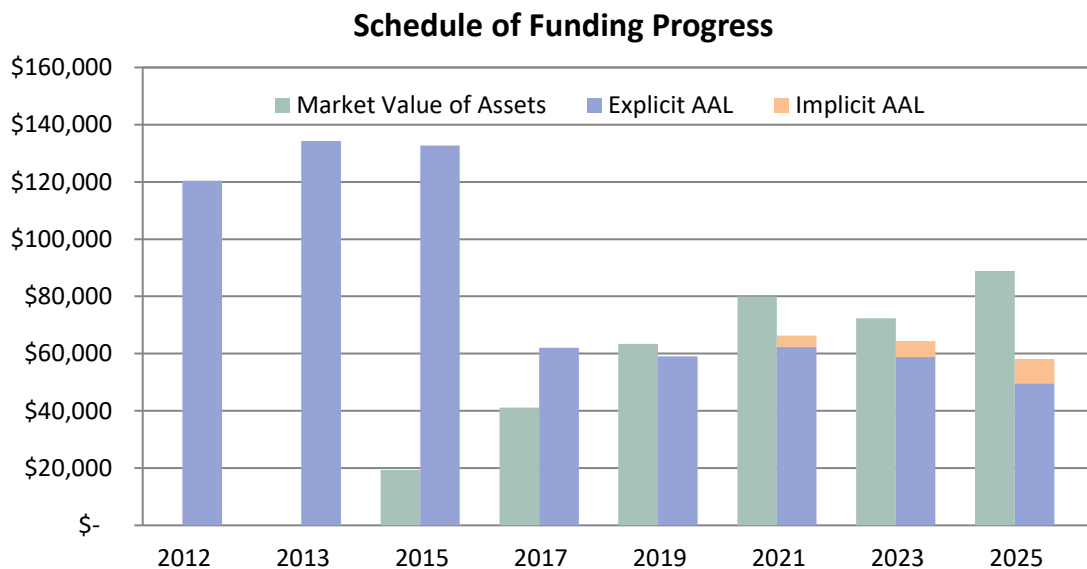


Funding Information

(Concluded)

The charts below provide key measures of the progress in plan funding.

Schedule of Funding Progress							
Actuarial Valuation Date	Market Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)	Discount Rate
7/1/2012	\$ -	\$ 120,400	\$ 120,400	0.0%	\$ 174,200	69.1%	0.00%
7/1/2013	\$ -	\$ 134,300	\$ 134,300	0.0%	\$ 176,200	76.2%	0.00%
7/1/2015	\$ 19,339	\$ 132,725	\$ 113,386	14.6%	\$ 254,700	44.5%	6.37%
6/30/2017	\$ 41,103	\$ 62,089	\$ 20,986	66.2%	\$ 217,782	9.6%	5.75%
6/30/2019	\$ 63,381	\$ 59,062	\$ (4,319)	107.3%	\$ 125,319	-3.4%	5.75%
6/30/2021	\$ 79,889	\$ 66,256	\$ (13,633)	120.6%	\$ 280,829	-4.9%	5.75%
6/30/2023	\$ 72,287	\$ 64,450	\$ (7,837)	112.2%	\$ 313,029	-2.5%	5.50%
6/30/2025	\$ 88,870	\$ 58,189	\$ (30,681)	152.7%	\$ 378,883	-8.1%	6.20%



E. Summary of Participant Data

The data provided by the Commission for use in this valuation is summarized below. We reviewed and updated the data as needed and found it reasonably accurate and consistent for the purpose of the current valuation. The review does not constitute an audit and, therefore, we relied on the Commission for its completeness and accuracy.

Active employees: The Commission reported 3 active members for the June 30, 2025, valuation, all of whom were enrolled in the medical program. The exhibit below summarizes the distribution of reported employees by age and service.

Distribution of Benefits-Eligible Active Employees						
Current Age	Years of Service				Total	Percent
	Under 1	1 to 4	5 to 9	10 & Up		
Under 25					0	0%
25 to 29		1			1	33%
30 to 34					0	0%
35 to 39			1		1	33%
40 to 44					0	0%
45 to 49					0	0%
50 to 54			1		1	33%
55 to 59					0	0%
60 to 64					0	0%
65 to 69					0	0%
70 & Up					0	0%
Total	0	1	2	0	3	100%
Percent	0%	33%	67%	0%	100%	

Valuation	June 2023	June 2025
Average Attained Age for Actives	37.3	39.3
Average Years of Service	2.9	4.9

Retirees: The Commission reported 1 retiree receiving benefits on the valuation date. Their ages are summarized in the chart below.

Retirees by Age		
Current Age	Number	Percent
Below 75		0%
75 to 79	1	100%
80 & up		0%
Total	1	100%
Average Age:		
On 6/30/2025	75.7	
At retirement	62.6	



Summary of Participant Data

(Continued)

The chart below reconciles the number of actives and retirees included in the June 30, 2023, valuation with those included in the current June 30, 2025, valuation.

Reconciliation of Commission Plan Members Between Valuation Dates				
Status	Covered Actives	Waiving Actives	Covered Retirees	Total
Number reported as of June 30, 2023	2	1	1	4
Previously covered, now waiving				0
Previously waiving, now covered	1	(1)		0
Number reported as of June 30, 2025	3	0	1	4

The various categories of change between the counts reported for the prior valuation and the counts reported for the current valuation should be reviewed for consistency with Commission records.

Finally, GASB 75 requires the employer to report specific plan member counts. The chart below shows the required counts as of the June 30, 2025, valuation date.

Summary of Plan Member Counts	
Number of active plan members	3
Number of inactive plan members currently receiving benefits	1
Number of inactive plan members entitled to but not receiving benefits	0

* We are not aware of any retirees who are eligible but not currently enrolled.



F. Retiree Benefit Provisions

OPEB provided: The Commission provides medical and dental plan coverage for qualifying retirees, with certain limits described below. It is our understanding that medical and dental plan coverage and the portion of premiums paid by the Commission, if any, are the same as the coverage and benefits provided by Marin County.

Access to coverage: To be eligible for retiree health coverage through the Commission (other than any temporary coverage available through COBRA), an employee must retire from the Commission.

Benefits provided by the Commission: The Commission pays the single-coverage retiree medical and dental premiums up to but not exceeding an annual dollar maximum (cap). The cap is based on years of service for the Commission and varies based on the date of employment. Specifically,

- ❖ *For employees hired between October 1993 and December 31, 2007*, the dollar cap is currently \$455.93 per year of Commission service, up to a maximum 20 years or a \$9,119 maximum annual benefit.
 - The County Board of Supervisors has the option to increase the dollar cap by up to 3% per year.
- ❖ *For employees hired on or after January 1, 2008*, the dollar cap is currently \$150 per year of Commission service, up to a maximum 20 years or a \$3,000 maximum annual benefit.

Current Health Plan Premiums: The Commission sponsors coverage to its employees and qualifying retirees through the Marin County Employees' Retirement Association (MCERA). The chart below summarizes the premium rates for calendar year 2026. We have shown only those plans selected by the Commission's active and retired employees.

Marin LAFCo 2026 Health Care Premiums						
	Actives and Pre-Med Retirees			Medicare Eligible Retirees		
Plan	Ee Only	Ee & 1	Ee & 2+	Ee Only	Ee & 1	Ee & 2+
Kaiser Low HMO	\$ 1,163.00	\$ 2,326.00	\$ 3,093.58	\$ 394.84	\$ 789.68	\$ 2,303.90
Teamster Anthem PPO	1,045.00	2,090.00	2,925.00	Not available		
Delta Dental	52.46	97.70	152.72	Same for Medicare Retirees		



G. Actuarial Assumptions and Methods

The ultimate real cost of an employee benefit plan is the value of all benefits and other expenses of the plan over its lifetime. These payments depend only on the terms of the plan and the administrative arrangements adopted. Actuarial assumptions are used to estimate the cost of these benefits; the funding method spreads the expected costs on a level basis over the life of the plan.

Important Dates

Valuation Date	June 30, 2025
Fiscal Year End	June 30, 2026
GASB 75 Measurement Date	June 30, 2025 (last day of the prior fiscal year)

Valuation Methods

Funding Method	Entry Age Normal Cost, level percent of pay
Asset Valuation Method	Market value of assets
Participants Valued	Only current active employees and retired participants and covered dependents are valued. No future entrants are considered in this valuation.

Development of Age-related Medical Premiums

Actual premium rates for retirees and their spouses were adjusted to an age-related basis by applying medical claim cost factors developed from the data presented in the report, "Health Care Costs – From Birth to Death", sponsored by the Society of Actuaries. A description of the use of claims cost curves can be found in MacLeod Watts's Age Rating Methodology (see Appendices).

All current and future Medicare-eligible retirees are assumed to be covered by plans that are rated based solely on the experience of Medicare retirees and these premium rates are assumed to be sufficient to cover Medicare retiree claims over the long term. Age-based claims were not developed for Medicare-eligible retirees. Sample age-based claims for retirees not yet eligible for Medicare are shown in the chart below.

Expected Monthly Claims by Medical Plan for Selected Ages					
Medical Plan	Male				
	52	55	57	60	63
Kaiser Low HMO	\$ 1,328	\$ 1,549	\$ 1,704	\$ 1,946	\$ 2,212
Teamsters Anthem PPO	1,014	1,183	1,301	1,485	1,688
Medical Plan	Female				
	52	55	57	60	63
Kaiser Low HMO	\$ 1,571	\$ 1,699	\$ 1,781	\$ 1,937	\$ 2,147
Teamsters Anthem PPO	1,199	1,297	1,360	1,479	1,639



Actuarial Assumptions and Methods

(Continued)

Economic Assumptions

Municipal Bond Rate	Bond Buyer General Obligation 20-Bond Municipal Bond Index 3.93% as of June 30, 2024, and 5.2% as of June 30, 2025
Long Term Return on Assets	<i>For accounting:</i> 6.20% as of June 30, 2025, and 6.20% as of June 30, 2024 <i>For plan funding:</i> 6.20% as of June 30, 2025, and 5.50% as of June 30, 2023
Discount Rate	<i>For accounting:</i> 6.20% as of June 30, 2025, and 5.60% as of June 30, 2024 <i>For plan funding:</i> 6.20% as of June 30, 2025, and 5.50% as of June 30, 2023
General Inflation Rate	2.5% per year
Salary Increase	3.0% per year; since benefits do not depend on salary, this is used to allocate the cost of benefits between service years.
Healthcare Trend	Medical plan premiums and estimated claims costs by age are assumed to increase once each year, with the increases over the prior year assumed to be effective on the dates shown below.

Effective January 1	Premium Increase	Effective January 1	Premium Increase
2026	Actual	2035	4.7%
2027	6.5%	2036-2044	4.6%
2028	6.3%	2045-2058	4.5%
2029	6.0%	2059-2066	4.4%
2030	5.8%	2067-2068	4.3%
2031	5.6%	2069-2070	4.2%
2032	5.3%	2071-2072	4.1%
2033	5.1%	2073-2074	4.0%
2034	4.9%	2075 & Later	3.9%

The healthcare trend shown above was developed using the Getzen Model 2025 published by the Society of Actuaries using the following settings: CPI 2.5%; Real GDP Growth 1.4%; Excess Medical Growth .9%; Expected Health Share of GDP in 2034 19%; Resistance Point 18%; Year after which medical growth is limited to growth in GDP 2075.

Dental premiums are assumed to increase by 2.5% per year.



Actuarial Assumptions and Methods

(Continued)

Participant Election Assumptions

Unless otherwise noted, participant election assumptions in this section were selected based on the Commission's historical patterns, the plan's eligibility rules, and our experience with similar California public-sector OPEB plans.

Participation Rate

Active employees: 100% of those who qualify for retiree health benefits are assumed to receive these benefits in retirement since continuation of coverage through the Commission's health plans is not a requirement.

Retired participants: All current retirees are assumed to receive benefits until their death.

County Plan Election Rate

All current and future retirees not yet eligible for Medicare:

If currently enrolled in County plan coverage, 60% are assumed to continue their current plan election until eligible for coverage under Medicare and to elect the Kaiser Medicare Advantage plan in retirement; the other 40% are assumed to elect another (non-County) plan of their choice.

If not currently enrolled in County plan coverage, 15% are assumed to enroll in a County plan at retirement until eligible for coverage under Medicare and to elect the Kaiser Medicare Advantage plan in retirement; the other 85% are assumed to elect another (non-County) plan of their choice.

Spouse Coverage

Active and retired members: Existing elections for spouse coverage are assumed to be continued until the spouse's death. Actual spouse ages are used, where known; if not, husbands are assumed to be 3 years older than their wives.

Medicare Eligibility

Absent contrary data, all individuals are assumed to be eligible for Medicare Parts A and B at age 65.



Actuarial Assumptions and Methods

(Continued)

Demographic Assumptions

Demographic actuarial assumptions used in this valuation are based on the 2025 experience study of the California Public Employees Retirement System using data from 2000 to 2023, except for a different basis used to project future mortality improvements. Rates for selected age and service are shown below and on the following pages. The representative mortality rates were the published CalPERS rates, projected as described below. Demographic assumptions based on the CalPERS experience study were selected because they reflect the actual experience of the population covered by this plan and therefore provide the most relevant and current representation of expected future experience for the Commission members.

Mortality Before Retirement

Not applied due to the small size of the active employee group and low likelihood of occurrence.

Mortality After Retirement
(before improvement applied)

CalPERS 2025 Experience Study Public Agency Healthy Retiree Mortality			CalPERS 2025 Experience Study Public Agency Miscellaneous Disabled Retiree Mortality		
Age	Male	Female	Age	Male	Female
40	0.00075	0.00039	20	0.00411	0.00240
50	0.00266	0.00197	30	0.00482	0.00319
60	0.00578	0.00458	40	0.00807	0.00729
70	0.01333	0.00989	50	0.01701	0.01424
80	0.04371	0.03401	60	0.02708	0.01983
90	0.14539	0.11086	70	0.04001	0.02854
100	0.36198	0.31582	80	0.07936	0.06051
110	1.00000	1.00000	90	0.16608	0.14301

Mortality Improvement

MacLeod Watts Scale 2022 applied generationally from 2017
(see MacLeod Watts Mortality Projection Methodology
appendix)

Service Retirement Rates

Miscellaneous "PEPRA" Employees: 2% at 62 formula CalPERS 2025 Experience Study						
Current Age	Years of Service					
	5	10	15	20	25	30
52	0.0080	0.0130	0.0150	0.0190	0.0230	0.0230
55	0.0130	0.0250	0.0370	0.0660	0.0920	0.0920
60	0.0350	0.0410	0.0500	0.0740	0.0900	0.1070
65	0.1020	0.1330	0.1530	0.1810	0.2010	0.2100
70	0.2120	0.2120	0.2120	0.2120	0.2120	0.2120
75 & over	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000



Actuarial Assumptions and Methods

(Continued)

Termination Rates

Rates of pre-retirement separation from Commission service were doubled from those shown for those under age 30 with 5 or fewer years of public agency service.

Male Miscellaneous Employees: Sum of Vested & Refund Termination Rates CalPERS 2025 Experience Study						
Attained Age	Years of Service					
	0	5	10	20	25	30
25	0.1698	0.0825	0.0366	0.0000	0.0000	0.0000
30	0.1600	0.0793	0.0366	0.0000	0.0000	0.0000
35	0.1502	0.0723	0.0358	0.0147	0.0000	0.0000
40	0.1404	0.0653	0.0330	0.0147	0.0086	0.0000
45	0.1433	0.0557	0.0302	0.0147	0.0086	0.0054
50	0.1463	0.0523	0.0246	0.0115	0.0086	0.0054
55	0.1492	0.0507	0.0200	0.0083	0.0069	0.0054
Female Miscellaneous Employees: Sum of Vested & Refund Termination Rates CalPERS 2025 Experience Study						
Attained Age	Years of Service					
	0	5	10	20	25	30
25	0.1779	0.1000	0.0468	0.0000	0.0000	0.0000
30	0.1729	0.0972	0.0468	0.0000	0.0000	0.0000
35	0.1678	0.0868	0.0460	0.0183	0.0000	0.0000
40	0.1628	0.0763	0.0425	0.0183	0.0112	0.0000
45	0.1665	0.0704	0.0389	0.0183	0.0112	0.0060
50	0.1702	0.0683	0.0312	0.0138	0.0112	0.0060
55	0.1740	0.0629	0.0242	0.0092	0.0081	0.0060

Disability Retirement Rates

Not applied due to the small size of the active employee group and low likelihood of occurrence.

Software and Models Used in the Valuation

ProVal - MacLeod Watts utilizes ProVal, a licensed actuarial valuation software product from Winklevoss Technologies (WinTech) to project future retiree benefit payments and develop the OPEB liabilities presented in this report. ProVal is widely used by the actuarial community. We review results at the plan level and for individual sample lives and find them to be reasonable and consistent with the results we expect. We are not aware of any material inconsistencies or limitations in the software that would affect this actuarial valuation.

Age-based premiums model – developed internally and reviewed by an external consultant at the time it was developed. See discussion on Development of Age-Related Medical Premiums in Appendices.

Getzen model – published by the Society of Actuaries; used to derive medical trend assumptions described earlier in this section.



Actuarial Assumptions and Methods

(Concluded)

Changes in Assumptions or Methods Since the Prior Measurement Date

Municipal Bond Rate	Changed from 3.93% as of June 30, 2024, to 5.20% as of June 30, 2025, based on the published change in return for the applicable municipal bond index
Discount Rate	Changed from 5.60% as of June 30, 2024, to 6.20% as of June 30, 2025
Demographic Assumptions	Updated demographic assumptions from those in the 2021 CalPERS experience study to those recommended in the CalPERS 2025 Experience Study report
Healthcare Trend	<i>Medical trend:</i> Updated from the Getzen 2023 model to the Getzen 2025 model sponsored by the Society of Actuaries <i>Dental trend:</i> Decreased from 3.0% to 2.5%

Plan Changes Since the Prior Measurement Date

Dollar Cap Changes	The monthly dollar cap for employees hired between October 1993 and December 31, 2007, was increased by 3%. This change was adopted by the County Board for 2026 and increased the dollar cap from \$442.65 to \$455.93.



H. Certification

The purpose of this report is to provide actuarial information for other postemployment benefits (OPEB) provided by the Marin Local Agency Formation Commission (the Commission) in compliance with Statement No. 75 of the Governmental Accounting Standards Board (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. It also develops the Actuarially Determined Contribution (ADC) for prefunding plan benefits and, where applicable, may be used to satisfy reporting or filing requirements of the plan's funding trust. The results are based on an actuarial valuation of the plan as of June 30, 2025.

We relied, without audit, on information supplied by the Commission, including but not limited to participant census data, plan provisions, and financial information. We performed limited reviews for reasonableness and internal consistency and found the information suitable for valuation purposes. The results depend on the completeness and accuracy of that information; if any of the data provided was incomplete or inaccurate, the results herein may differ materially.

We consider the actuarial methods and assumptions used in this valuation to be reasonable and appropriate for the purposes of this report and consistent with generally accepted actuarial principles and practices. This report has been prepared in accordance with applicable Actuarial Standards of Practice. The results represent estimates of the plan's financial condition as of the valuation date. Actual future results may differ materially due to differences between actual and expected demographic or economic experience, changes in plan provisions, changes in applicable law, or other factors.

Alternative assumptions or methods may also be reasonable; evaluating such alternatives was beyond the scope of this engagement. These results are intended for financial reporting and funding purposes as described above and may be materially different from results that would be obtained under alternative measurement objectives, such as plan termination, liability settlement, or an assessment of the economic value of the promises made by the plan.

This report has been prepared solely for the use and benefit of the Marin Local Agency Formation Commission. It may not be distributed to third parties without the prior written consent of MacLeod Watts, except as required by law or to the Commission's professional accounting or legal advisors who are subject to confidentiality obligations. No part of this report may be used as the basis for any representation or warranty in any contract or agreement without the written consent of MacLeod Watts.

The undersigned actuaries are unaware of any relationship that would impair the objectivity of this work. Nothing in this report should be construed as legal or accounting advice. The signing actuaries are members of the American Academy of Actuaries and meet the Qualification Standards to issue this opinion.

Signed: May 21, 2026

Michael J. Papendieck, EA, FCA, MAAA

Sandhya Raman, Actuarial Analyst



Appendix 1: Valuation Process

The valuation process begins with the collection of participant data and a description of the plan's benefit provisions. These materials are reviewed for completeness and reasonableness, though the review is not a formal audit. The results of the valuation therefore rely on the accuracy of the information provided.

The following steps outline how these data are transformed into the key valuation measures.

Projecting Future Benefits

We begin by estimating the future stream of benefit payments (e.g., premiums) for each current retiree and active employee, incorporating both:

- **Explicit subsidies** – direct employer payments toward retiree benefits or premiums; and
- **Implicit subsidies** – indirect employer payments occurring when retiree claims costs are not expected to be fully supported by retiree premiums, and the cost difference is expected to be borne by the employer.

To develop these projections, assumptions are applied about future benefit cost trends, the ages at which benefits will end, and the likelihood that employees will continue working and elect coverage for themselves and their dependents.

Calculating Present Values

Each projected payment is then discounted to the valuation date using a discount rate. This produces the *Present Value of Projected Benefits (PVPB)* — the current value of all expected future benefit payments for participants who are already in the plan. Anticipated future participants are not included in this measure.

The chart below represents the present value of all benefits expected to be paid to current employees, beneficiaries, and retirees of the plan.

Present Value of Projected Benefit (PVPB) <i>Value on the valuation date of all future benefits expected to be paid to all current participants.</i>

Attributing Benefits to Service

When accounting for the plan, or determining contributions to the plan, it's necessary to divide the value of all expected future benefits into two pieces:

1. Past service benefits -- the value of benefits already earned through past service, and
2. Future service benefits -- the value of benefits expected to be earned through future service of current employees.

An *attribution method* – also referred to as the actuarial cost method -- is used to divide the PVPB into past service and future service components.



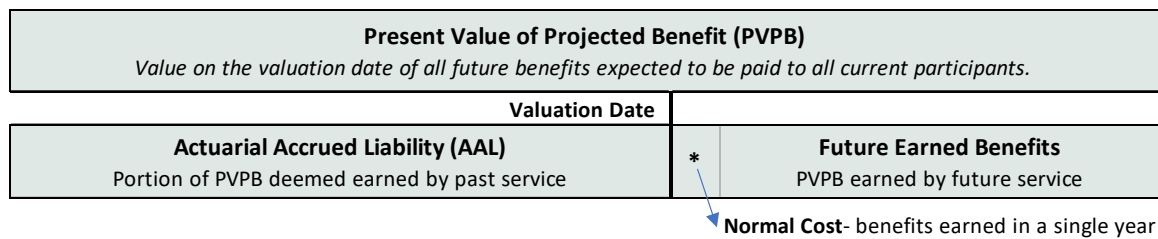
Valuation Process

(Continued)

For public-sector financial reporting, GASB requires use of the *Entry Age Normal (EAN)* attribution method. The EAN method spreads total expected future costs for an individual as a level percentage of pay so that the value of compensation earned to date over the value of all expected pay earned over an individual's career represents the fraction of the PVPB earned to date.

The portion of all future benefits attributed to past service is called the *Actuarial Accrued Liability (AAL)*. In GASB statements, the AAL is called the Total OPEB Liability or Total Pension Liability. The portion of the PVPB attributed to a single additional year of employee service is called the *Normal Cost or Service Cost*.

The chart below shows the PVPB split between past and future service.

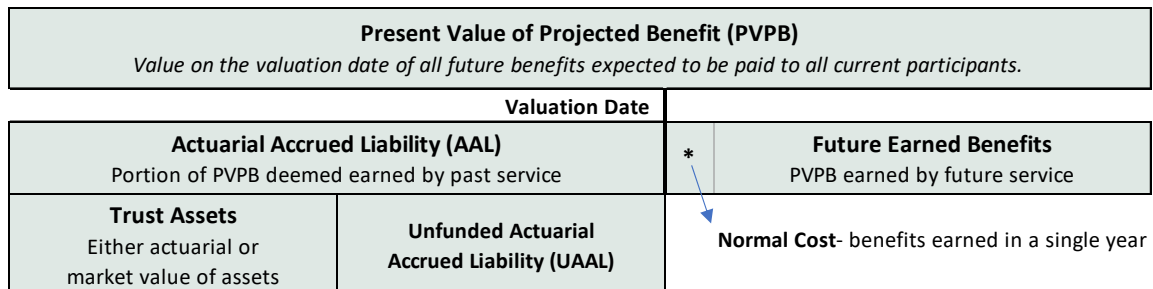


Funding Liabilities

When contributions are set aside in a trust, those funds and their investment earnings accumulate to pay future benefits or to reimburse the employer for benefit payments made directly. One measure of the plan's funding progress — the *Unfunded Actuarial Accrued Liability (UAAL)* — is found by subtracting the trust's *Market Value of Assets (MVA)* or *Actuarial Value of Assets (AVA)* from the Actuarial Accrued Liability (AAL). The UAAL shows, at a single point in time, how much of the benefits earned to date are already funded by the trust.

A plan is considered *fully funded* when the UAAL equals zero (i.e., past service benefits are covered by current trust assets). Even then, however, new contributions are needed each year to fund benefits earned by continued employee service. If no trust assets are held, the Unfunded Actuarial Accrued Liability equals the Actuarial Accrued Liability itself, since all benefits earned to date remain unfunded.

The chart below adds the split of the accrued liability between trust assets and the unfunded liability. Note that if assets exceed the Actuarial Accrued Liability, then the unfunded liability is negative, and a "surplus" exists.



Valuation Process

(Concluded)

Contributing to a Trust

When a trust is present, future trust contributions are generally designed to:

1. Fund the annual Normal Cost, the value of benefits earned by current service, and
2. Pay down (or, if applicable, recognize credits for) any difference between assets and actuarial accrued liabilities.

In terms of the chart shown on the previous page, funding contributions generally are the sum of the Normal Cost plus a slice of the unfunded actuarial accrued liability (with interest and administrative expenses, if applicable). The timing and pattern of these contributions can vary, but spreading the recognition of funding deficits or surpluses over a number of years helps maintain long-term stability in funding levels.

Managing Uncertainty

Actuarial valuations rely on long-term projections — often extending 70 years or more — and depend on many economic and demographic assumptions. Actual plan experience will differ from these assumptions, so plan costs evolve over time.

The methods and assumptions used in an actuarial valuation are intended to be reasonable and consistent with professional standards. However, valuation results should be viewed as point-in-time estimates rather than precise forecasts.

Plan sponsors assume certain risks when providing long-term post-retirement benefits. Frequent actuarial valuations and monitoring of results can help manage these risks, though unplanned variation in results cannot be eliminated.

Understanding Terminology

Certain actuarial and accounting terms describe the same underlying concepts and may be used interchangeably for discussion purposes. The table below summarizes common actuarial measures and their corresponding terms used in GASB statements for OPEB and pension plans.

Actuarial Term	GASB 68 / 75 Equivalent
Present Value of Projected Benefits (PVPB)	No equivalent term
Actuarial Accrued Liability (AAL)	Total Pension Liability (TPL) / Total OPEB Liability (TOL)
Market Value of Assets (MVA)	Fiduciary Net Position (FNP)
Actuarial Value of Assets (AVA)	No equivalent term
Unfunded Actuarial Accrued Liability (UAAL)	Net Pension Liability (NPL) / Net OPEB Liability (NOL)
Normal Cost	Service Cost

While terminology varies between actuarial and accounting contexts, these measures describe the same fundamental relationships between plan benefits, assets, and liabilities. The Glossary has more detailed definitions for these and other topics.



Appendix 2: MacLeod Watts Age Rating Methodology

Accounting standards such as GASB 75 and actuarial standards such as ASOP No. 6 require actuaries to measure retiree healthcare liabilities using expected claims, not premiums. In many valuations, credible claims experience is unavailable or too limited to rely on directly. In these cases, actuaries estimate expected claims by “age rating” the premiums paid by the plan sponsor.

Premiums for active employees and non-Medicare retirees are typically uniform across most ages and sexes. Though total premiums are designed to cover total expected costs, they do not capture the variations in healthcare costs typically incurred at older ages or the variation by sex. Younger participants generally pay more in premiums than their expected cost; older participants generally pay less. Age rating reallocates the total premium to approximate the expected claims at each age and sex.

The process involves three steps:

1. **Develop relative age/sex cost factors.**

Claims cost curves show how expected costs vary by age and sex (e.g., a factor of 1.00 for a 50-year-old male, 1.25 for a 50-year-old female, 0.40 for a 30-year-old male, etc.). These factors come from industry studies or other credible sources.

2. **Identify the covered population and premiums.**

The participants enrolled in coverage, their coverage elections, and their applicable premiums are used to model the group supporting the premium rates. Dependents are included for rating purposes; when dependent data is incomplete, assumptions about spouse age and child demographics are applied.

3. **Allocate total premium dollars based on expected claims.**

Total premiums for the group are spread across participants in proportion to their age/sex cost factors, producing **estimated per-capita claims** for the current year. These estimates are then projected using the valuation’s medical trend assumptions.

This approach provides a reasonable estimate of expected claims when plan-specific experience is not credible, or not available, and aligns with applicable actuarial standards.



Appendix 3: MacLeod Watts Mortality Projection Methodology

Actuarial standards (ASOP No. 35, Selection of Demographic and Other Noneconomic Assumptions for Measuring Pension Obligations, and ASOP No. 6, Measuring Retiree Group Benefits Obligations) require actuaries to reflect future mortality improvement when valuing long-term retiree obligations. Because credible improvement rates must be based on large national datasets, actuaries rely on published research rather than plan-specific experience.

Best practices for building mortality improvement scales generally recommend that the actuary:

1. Set **short-term** improvement rates using recent mortality experience.
2. Set **long-term** improvement rates using expert judgment.
3. Join short- and long-term rates smoothly over an **appropriate transition period**.

MacLeod Watts Scale 2022 follows these principles. In developing the scale, we relied on sources from the Society of Actuaries (SOA) and the Social Security Administration (SSA).

Society of Actuaries (SOA) – For historical and short-term improvement rates we used the SOA’s MP-2021 Improvement scale, published in October 2021. We duplicate MP-2021’s historical rates of improvement from 1951-2017 and utilize their projected improvement rates for years 2018-2020.

Social Security Administration (SSA) – To set long-term expected mortality improvement rates, we looked to the 2021 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance (OASDI) Trust Funds (August 2021), specifically the SSA’s Intermediate mortality improvement assumptions. This report uses constant long-term improvement rates for various age bands for the years 2030-2044 with a final step down for years 2045 and beyond.

The short-term and long-term rates were joined by a linear transition over the 10-year period 2021-2030. For ages 95 to 117, we graded improvement rates to zero.

The SOA’s MP-2021 materials and the SSA Trustees Report assumptions are available on their respective public websites.



Appendix 4: Funding Considerations

This appendix outlines key considerations in financing retiree benefit obligations. Public employers generally use one of three approaches: (1) Pay-As-You-Go (PAYGO), (2) designated reserves, or (3) prefunding through an irrevocable trust. Each approach affects financial reporting, long-term costs, and budget flexibility. The following discussion summarizes these differences to support long-term planning and budgeting.

Pay-As-You-Go (PAYGO) Financing

Under PAYGO financing, retiree benefits are paid from current revenues as they come due. PAYGO requires minimal administration and provides maximum near-term budget flexibility. Because no assets are set aside, employer costs track the pattern of benefit payments directly.

Over time, PAYGO costs typically rise as retiree populations increase or healthcare trend elevates premiums. For financial reporting, unfunded OPEB and pension liabilities must be discounted using a municipal bond index rate under GASB Statements 67, 68, 74, and 75, which typically produces higher reported liabilities and annual expense than under a prefunded arrangement. Also, rating agencies may view large unfunded liabilities as an indicator of long-term fiscal stress.

PAYGO may be reasonable when obligations are small, stable, or diminishing, or when the employer provides benefits solely through an implicit subsidy (see Glossary). In these cases, annual costs may remain manageable without establishing a trust.

Potentially Beneficial For:

- Employers with small, stable, or declining liabilities.
- Plans providing short-term benefits or those offering only an implicit subsidy.
- Closed plans with short remaining duration.
- Employers requiring maximum near-term budget flexibility.
- Agencies without capacity for trust governance, investment oversight, or formal funding policy development.

Informal Funding Through Designated Reserves

Some employers set aside resources within governmental funds—such as the General Fund or an Internal Service Fund—as designated reserves for future retiree benefit payments. These reserves can help smooth future PAYGO volatility, support multi-year planning, and demonstrate internal fiscal discipline while preserving budget flexibility.

Designated reserves remain employer assets and are not plan assets under GASB. They do not reduce reported liabilities or allow use of the trust discount rate when measuring obligations. Rating agencies generally view such reserves as part of available liquidity rather than evidence of prefunding and may note that designated funds can be repurposed or borrowed during fiscal stress or changing priorities



Funding Considerations

(Continued)

Even with these limitations, designated reserves can be useful when employers anticipate rising costs but are not prepared to commit assets to an irrevocable trust. They also provide a practical transitional step toward prefunding.

Potentially Beneficial For:

- Employers seeking planning structure without irrevocable commitment.
- Agencies accumulating resources before establishing a trust.
- Organizations valuing flexibility while preparing for rising costs.
- Plans with modest obligations where GASB benefits of prefunding may be limited.
- Employers adopting a gradual or transitional funding strategy.

Formal Prefunding Through an Irrevocable Trust

Prefunding involves contributing assets to an irrevocable trust dedicated exclusively to retiree benefits. Trust assets may be invested for long-term growth, allowing investment earnings to offset future employer contributions and enhance cost stability.

Under GASB 67, 68, 74, and 75, projected benefit payments expected to be covered by trust assets may be discounted using the trust's long-term expected rate of return, which is typically higher than the municipal bond rate applied to unfunded periods. As a result, prefunding generally produces lower reported liabilities, lower annual expense, and improved funded ratios. Rating agencies often view ongoing prefunding as evidence of disciplined financial management and long-range planning.

Prefunding supports intergenerational equity by better matching benefit costs to the periods in which those benefits are earned. It may be especially valuable when retiree populations are expected to grow, producing steeply rising retiree benefit payments in future years.

Prefunding requires maintaining a funding policy, adopting an investment policy, providing governance oversight, and making regular contributions. Trust assets are legally restricted and may not be redirected for other purposes; however, under the terms of most OPEB trusts, the employer may request reimbursement from the trust for eligible retiree benefit payments made directly to or on behalf of retirees during the fiscal year.

Potentially Beneficial For:

- Employers with material, ongoing obligations and long time horizons
- Agencies prioritizing cost stability, intergenerational equity, and long-term planning
- Employers seeking to reduce reported liabilities and annual expense
- Organizations aiming to strengthen their credit profile
- Employers able to sustain regular, structured contributions
- Plans with growing retiree populations or rising subsidy costs
- Employers seeking greater assurance that resources will be available to pay retiree benefits over the long term



Funding Considerations

(Continued)

Hybrid Approaches

Employers are not limited to choosing exclusively among PAYGO, designated reserves, or full prefunding. Many agencies use hybrid approaches that apply different strategies to different segments of the obligation or phase in prefunding over time.

One common hybrid method treats the plan as having two components—current retirees and current active employees. Because retiree obligations are a shorter duration and already in pay status, some employers continue to finance these payments on a PAYGO basis. At the same time, they establish an irrevocable trust for active employees, prefunding Normal Cost and amortizing the portion of the actuarial accrued liability attributable to active service.

Another hybrid approach applies different funding strategies to different benefit tiers. For example, a plan may include a higher-cost legacy tier and a lower-cost tier for newer hires. An employer might prefund the newer tier while using PAYGO for the legacy tier, gradually improving the plan's overall funding outlook as legacy benefits decline over time.

Other hybrid strategies include prefunding a portion of annual costs, contributing to a trust in surplus years, or combining trust contributions with designated reserves. Hybrid methods allow employers to balance long-term planning with near-term flexibility and support gradual movement toward stronger funding practices without requiring an abrupt transition to full prefunding.

Potentially Beneficial For:

- Employers tailoring funding approaches to specific goals or constraints
- Agencies seeking to prefund long-duration obligations while managing short-duration liabilities on a PAYGO basis
- Employers transitioning from pay-as-you-go financing toward prefunding over time
- Plans with multiple tiers or differing benefit structures
- Organizations balancing budget flexibility with long-term cost control

Funding Approaches and Long-Term Financial Risk

The funding approaches described above differ not only in administration and accounting treatment, but also in how benefit costs are distributed across time and which revenue sources—current or future—are expected to bear those costs. From a long-term financial perspective, these differences influence the timing of cash outlays, the degree of reliance on future operating revenues, and the variability of required budgetary resources over time.

Pay-As-You-Go Financing

Under a pay-as-you-go approach, benefit costs are largely deferred to future operating budgets as payments come due. This structure places primary reliance on future revenues to absorb both expected benefit costs and any adverse experience. As a result, long-term affordability depends on the employer's future revenue capacity and its ability to accommodate rising benefit payments alongside other budget priorities. Effective use of a PAYGO approach therefore requires an understanding of the full projected path of benefit payments, rather than a focus limited to near-term costs.



Funding Considerations

(Continued)

Designated Reserves

Designated reserves alter the timing of cash flows by setting aside current resources to support future benefit payments. When used consistently, reserves can moderate year-to-year budget volatility and reduce short-term pressure during periods of rising costs or constrained revenues. However, because these assets remain available for other employer purposes, designated reserves generally do not change the extent to which long-term benefit costs ultimately depend on future operating revenues. Their primary effect is on budget smoothing rather than on the long-term allocation of plan costs across periods.

Prefunding Through an Irrevocable Trust

Prefunding through an irrevocable trust shifts a greater portion of plan costs toward periods in which benefits are earned or recognized, reducing reliance on future operating revenues to finance benefit payments. Investment earnings on trust assets can offset a portion of future cash outlays, contributing to more stable contribution patterns over time. While prefunding does not alter the underlying benefit obligations, it can improve predictability by spreading funding requirements more evenly across periods and by reducing the concentration of plan costs in future budgets.

Hybrid Funding Approaches

Hybrid funding approaches combine elements of these strategies by allocating different portions of the obligation to different revenue sources. By determining which costs are funded in advance and which are paid as incurred, employers can tailor the timing of benefit costs to their fiscal capacity, risk tolerance, and planning objectives. Hybrid approaches provide flexibility to manage long-term budget exposure without committing to a single funding method for all components of the plan.

Long-Term Perspective

Regardless of the funding strategy adopted, long-term benefit obligations require long-term planning. In practice, funding decisions for retiree benefit plans are often made in the context of an employer's broader financial obligations, including the funding status and contribution requirements of multiple benefit plans and other long-term commitments. Understanding how these funding choices affect the timing of costs and reliance on future revenues is central to managing financial uncertainty and maintaining budgetary sustainability.



Funding Considerations

(Concluded)

Comparison Summary

The table below summarizes key differences among PAYGO financing, designated reserves, and formal trust prefunding. Hybrid approaches are not shown in a separate column because they blend elements of the three methods in ways that vary by employer policy and plan design.

Feature / Consideration	1. PAYGO	2. Designated Reserves	3. Irrevocable Trust
Asset Status	No assets accumulated	Earmarked but unrestricted	Legally restricted
Legal Restrictions	None	None (policy only)	Irrevocable; For plan benefit only
GASB Discount Rate	Municipal bond rate	Municipal bond rate	Long-term expected return
Impact on Reported Liabilities & Expense	Highest liability and expense	Same as PAYGO	Lower reported liability and expense
Long-Term Cost Profile	Usually rising costs over time	Rising costs Reserves provide smoothing	Investment earnings reduce long-term contributions
Deferral of Plan Costs	High in early years; None once benefits mature	Moderate; reduced to extent reserves offset future costs	Minimal - trust funding aligns costs with periods of accrual
Intergenerational Cost Allocation	Costs largely borne by future taxpayers or ratepayers	Partial alignment; depends on reserve use consistency	Strong alignment of costs with periods of service
Governance & Oversight Requirements	Minimal	Minimal	Requires funding investment policies; Investment oversight
Investment Return	None	Typically low pooled returns	Potential for higher long-term returns
Rating Agency Perspective	Unfunded liability may be a credit risk	Viewed as liquidity, not prefunding	Viewed favorably as structured prefunding



Glossary

Actuarial Accrued Liability (AAL) – The portion of the actuarial present value of projected benefits that is not covered by future normal costs; the accumulated value of benefits attributed to past service under the actuarial cost method. See also: Service Cost; Total OPEB Liability; Total Pension Liability

Actuarial Cost Method – A procedure used to allocate the present value of projected benefits to periods of employee service. It determines how benefit costs and liabilities are assigned over time, based on actuarial assumptions about future events such as salary increases, retirement, and mortality.

Actuarial cost methods are defined in actuarial standards (such as ASOP Nos. 4 and 6) and may be used for various purposes, including funding, accounting, or plan design. In accounting standards such as GASB 68 & 75, this concept is referred to as the attribution method.

See also: Attribution Method; Actuarial Funding Method

Actuarial Funding Method – An actuarial funding method determines the pattern of contributions required to finance a benefit plan's obligations over time. It combines the actuarial cost method, which allocates the present value of projected benefits between past and future service, with an additional step specifying how any unfunded actuarial accrued liability (UAAL) will be recognized and amortized.

Under a funding method, the normal cost (the cost of benefits accruing for active employees during the year) is added to an amortization payment designed to eliminate the UAAL over a prescribed period. The resulting total is the Actuarially Determined Contribution (ADC).

Actuarial funding methods are typically used for funding valuations, not for financial reporting under GASB 68 & 75. GASB 68 & 75 focuses solely on the measurement of liabilities using the actuarial cost method (referred to in the standard as the attribution method) and does not prescribe contribution requirements.

See also: Actuarial Cost Method; Attribution Method

Actuarial Present Value of Projected Benefits (APVPB) – The amount currently required to fund all projected plan benefits of current employees and retirees. This value is determined by discounting expected future benefit payments using an appropriate interest rate and the estimated probability of payment.

Actuarial Valuation Report – A formal report prepared by an actuary that presents the results of an actuarial valuation of plan liabilities.

Actuarial Value of Assets (AVA) – A smoothed measure of plan assets sometimes used in valuations to limit the impact of short-term investment swings. The AVA averages market gains and losses over several years to show a steadier trend in the plan's funding progress. Under GASB standards, a plan's financial reporting must use market value of assets, but an AVA may be used in the determination of funding contributions. See also: Market Value of Assets

Actuarially Determined Contribution (ADC) – The contribution amount calculated by the actuary for a given fiscal period to fund the employer's obligations for Pension or Other Post-Employment Benefits (OPEB). It generally consists of the normal cost (the portion of benefits earned during the current year) plus an amortization payment to reduce the unfunded actuarial accrued liability. Actuarial Standards of Practice No. 4 and No. 6 require the ADC to be determined consistent with the trust being able to pay plan benefits when due (see ASOP No. 4 §3.11 and ASOP No. 6 §3.12). Note that the ADC represents a recommended contribution level based on actuarial methods and assumptions and may or may not be a required contribution depending on the plan and its governing authority.



Glossary

(Continued)

Amortization Policy – Amortization Policy refers to a prescribed or adopted set of rules governing how unfunded actuarial accrued liabilities (UAALs) are paid down over time through a series of contributions or, for accounting, a series of expense recognition. The policy defines the amortization method, amortization period, and treatment of new gains and losses (e.g., whether separate “bases” are established for each year’s changes). Common amortization methods include level dollar (a fixed annual payment) and level percentage of payroll (a payment that grows with expected payroll). A well-designed amortization policy balances intergenerational equity, contribution stability, and funding progress, ensuring that unfunded liabilities are reduced systematically and within a reasonable timeframe.

Assumption Changes – Revisions to the demographic or economic actuarial assumptions used in determining a plan’s liabilities, reflecting updated expectations of future plan experience. Assumption changes may involve updates to the discount rate, mortality tables, retirement or termination rates, salary or payroll growth, retiree participation rates, healthcare cost trends, or other relevant assumptions.

Under GASB 68 & 75, the changes in liability resulting from assumption changes are recognized as deferred outflows or inflows of resources and amortized as expense over the Expected Average Remaining Service Lifetime (EARSL) of active and inactive members.

Attribution Method – The attribution method is the term used in accounting standards—such as GASB Statements No. 68 and 75 or FASB ASC 715-30 and 715-60—to describe how the total projected benefit, and therefore the related cost, is assigned or *attributed*, to periods of employee service for financial reporting purposes.

Conceptually, this is equivalent to the actuarial cost method used in actuarial practice. GASB 68 & 75 specifies the Entry Age Normal (level percentage of pay) method as the required attribution method for OPEB and pension plans.

See also: Actuarial Cost Method; Actuarial Funding Method

Closed Group – A closed group actuarial valuation includes only the current members of the plan as of the valuation date—active, inactive, retired, and beneficiaries—and does not assume any future entrants. The valuation projects future benefit payments, contributions, and liabilities solely for this fixed population, reflecting assumptions regarding future terminations, retirements, or deaths, without regard to future workforce growth. Closed group valuations are commonly used for establishing near-term plan contributions and for financial reporting purposes (e.g., under GASB 67, 68, 74, or 75).

Covered Payroll – The payroll on which contributions to the plan are based, typically representing the pensionable or contributory earnings of employees currently covered by the plan. Under GASB Statement No. 82, covered payroll replaced covered-employee payroll for use in certain ratios presented in financial statement disclosures when plan contributions are determined with reference to payroll.



Glossary

(Continued)

Covered-Employee Payroll – The total payroll of employees who are eligible, or who through continued service can become eligible, for retirement benefits through the plan, regardless of whether contributions are based on payroll or whether the benefits themselves are related to pay. For plans whose contributions are not payroll-based (for example, most OPEB plans), this measure represents the aggregate payroll of employees potentially eligible for retirement benefits and remains the appropriate denominator for certain ratios in financial statement disclosures required by GASB.

Because GASB does not prescribe a specific payroll measure, covered-employee payroll generally reflects the employer's total gross or W-2 payroll for employees potentially eligible for OPEB. Consultation with auditors may be appropriate to consider whether employee-specific or nonrecurring items included in gross payroll could materially affect reported ratios. Whatever measure is adopted should be documented, applied consistently, administratively sustainable, and reflect the spirit of the GASB concept of 'total payroll of covered employees.

Crossover Test – Also called the Trust Sufficiency Test, the Crossover Test is a projection required under GASB 68 & 75 to determine whether a plan's fiduciary net position (trust assets) is expected to be sufficient to make all projected benefit payments given the sponsor's pattern of contributions. The Crossover Test is only required for plans whose funding policy provides for contributions that are less than the Actuarially Determined Contribution (ADC). When the sponsor contributes the full ADC—calculated in accordance with Actuarial Standards of Practice—the actuarial funding method itself ensures that, if all assumptions are realized, assets will be sufficient to pay benefits when due. When a Crossover Test is required, the projection determines the effective discount rate to be used in valuing plan liabilities, based on a blend between the long-term expected trust earnings rate and the municipal bond rate, reflecting the relative periods during which plan assets are and are not projected to be sufficient. See GASB 68 paragraphs 29–31 and GASB 75 paragraphs 30-32.

Deferred Resources – Deferred Resources represent the difference between the timing of recognition of certain events and their impact on expense. They include Deferred Outflows of Resources (assets consumed before they are recognized as expenses) and Deferred Inflows of Resources (resources received before they are recognized as revenue or reductions in expense). In the context of GASB 68 & 75, deferred resources are established for actuarial gains or losses (i.e., plan and investment experience), and assumption changes. For cost-sharing plans, deferred resources are also established for changes in proportions and the difference between actual and proportionate share of employer contributions. Deferred resources are recognized over time in the calculation of benefit expense.

Defined Benefit (DB) Plan – A pension or OPEB plan that specifies the amount of benefits a plan member will receive, typically based on factors such as age, years of service, and salary history.

Defined Contribution (DC) Plan – A pension or OPEB plan that establishes an individual account for each member and specifies how contributions are determined and distributed after separation from employment.



Glossary

(Continued)

Demographic Assumptions – Rates and patterns used to model how members enter, move through, and exit the plan. They reflect expected future experience and may vary by age, service, benefit tier, and (when relevant) sex. Typical components include mortality (pre and post retirement) and mortality improvement, retirement, termination of employment, disability incidence, benefit option elections (e.g., form of payment), participation in coverage at and after retirement, spouse & dependent coverage and spouse-age differentials, and marriage assumptions. Demographic assumptions are selected using plan experience, relevant industry tables or studies, and professional judgment, and are reviewed periodically for continued reasonableness.

Discount Rate (GASB) – The interest rate used to convert projected future benefit payments into present values as of the valuation date. Under GASB standards, the discount rate depends on the plan's funding policy. For prefunded plans that consistently contribute the Actuarially Determined Contribution (ADC), the rate is based on the long-term expected return on plan investments. For pay-as-you-go plans, the rate is based on a 20-year, tax-exempt, AA/Aa-rated municipal bond index composed of general obligation bonds (not revenue or other special-purpose bonds). When contributions are made at levels below the ADC, GASB requires a blended discount rate—reflecting both the expected return on trust assets and the municipal bond rate—determined through a crossover test that measures when projected trust assets are expected to be depleted. See also: Crossover Test

Economic Assumptions – Financial variables that affect the timing and amount of projected benefits and contributions. Core elements typically include the discount rate (and, where applicable, the long-term expected return on assets), general price inflation, salary-increase scale (merit and longevity plus inflation), payroll growth, cost-of-living adjustments (COLAs) if provided, and (for OPEB) the health care cost trend. Economic assumptions are selected to be internally consistent and appropriate for the measurement objective and are reviewed periodically alongside demographic assumptions.

Entry Age Normal Actuarial Cost Method – An actuarial cost allocation method in which, for each individual, the actuarial present value of benefits is levelly spread over the individual's projected earnings or service from entry age to the last potential retirement age at which benefits are paid. Under GASB 68 & 75, the Entry Age Normal (Level Percent of Pay) method is required for financial reporting.

Expected Average Remaining Service Lifetime (EARS�) – The average of the expected remaining service lives of all current and former employees covered by the plan. Former employees receiving or expected to receive benefits are included in the average with zero future service. Used to determine the period over which certain deferred resources are recognized under GASB standards.

Expense – The annual accounting recognition of the cost of benefits under applicable GASB standards. Expense includes the normal cost (service cost), interest on the total liability, expected earnings on plan assets, and the amortization of deferred items such as differences between expected and actual experience or assumption changes.

Experience Study – A periodic (commonly 3–5 year) statistical review of actual plan experience versus current assumptions, conducted to assess the continued appropriateness of demographic (and, where applicable, economic) assumptions. The study summarizes observed rates (e.g., retirement, termination, mortality, disability, elections), evaluates credibility, and recommends assumption updates to better reflect expected future experience. Results are documented, adopted by the appropriate authority, and incorporated prospectively into valuations.



Glossary

(Continued)

Explicit Subsidy – An explicit subsidy occurs when an employer makes a direct contribution toward the cost of retiree health coverage. This may take the form of a fixed dollar amount, a percentage of premium, or payment of the entire premium on behalf of the retiree. The value of these payments represents a direct employer cost and is recognized as part of the employer’s Other Postemployment Benefits (OPEB) liability under GASB 75.

Explicit subsidies are typically easier to measure and track than implicit subsidies because they are typically defined in plan documents, labor agreements, or employer policy, and the payments are made directly by or on behalf of the employer.

Fiduciary Net Position – The value of assets held in trust for the payment of benefits, reduced by any liabilities of the trust. It represents the net position restricted for future benefit payments and is measured at fair value.

Fully Funded – Fully Funded describes a plan whose assets are sufficient to cover the actuarial present value of accrued or projected benefit obligations as of a specific measurement date, based on the valuation method and assumptions in use. The term applies differently under various measurement bases:

- In funding valuations, a plan is fully funded when the Actuarial Value of Assets equals or exceeds the Actuarial Accrued Liability (AAL).
- For financial reporting, a plan is fully funded when the Plan Fiduciary Net Position equals or exceeds the Total Pension or OPEB Liability under GASB standards.

However, *fully funded* does not mean that no further contributions will be required. Even when a plan is fully funded on the valuation date, future normal cost accruals (i.e., employees earning additional benefits due to service), investment experience, assumption changes, or demographic events typically create new funding needs. Accordingly, “fully funded” reflects a momentary actuarial condition rather than a permanent financial destination.

Funded Ratio – A point-in-time measure of funding status. Under GASB financial reporting, it is typically defined as Plan Fiduciary Net Position ÷ Total Pension (or OPEB) Liability at the measurement date. In funding valuations, a comparable measure may be shown as Actuarial Value of Assets ÷ Actuarial Accrued Liability.



Glossary

(Continued)

Funded Status – Represents the relationship between a plan’s assets and its benefit obligations at a specific measurement date, based on the applicable actuarial or accounting valuation. It is typically expressed as the difference between plan assets and the actuarial present value of liabilities, or as a ratio comparing those two values.

Funded status is commonly presented using either the Actuarial Value of Assets and Actuarial Accrued Liability (AAL) for funding purposes, or the Plan Fiduciary Net Position and Total Pension or OPEB Liability (TPL/TOL) for financial reporting under GASB Statements No. 67, 68, 74, and 75. Funded status provides a point-in-time measure of a plan’s financial position.

The degree of funding can be described using the following generalized categories.

- *Underfunded* - Assets are less than the AAL. The shortfall represents the Unfunded Actuarial Accrued Liability (UAAL). In this category, assets do not yet cover the value of benefits earned by past service.
- *Fully Funded* - Assets equal the AAL. The plan’s assets cover benefits earned to date.
- *Overfunded* - Assets exceed the AAL but are less than the Present Value of Projected Benefits (PVPB). The plan holds a surplus relative to the Actuarial Accrued Liability so that current assets cover a portion of expected benefits that will be earned by future employee service.
- *Super-Funded* - Assets equal or exceed the Present Value of Projected Benefits (PVPB). The plan’s assets are expected to be sufficient to cover all expected future benefits for current participants if the plan were frozen to new entrants.

If Assets			
< AAL	= AAL	> AAL but < PVPB	>= PVPB
Underfunded	Fully Funded	Overfunded	Super-funded

A plan sponsor may shift these relationships to meet their particular view on plan funding. For example, “fully funded” could be viewed as anywhere between 95% and 110% of the Actuarial Accrued Liability. In this case, each category could be used to change the funding strategy depending on the funding level.

Funding Policy – The formal strategy adopted by a plan sponsor or governing board to determine how contributions will be made to systematically fund benefit obligations. The funding policy establishes the principles and methods used to calculate the Actuarially Determined Contribution (ADC), including the actuarial cost method, amortization policy, and asset valuation method.

A sound funding policy aims to achieve and maintain a sustainable, fully funded plan over the long term while balancing the need for predictable and affordable contribution levels. Under ASOP No. 4 (Measuring Pension Obligations and Determining Pension Plan Costs or Contributions) and 6 (Measuring Retiree Group Benefits Obligations and Determining Retiree Group Benefits Plan Costs or Contributions), an actuarially sound funding policy should be designed so that, if contributions are made as intended and all assumptions are realized, plan assets will be sufficient to pay benefits when due.

Funding policy decisions often reflect both actuarial considerations (such as risk, smoothing, and amortization) and budgetary or statutory constraints.



Glossary

(Continued)

Gain/Loss Analysis – A reconciliation that decomposes period-to-period changes in liabilities and assets into expected changes (based on prior assumptions) and experience gains/losses. Typical components include demographic experience (e.g., retirements, terminations, mortality), economic experience (e.g., actual salary growth, actual health claims or premiums), assumption changes, plan/method changes, investment gains/losses relative to expectation, and contribution differences. For GASB reporting, many of these items create deferred outflows/inflows of resources recognized in expense over prescribed periods; for funding, they may establish new amortization bases that affect the Actuarially Determined Contribution.

Governmental Accounting Standards Board (GASB) – A private, not-for-profit organization that establishes generally accepted accounting principles (GAAP) for U.S. state and local governments.

Health Care Trend – The assumed annual rate(s) of increase in future dollar values of premiums or healthcare claims, attributable to medical inflation, utilization, and technological advancements.

Implicit Subsidy – An implicit subsidy occurs when retiree benefit claims are expected to exceed the premiums charged for retiree coverage. The difference must be paid from another source of funds that is said to implicitly subsidize the retiree benefit. GASB 75 and applicable actuarial standards specify when such a subsidy must be recognized as an employer liability and how that liability is recognized in expense and extinguished over time as retiree benefits are paid.

The simplest situation creating an implicit subsidy arises when active and retired employees are covered under the same medical plan, the employer's actives and retirees are the only experience used to determine premiums, and a single blended premium rate is charged for both groups even though retirees generally have higher expected health costs. In these cases, employer premiums for active employees indirectly subsidize retiree coverage. Although the subsidy is not a separate or explicitly identified payment, it represents a real economic transfer from the employer to retirees—hidden within the plan's blended rate structure.

Under GASB 75, this type of implicit subsidy is recognized as an OPEB liability during employees' active service as the benefit is earned over their careers. When retirees later participate in the plan and their estimated claims exceed their premiums, the difference represents an implicit benefit payment to retirees and is treated as a benefit paid by the plan. To the extent the employer is not reimbursed by a trust for these payments, the employer is credited with a plan contribution.

Other, more complex situations can also create implicit subsidies, but those arrangements do not lend themselves to a simple general definition.

Intergenerational Equity – Intergenerational Equity refers to the principle that the cost of benefits should be borne equitably by the generations of taxpayers, employers, and employees who receive the benefit of associated services or compensation. In the context of pension and OPEB funding, it means that each generation's contributions should be sufficient to cover the benefits earned during that generation's period of employment, without shifting significant costs to future participants or taxpayers. Funding policies that align contributions closely with benefit accruals—such as those using the Entry Age Normal actuarial cost method and level percentage of payroll amortization—are designed to promote intergenerational equity. Conversely, policies that defer or extend payments long after the associated services are provided potentially violate intergenerational equity principles by transferring costs from current to future taxpayers or employees.



Glossary

(Continued)

Investment experience – Investment experience reflects the difference between actual investment returns on plan assets and the expected returns based on the assumptions used in the prior valuation. Favorable differences produce investment gains; unfavorable differences produce losses.

For GASB 68 & 75 reporting, plan assets are measured at market value. Investment gains or losses are recognized as deferred outflows or inflows of resources and are amortized as expense over a period of five years.

Level Dollar Amortization – An amortization method in which the annual payment toward unfunded actuarial accrued liabilities (UAAL) is a fixed dollar amount each year over the amortization period. This approach results in declining payments as a percentage of payroll if payroll is expected to grow, since the dollar payment remains constant while payroll increases. This method is generally most appropriate for benefit programs not directly tied to payroll, such as OPEB plans where benefits are based on fixed-dollar medical subsidies or premium-sharing arrangements rather than a percentage of salary.

Level Percentage of Payroll Amortization – An amortization method in which the annual payment toward unfunded actuarial accrued liabilities (UAAL) is a constant percentage of expected payroll over the amortization period. As payroll is assumed to grow each year, the dollar amount of the contribution increases, maintaining a stable contribution rate relative to payroll. This method is generally most appropriate for benefit programs that are payroll-related, such as defined benefit pension plans where liabilities and normal costs are expressed as a percentage of covered payroll. When both benefits and contributions are tied to payroll, using a constant contribution rate as a percent of payroll better maintains intergenerational equity between current and future taxpayers or employers. However, this approach may be less suitable for OPEB plans or flat-dollar benefit structures, where payroll growth is not related to benefit growth.

Market Value of Assets (MVA) – The Market Value of Assets (MVA) represents the fair value of plan assets as of the measurement date. Fair value is the amount that could be realized if all plan assets were sold in an orderly transaction between willing market participants on that date. In most cases fair value is determined by market or quoted prices.

In contrast to a smoothed or actuarial value of assets (AVA) — which averages asset gains and losses over time to reduce short-term volatility — the MVA represents the plan's assets at actual market value on the reporting date. GASB 68 & 75 requires use of the MVA for financial reporting purposes.

Measurement Date – The date as of which the Total OPEB Liability or Total Pension Liability and the plan's Fiduciary Net Position are measured for financial reporting. Under GASB Statements 67, 68, 74, and 75, the measurement date must fall within the employer's reporting period and cannot rely on an actuarial valuation older than 30 months and 1 day before the employer's fiscal year-end. When the valuation date precedes the measurement date, results must be updated to the measurement date using roll-forward procedures. See also: Valuation Date; Roll-Forward Valuation

Net OPEB Liability (NOL) – The total OPEB liability minus the fiduciary net position. This represents the employer's liability for OPEB benefits provided through a defined benefit plan.

Net Pension Liability (NPL) – The Total Pension Liability minus the fiduciary net position. This represents the employer's liability for Pension benefits provided through a defined benefit plan.



Glossary

(Continued)

Net Position – The residual of all other elements presented in a statement of financial position. In the context of OPEB reporting, it reflects the impact of the Net OPEB Liability adjusted for deferred inflows and outflows of resources.

Normal Cost – The portion of the actuarial present value of projected benefits that is allocated to a given year under the actuarial cost method. For a valuation year, Normal Cost is equal to the Service Cost, representing the value of benefits expected to be earned by active employees during that year. See also: Service Cost

Open Group – An open group actuarial valuation considers both current plan participants and future entrants who are expected to join the plan in the future. The projection of liabilities and assets assumes the ongoing operation of the plan as a continuing entity, with new members entering according to specified demographic, economic, and plan participation assumptions.

Open group valuations require additional demographic and economic assumptions beyond those used in closed-group studies, including 1) population entry and exit assumptions (e.g., expected new hires, turnover, retirements, and mortality), 2) payroll growth and new entrant profiles (age, service, pay), 3) plan participation rates among new hires, and 4) future contribution and benefit accrual patterns consistent with long-term plan sustainability.

Open group valuations are often used for funding policy analysis, long-range financial projections, long-term plan risk assessment, or plan design studies, rather than for current financial reporting or establishing near-term contribution levels of the current plan.

Other Post-Employment Benefits (OPEB) – Post-employment benefits other than pensions, most commonly healthcare benefits, but may also include life insurance or other non-pension benefits provided separately from a pension plan.

Overfunded – Overfunded describes a plan whose assets exceed the actuarial present value of accrued or projected benefit obligations as of the measurement date, based on the chosen actuarial or accounting method. This condition occurs when the Actuarial Value of Assets or Plan Fiduciary Net Position is greater than the Actuarial Accrued Liability (AAL) or Total Pension or OPEB Liability (TPL/TOL). An overfunded status typically reflects favorable investment performance, assumption experience, or past contribution patterns, but it does not necessarily eliminate the need for future contributions to fund benefits expected to be earned by active employees or to maintain the plan's funding target over time.

Participation Rate – The assumed proportion of eligible members who will elect to participate in a plan or a specific benefit/coverage option when first eligible (for example, electing retiree medical coverage, Medicare coordination, or a particular tier). Participation rates are commonly stratified by age, service, subsidy level, union/class, or coverage tier, and can materially affect projected benefit payments (especially for OPEB). For pensions, "participation" may also refer to elections such as optional forms of payment or DROP participation where applicable.

Pay-As-You-Go (PAYGO) – A funding arrangement under which contributions to the plan are made when benefit payments and expenses come due.



Glossary

(Continued)

Plan Experience – Plan experience reflects unexpected changes in a plan’s actual demographic outcomes. Plan experience is distinct from differences in investment performance, assumption changes, or plan amendments, each of which is recognized separately.

Common sources of plan experience gains or losses include:

- Retirements, terminations, disability rates, or mortality rates differing from the assumptions used in a prior valuation.
- Salary progression, service accrual, or payroll growth deviating from expected patterns.
- Coverage or benefit elections (e.g., dependent participation, healthcare plan selection, Medicare coordination) differing from assumptions.
- Data updates, corrections, or retroactive changes in participant status.

Under GASB 68 & 75, plan-experience gains or losses are recognized as deferred outflows or inflows of resources and amortized as expense over the Expected Average Remaining Service Lifetime (EARSL) of active and inactive members.

Present Value of Projected Benefits (PVPB) – The actuarial present value of all benefits expected to be paid to current plan participants, based on both service to date and projected future service, with benefits determined according to the plan provisions and actuarial assumptions in effect as of the measurement date.

The PVPB encompasses benefits for existing active, inactive, and retired members, discounted to the valuation date. It includes both the portion attributable to past service (the Actuarial Accrued Liability, AAL) and the portion expected to be earned through future service of current employees (the value of future normal costs).

The PVPB provides the broadest measure of a plan’s obligations with respect to its current participants.

Reporting Date – The employer’s fiscal year-end to which financial statement disclosures apply (for example, June 30, 2025). Under GASB reporting, amounts are measured as of the measurement date (which may precede the reporting date by up to one year) and then reported as of the reporting date in the notes and required supplementary information. Distinguishing reporting date from valuation date and measurement date is essential for reconciling year-over-year changes.



Glossary

(Continued)

Roll-Forward Valuation – A simplified actuarial process that estimates liabilities as of a measurement date by projecting results from a prior full actuarial valuation forward. Rather than collecting new census data and fully re-measuring liabilities, the actuary updates the earlier valuation to reflect expected changes such as the passage of time, benefit payments, and updated plan assets.

Roll-forward valuations are used to reduce the time and cost of performing a full valuation each year while providing a reasonable interim estimate of liabilities. Under a roll-forward, demographic events (such as retirements, deaths, or new entrants) and other plan experience are assumed to occur as expected, rather than being explicitly measured.

Because of these simplifications, a roll-forward valuation is less detailed than a full actuarial valuation and is appropriate only when no material changes to the plan or membership have occurred since the prior valuation. GASB 68 & 75 specifically permits roll-forward valuations for OPEB plans to support consistent annual reporting.

A full actuarial valuation, by contrast, uses current participant data and a complete review of plan provisions and assumptions to recalculate all liabilities and costs, and serves as the foundation for subsequent roll-forward measurements.

Section 115 Trust – An irrevocable trust established under Section 115 of the Internal Revenue Code, which permits state and local government agencies to set aside funds for essential governmental purposes—such as the prefunding of Other Post-Employment Benefits (OPEB) and pension obligations. To qualify for tax-exempt status, the trust must serve a recognized governmental purpose and remain under the substantial control of the sponsoring public agency. Assets held in a Section 115 Trust are legally segregated from the employer’s general funds, may be invested pursuant to the agency’s adopted investment policy, and are restricted to use for the designated governmental purpose. Because the trust is separate from general assets, its balances may be recognized as plan assets for financial reporting under GASB standards.

Select and Ultimate – A type of actuarial assumption that applies varying rates for an initial “select” period, followed by a long-term stable “ultimate” rate.

Sensitivity Analysis – A required GASB disclosure showing how the Net Pension or Net OPEB Liability would change if the discount rate or healthcare cost trend rate (for OPEB plans) were 1% higher or lower.

Service Cost – The portion of the actuarial present value of projected benefits that is assigned to the current valuation year under the actuarial cost method. Service Cost represents the value of benefits earned by active employees during that year. See also: Normal Cost; Actuarial Cost Method.

Total OPEB Liability (TOL) – The total value of all plan benefits attributable to service rendered as of the valuation date for current plan members and vested former members. Equivalent to Actuarial Accrued Liability determined under the Entry Age Normal (percent of pay) funding method. See also: Actuarial Accrued Liability

Total Pension Liability (TPL) – The total value of all plan benefits attributable to service rendered as of the valuation date for current plan members and vested former members. Equivalent to Actuarial Accrued Liability determined under the Entry Age Normal (percent of pay) funding method. See also: Actuarial Accrued Liability



Glossary

(Concluded)

Trust – A separate legal entity established to hold assets for the purpose of paying benefits to participants. To qualify as a trust for GASB reporting, assets must be held for the exclusive benefit of plan members and their beneficiaries, be legally protected from the creditors of the employer, and be used solely to provide benefits and related administrative expenses.

Trust Sufficiency Test – See Crossover Test

Underfunded – Underfunded describes a plan whose assets are less than the actuarial present value of accrued or projected benefit obligations at the valuation date, based on the applicable actuarial or accounting measurement basis. Underfunding indicates that the Actuarial Value of Assets (for funding valuations) or the Plan Fiduciary Net Position (for financial reporting) is less than the corresponding liability measure—the Actuarial Accrued Liability (AAL) or the Total Pension or OPEB Liability (TPL/TOL). An underfunded position does not imply insolvency; rather, it represents the portion of benefits earned to date that are not yet covered by current assets and will need to be funded over time through future contributions, investment returns, or both.

Unfunded Actuarial Accrued Liability (UAAL) – On a funding (actuarial) basis, the excess of the Actuarial Accrued Liability (AAL) over the Actuarial Value of Assets (AVA). The UAAL reflects past service costs not yet funded under the adopted funding policy and is commonly amortized over a closed period using level-dollar or level-percent-of-pay methods. UAAL is distinct from the GASB accounting measures Net Pension Liability (NPL) or Net OPEB Liability (NOL), which are defined as Total Liability – Plan Fiduciary Net Position at fair value.

Valuation Date – The date as of which the actuarial valuation is performed. The valuation date may precede the measurement date. See also: Measurement Date

Vesting – Requirements, as defined by the plan, which when met make a benefit nonforfeitable upon separation from service.





Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Item No. 4 (Business/Consent Item)

TO: Local Agency Formation Commission

FROM: Jeren Batchelder-Seibel, Deputy Executive Officer
(On Behalf of Chair Kiouss and Committee Members Chu and Smith)

SUBJECT: Approval of Legislative Committee Recommendations Related to LAFCo Bills

On May 26th, the Marin LAFCo Legislative Committee met to review, discuss, and recommend positions for the Commission to take on several pieces of legislation.

During each legislative cycle, the CALAFCO Executive Director tracks and reports out to the CALAFCO Legislative Committee on proposed legislation that is deemed to be pertinent to LAFCos. Of those tracked bills, the Committee selects and takes a position (support/oppose/watch/etc) on the bills that are deemed to be most pertinent specifically to LAFCos in the immediate legislative calendar. As this is the second year of the two-year legislative cycle, a number of the bills that are being tracked are essentially the holdovers from last year's spot bills that were authored as placeholders with the intention of gutting and amending them to try to get something passed this year. 2026 has been somewhat of an anomalously light legislative year from a LAFCo perspective. Currently, the Committee has taken a position on five bills that are being tracked (AB 259, AB 356, SB 994, AB 2083, SB 1312). A summary of each of these bills and the Committee's adopted position on them is included in your packet as an attachment for additional context. There was no Omnibus Bill put forth by CALAFCo this year.

One bill of particular interest to Marin LAFCo at this time last year was SB 777, titled "Abandoned endowment care cemeteries: local agency possession and responsibility". While this bill was authored with the intention of solving the current issue for the Lincoln Memorial Park Cemetery in the City of Carson, it had the possibility of setting a dangerous precedent for all LAFCos, and especially Marin LAFCo, given the situation with the Mount Tamalpais Cemetery in San Rafael. Thanks in large part to a coalition of a number of different agencies around the state, including CALAFCO and Marin LAFCo, this bill was ultimately amended and adopted by the legislature to essentially create a working group that would report out in June of 2026. This piece of legislation has now been followed this year by SB 1312, which authorizes the Cemetery and Funeral Bureau to establish a standing advisory committee and creates specific guidelines for who serves on that committee.

Marin LAFCo Policy section 3.15 gives the Commission the option to take positions and assign priority to any legislation moving through the process in Sacramento. Staff recommended to the

Committee the “Alignment with CALAFCO” position at the Priority 3 level for all of the aforementioned bills. The Committee unanimously approved the staff recommendation.

Staff Recommendation for Action

1. **Staff recommendation** – Approve the Committee’s decision to take the position of “Alignment with CALAFCO” at the priority 3 level for each of the mentioned tracked bills.
2. **Alternative Option** - Continue consideration of the item to the next committee meeting and provide direction to staff, as needed.

Procedures for Consideration

This item has been placed on the agenda as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Attachment:

- 1) CALAFCO Tracked Legislation
- 2) Marin LAFCo Legislative Matters policy



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AB 259 – Open Meetings: Local Agencies: Teleconferences

Summary: The Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body, as defined, of a local agency be open and public and that all persons be permitted to attend and participate. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law requires a member to satisfy specified requirements to participate in a meeting remotely pursuant to these alternative teleconferencing provisions, including that specified circumstances apply. Current law establishes limits on the number of meetings a member may participate in solely by teleconference from a remote location pursuant to these alternative teleconferencing provisions, including prohibiting such participation for more than 2 meetings per year if the legislative body regularly meets once per month or less. This bill would extend the alternative teleconferencing procedures until January 1, 2030.

Staff Comments: The bill extends the sunset date of the alternative Brown Act meeting procedures established in AB 2449 from 1/1/2026 to 1/1/2030.

CALAFCO Position: Watch

AB 356 – Healthcare Districts: County of San Diego

Summary: The Local Healthcare District Law authorizes the organization, incorporation, and management of local health care districts. Current law establishes the Department of Healthcare Access and Information to oversee and administer various health programs related to health care infrastructure, such as health policy and planning, health professions development, and facilities design review and construction, among others. This bill would require the department to convene a working group to study and make recommendations regarding the provision of health care services in the northern San Diego region. The bill would require that the working group include representatives of certain health care districts, among other entities, and that it issue a report to the Legislature, on or before June 1, 2026, with its findings and recommendations. The bill would repeal these provisions on June 1, 2030.

Staff Comments: This is a 2-year bill that allowed San Diego LAFCo to be added to the working group.

CALAFCO Position: Support

AB 2083 – Moreno Valley-Perris Childcare Special District

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and spheres of influence for cities and special districts, including incorporation of cities and formation of districts. The act establishes a local agency formation commission in each county with various powers and duties, including to make certain determinations regarding, and to review and approve or disapprove, proposals for changes or organization or reorganization, as specified. This bill, the Moreno Valley-Perris Childcare Special District Act, would establish the Moreno Valley-Perris Childcare Special District for a period of 5 years for the purpose of, among other things, expanding childcare capacity and access through the development, coordination, and operation of universal childcare programs. The bill would establish the district boundaries as the incorporated area of the City of Moreno Valley, the incorporated area of the City of Perris, and the officially adopted spheres of influence for each city as determined and updated by the County of Riverside local agency formation commission (LAFCO). The bill would establish a 5-member board to govern the district and specify that certain entities, including the City of Moreno Valley and the City of Perris, are charged with each appointing a member to the board. The bill would specify the duties of the board, including, among others, the duty to develop and submit a plan of services to LAFCO that details the scope of childcare services, the hours of operation, the governance and management structure, and funding sources and sustainability.

Staff Comments: This bill adds a chapter to the Welfare and Institutions Code to form the Moreno Valley-Perris Childcare Special District in Riverside County. The bill establishes the district and sets its boundaries to include the Cities of Moreno Valley and Perris, as well as the current adopted spheres of influence for each city. The bill bypasses the special district formation process, requiring Riverside LAFCO to "review and approve" the formation of the district. The bill also requires Riverside LAFCO to "review the governance structure of the district" and for a plan for services to be submitted that differs from that defined under the CKH.

CALAFCO Position: Oppose

SB 994 – Local Agencies: Nondisclosure Agreements

Summary: Existing law, the legislative code of ethics, prohibits Members of the Legislature from entering into, or requesting that another party enter into, a nondisclosure agreement relating to the drafting, negotiation, or discussion of proposed legislation. Existing law also makes any nondisclosure agreement relating to the drafting, negotiation, or discussion of proposed legislation entered into after January 1, 2026, void and unenforceable. Existing law provides an exception for nondisclosure agreements, or portions thereof, that prevent only the disclosure of trade secrets, financial information, or proprietary information, as specified. This bill would prohibit a local agency official, as defined, acting in their official capacity, from entering into, or requesting that another individual enter into, a nondisclosure agreement relating to public business that precludes their ability to share information with fellow local agency officials

serving on the same council, board, commission, district, or agency. The bill would require a local agency official in violation of that provision to, among other things, disclose the existence of the nondisclosure agreement, as specified, and would provide that these requirements imposed on a local agency official also apply to a local agency official acting in their official capacity who entered into, or requested that another individual enter into, a nondisclosure agreement described above before January 1, 2027.

Staff Comments: Prohibits local government officials, including LAFCO commissioners, from entering into non-disclosure agreements (NDAs) that would prevent communication amongst agency officials or between agency employees and their governing body.

CALAFCO Position: Watch

SB 1312 – Cemetery and Funeral Bureau: Advisory Committee

Summary: Existing law, the Cemetery and Funeral Act, provides for the licensing, regulation, and discipline relating to cemeteries, crematories, funeral establishments, embalming, and the storage of human remains by the Cemetery and Funeral Bureau that is within the Department of Consumer Affairs. The act authorizes the bureau to establish necessary rules and regulations for the administration and enforcement of the act and the laws subject to its jurisdiction and to prescribe the form of statements and reports provided for in the act. This bill would authorize the bureau to establish an advisory committee to assist the bureau in engaging consumers and licensees in its regulatory activities. The bill would require the advisory committee, if established by the bureau, to include at least one member from licensed representatives of the death care industry, members of the public, and representatives of local governments.

Staff Comments: CALAFCO previously tracked SB-777, proposed by Senator Richardson in 2025, regarding abandoned cemeteries. SB-777 required the Cemetery and Funeral Bureau to convene a working group and provide a report and recommendations to the Legislature by June 2026. This legislation piggybacks on that by creating a standing advisory committee for the Bureau and refining who serves on that committee.

CALAFCO Position: Watch

15. **LEGISLATIVE MATTERS**

A. **Process**

Under ideal circumstances, newly introduced or identified legislation that may directly or indirectly impact Marin LAFCo is to be designated by Executive Officer for further review. Such applicable legislation shall then be presented to and reviewed by the Legislative Committee. Finally, the Legislative Committee shall then offer recommendations to the full Commission for approval. This ideal process may be altered or modified if the legislation is time sensitive situation (3.15 D).

B. **Formal Position on Legislation**

LAFCo shall take one of the following positions:

- i. **Sponsor** – A position given to bills that the Commission help draft and believes are consistent with or would further Marin LAFCo policy positions or implementation of the Cortese-Knox-Hertzberg Act, would benefit Marin LAFCo, or reflects good governance principles as public policy.
- ii. **Support** - A position given to bills that the Commission believes are consistent with or would further Marin LAFCo policy positions or implementation of the Cortese-Knox-Hertzberg Act, would benefit Marin LAFCo, or reflects good governance principles as public policy.
- iii. **Neutral** - A position given to bills that have no direct impact upon Marin LAFCo or have been sufficiently amended to remove Marin LAFCo support or opposition, but for which the sponsor and/or legislative author requests a position from Marin LAFCo.
- iv. **Watch** - A position given to bills that are of interest to Marin LAFCo but do not directly affect Marin LAFCo at that time, including spot bills or two-year bills where the author has indicated that the bill will be amended or the subject area may change to impact Marin LAFCo (also known as gut and amend bills). These bills will be tracked but do not warrant taking a position at that time.
- v. **Oppose** - A position given to bills or propositions that the Commission believes would be detrimental to the policy position or implementation of the Cortese-Knox-Hertzberg Act, or Marin LAFCo, or to good governance principles as public policy.
- vi. **Support/Oppose Unless Amended** - A position given to bills for which a support or oppose position could be taken if amendments were made to address identified concerns of the Commission. This may include changing a previously stated Marin LAFCo position. This position can be changed by the Executive Director if identified amendments are presented and accepted by the legislator. Timeliness is usually important in responding to requests on these types of bills.
- vii. **No Position** - A position given to bills that either are of interest to or have an impact on Marin LAFCo and for which no adopted position is possible and for which there is a clear lack of consensus amongst the Commission on the appropriate position. This may include situations in which a

substantive number of Commissioners have divergent positions or policy issues of concern with proposed legislation and no final consensus position is possible.

- viii. **Alignment with CALAFCO** - A position for bills that have little to no impact on Marin LAFCo but where CALAFCO has taken a position and Marin LAFCo wishes to be supportive of other LAFCOs across the state. As the legislative process moves forward, the Executive Officer shall send in letters in support of the CALAFCO position as requested by CALAFCO. Should CALAFCO change positions, then Marin LAFCo shall automatically change position to mirror. In cases where CALAFCO is the “Sponsor” of a bill but Marin LAFCo did not help draft then Marin LAFCo position shall be of “Support”.

C. **Resource Priorities**

Given the limited resources of Marin LAFCo, any bill that the Commission takes action on shall be given one of the following priorities:

- i. **Priority 1** - Bills that have highest importance and a direct impact on Marin LAFCo. These bills receive primary attention and comprehensive advocacy by the Executive Officer and Commissioners. Such advocacy may include letters of position, testimony in policy committees, contact with legislators, and grassroots mobilization to members of the legislator. This level requires the greatest resource commitment.
- ii. **Priority 2** - Bills that have a significant impact on or are of interest to Marin LAFCo, may set a policy precedent or have impact relevant to the mission of Marin LAFCo, or have a major importance to a CALAFCO member or group of members or constituents. These bills receive position letters and testimony to policy committees as time permits or upon request of the author or sponsor.
- iii. **Priority 3** - Bills that have an interest to Marin LAFCo (or CALAFCO) but are deemed to be of a lower priority as to time and effort resources for advocacy. If requested by a member or stakeholder, Marin LAFCo will send a position letter but will not testify unless unusual circumstances arise and if time allows. All bills where the Commission has taken an alignment with CALAFCO position, shall by default be a Priority 3 bill unless another priority level is designated.



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Item No. 5 (Public Hearing)

TO: Local Agency Formation Commission

FROM: Jeren Batchelder-Seibel, Deputy Executive Officer

SUBJECT: **Approval of Novato Area Municipal Service Review and Sphere of Influence Updates**

Background

During the April 9th LAFCo meeting, staff presented to the Commission the public draft of the Novato Area Municipal Service Review (MSR). The public comment period for the MSR closed Friday, May 15th. During the public comment time, staff received written comments from one LAFCo Commissioner, as well as comments from two of the involved agencies. No member of the public submitted written comments. After the completion of the public comment period, LAFCo staff reviewed comments and created a final draft. A spreadsheet of the comments, suggested edits, and staff's responses to each has also been included with this item. The final draft that is being presented to you today is the culmination of a significant number of hours of hard work by Marin LAFCo staff and each of the involved agencies' staff members, being reviewed by the MSR. LAFCo staff would like to thank them for their time and efforts in their collaboration throughout this process.

From this MSR, staff have added the following item to the work plan:

- Staff should confirm that the currently missing items that have been noted within this study, which are legally required of local agencies, have been rectified on the Bel Marin Keys Community Services District's website following the launch of their updated site.

The spheres of influence for the City of Novato and the Novato Sanitary District are proposed to be amended as shown in each of the attachments, while the Novato Fire Protection District and Bel Marin Keys Community Services District are proposed to be reaffirmed as they are currently composed.

Staff Recommendation for Action

1. Staff recommendation – Approve all the attached resolutions on the Novato Area MSR, SOI approvals, and the work plan with any amendments as desired by the Commission.
2. Alternate Option – Continue consideration of the item to the next regular meeting, and provide direction to staff, as needed.

Attachment:

- 1) Final Draft of Novato Area MSR
- 2) Public Comment Matrix
- 3) Work Plan with Additions from MSR
- 4) Resolution 26-02; Resolution 26-03; Resolution 26-04, Resolution 26-05, Resolution 26-06
- 5) City of Novato Comment Letter

Novato Area Municipal Service Review and Sphere of Influence Study

Prepared by Marin LAFCo



Table of Contents

ABOUT LAFCO	6
Authority and Objectives.....	6
Regulatory Responsibilities	6
Planning Responsibilities	6
Sphere of Influence	7
Disadvantaged Unincorporated Communities.....	8
Sphere of Influence Updates and LAFCo Policy	8
Municipal Service Review Requirements.....	9
LAFCo Decision Making	10
Marin LAFCo.....	11
Regular Commissioners	11
Alternate Commissioners	11
Staff	11
Contact Information	12
MSR AND SPHERE STUDY	12
Overview	12
Methodology.....	13
Data Collection	13
Agency Profiles.....	13
KEY FINDINGS/RECOMMENDATIONS	14
CITY OF NOVATO	16
AGENCY AT A GLANCE	16
Agency Profile – City of Novato	18
CURRENT AND PROPOSED SPHERE OF INFLUENCE	19
EXTRATERRITORIAL SERVICES	20
GOVERNANCE AND STAFFING	20
ACCOUNTABILITY.....	21
DISADVANTAGED UNINCORPORATED COMMUNITIES.....	22

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA	22
PRESENT AND PLANNED LAND USE	25
SERVICES PROVIDED	29
FISCAL HEALTH	35
PERFORMANCE STANDARDS	39
Sustainability	43
DETERMINATIONS	45
NOVATO SANITARY DISTRICT	58
AGENCY AT A GLANCE	58
Agency Profile – Novato Sanitary District	61
CURRENT AND PROPOSED SPHERE OF INFLUENCE	62
EXTRATERRITORIAL SERVICES	62
GOVERNANCE AND STAFFING	62
ACCOUNTABILITY	63
DISADVANTAGED UNINCORPORATED COMMUNITIES	65
SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA	65
PRESENT AND PLANNED LAND USE	65
SERVICES PROVIDED	66
FISCAL HEALTH	71
PERFORMANCE STANDARDS	74
DETERMINATIONS	77
NOVATO FIRE PROTECTION DISTRICT	87
AGENCY AT A GLANCE	88
Agency Profile – Novato Fire Protection District	90
CURRENT AND PROPOSED SPHERE OF INFLUENCE	91
EXTRATERRITORIAL SERVICES	91
GOVERNANCE AND STAFFING	91
ACCOUNTABILITY	92
DISADVANTAGED UNINCORPORATED COMMUNITIES	93
SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA	93

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

PRESENT AND PLANNED LAND USE	94
SERVICES PROVIDED	95
FISCAL HEALTH	99
PERFORMANCE STANDARDS	100
DETERMINATIONS	104
BEL MARIN KEYS COMMUNITY SERVICES DISTRICT	115
AGENCY AT A GLANCE	115
Agency Profile – Bel Marin Keys Community Services District.....	117
CURRENT AND PROPOSED SPHERE OF INFLUENCE	118
EXTRATERRITORIAL SERVICES	118
GOVERNANCE AND STAFFING	118
ACCOUNTABILITY.....	119
DISADVANTAGED UNINCORPORATED COMMUNITIES.....	120
SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA	121
PRESENT AND PLANNED LAND USE.....	121
SERVICES PROVIDED	122
FISCAL HEALTH	128
PERFORMANCE STANDARDS	130
DETERMINATIONS	132

Table of Figures

Figure 1 City of Novato Sphere of Influence & Jurisdictional Lands.....	17
Figure 2 City of Novato Organization Chart	21
Figure 3 Novato General Tax Revenues as Compared to All California Cities.....	38
Figure 4 Budgeted Departmental Expenditures (Personnel and Operational) by Fiscal Year	38
Figure 5 Novato Sanitary District Sphere of Influence & Jurisdictional Lands.....	60
Figure 6 Novato Fire Protection District Sphere of Influence & Jurisdictional Lands	89
Figure 7 Demographic and Land Use Profile of NFPD Compared to Marin County	90
Figure 8 Bel Marin Keys CSD Sphere of Influence & Jurisdictional Lands	116

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Table of Tables

Table 1 Demographic and Land Use Comparison of Novato to Marin County	18
Table 2 Novato City Council	20
Table 3 Acreage Breakdown of Major Land Use Categories Within City Limits.....	27
Table 4 Summary of RHNA Unit Capacity, Rezoning Outcomes, and Surplus by Income Group ..	29
Table 5 Municipal Services Provided and Associated Service Providers Within Novato	29
Table 6 Historical General Fund Revenues and Expenditures by Fiscal Year	36
Table 7 Demographic and Land Use Profile of NSD Compared to Marin County	61
Table 8 Novato Sanitary District Board Members.....	63
Table 9 Summary of Website Compliance with SB 929 and SDLF Transparency Requirements...	64
Table 10 Municipal Services Provided by the District and Associated Service Providers in NSD..	67
Table 11 Design Criteria for the NTP.....	68
Table 12 2024 Influent Flows and Loading Summary	69
Table 13 2024 Plant Performance Summary	69
Table 14 Novato Sanitary District General Fund Revenues and Expenditures by Fiscal Year	72
Table 15 Novato Fire Protection District Board Members	91
Table 16 Summary of Website Compliance with SB 929 and SDLF Transparency Requirements.	92
Table 17 Municipal Services Provided by the District & Associated Service Providers in NFPD...	95
Table 18 Novato Fire Protection District Station, Apparatus and Staffing Summary.....	97
Table 19 Historical General Fund Revenues and Expenditures by Fiscal Year	99
Table 20 Demographic and Land Use Profile of BMKCSD Compared to Marin County	117
Table 21 Bel Marin Keys CSD Board Members.....	118
Table 22 Summary of Website Compliance with SB 929 & SDLF Transparency Requirements ..	119
Table 23 Municipal Services Provided by the District and Associated Service Providers in Bel Marin Keys CSD	123
Table 24 Historical General Fund Revenues and Expenditures by Fiscal Year	129

ABOUT LAFCO

Authority and Objectives

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are considered regional subdivisions of the State of California responsible for providing regional growth management services in all 58 counties. LAFCo's authority is currently codified under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), with principal oversight provided by the Assembly Committee on Local Government.

Regulatory Responsibilities

LAFCOs' principal regulatory responsibility involves approving or disapproving all jurisdictional changes involving the establishment, expansion, and reorganization of cities and most special districts. CKH defines "special district" to mean any agency of the State formed pursuant to general law or special act for the local performance of governmental or proprietary functions within limited boundaries. All special districts in California are subject to LAFCo oversight, with the following exceptions: school districts, community college districts, assessment districts, improvement districts, community facilities districts, and air pollution control districts. LAFCOs are also tasked with overseeing the approval process for cities, towns, and special districts to provide new or extended services beyond their jurisdictional boundaries by contracts, agreements, or annexation. LAFCOs also oversee special district actions to either activate new service functions and service classes or divest existing services. LAFCOs generally exercise their regulatory authority in response to applications submitted by affected agencies, landowners, or registered voters. Recent amendments to CKH also authorize and encourage LAFCOs to initiate jurisdictional changes to form, consolidate, and dissolve special districts consistent with community needs.

Planning Responsibilities

LAFCOs inform their regulatory actions through two central planning responsibilities: (a) making sphere of influence (SOI) determinations and (b) preparing municipal service reviews. Sphere determinations have been a core planning function of LAFCOs since 1971 and effectively serve as the Legislature's version of "urban growth boundaries" with regard to cumulatively delineating the appropriate interface between urban and non-urban uses within each county.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Municipal service reviews, in contrast, are a relatively new planning responsibility enacted as part of CKH and are intended to inform, among other activities, sphere determinations. The Legislature mandates, notably, that all sphere changes as of 2001 be accompanied by preceding municipal service reviews to help ensure LAFCoS are effectively aligning governmental services with current and anticipated community needs.

Sphere of Influence

Since 1972, LAFCoS in California have been responsible for determining and overseeing the sphere of influence for local government agencies. An SOI is defined as “a plan for probable physical boundaries and service area of a local agency, as determined by the Commission.” Consistent with Commission SOI policies, an SOI can be: a) coterminous to agency boundaries as the ultimate foreseen configuration of the agency in anticipation of no future growth, b) extended beyond the agency boundaries in anticipation of future growth, c) be smaller, indicating the need to detach areas from the agency boundaries, d) be designated a “zero sphere”, which indicates a potential dissolution of the agency, or e) sphere of influence “in common” to designate two or more contiguous single-service special districts that the Commission believes should be combined through consolidation or another reorganization process. In order to amend the sphere of influence boundaries, formal approval from the Commission is required. Factors considered in an SOI include current and future land use, capacity needs, and any relevant areas of interest, such as geographical terrain, location, and any other aspects that would influence the level of service.

Per Government Code Section 56425, an SOI shall consider and prepare a written statement of its determinations of the following factors:

1. Present and planned land use in the area, including agricultural and open space lands;
2. Present and probable need for public facilities and services in the area;
3. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
4. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency; and
5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs pursuant to subdivision (g) on or after July 1,

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

The purpose of an SOI is to ensure efficient services while discouraging urban sprawl and the premature conversion of agricultural and open space lands by preventing overlapping jurisdictions and duplication of services. On a regional level, LAFcos consider the orderly development of a community by reconciling differences between different agency plans. This is intended to ensure that the most efficient urban service arrangements are created for the benefit of area residents and property owners.

Disadvantaged Unincorporated Communities

As part of the municipal service review (MSR) process, Marin LAFCo considers the impact of the SOI related to disadvantaged unincorporated communities. A disadvantaged unincorporated community (DUC) is defined by Government Code Section 56033.5 as an area of inhabited territory located within an unincorporated area of a county within a “disadvantaged community”. A disadvantaged community is defined in Water Code Section 79505.5(a) as a community with an annual median household income that is less than 80 percent of the statewide median household income. Government Code Section 56046 defines “inhabited” as territory within which there are 12 or more registered voters.

Marin LAFCo designated the DUCs in the County using 2019 – 2023 American Community Survey Census data, meaning any unincorporated area wherein the median household income is less than \$76,417.

Sphere of Influence Updates and LAFCo Policy

From time to time, an SOI may be modified as determined by LAFCo; the procedures for making sphere amendments are outlined in CKH, and in some cases, further refined by a commission’s own guidelines. Pursuant to Government Code Section 56430, a commission must first conduct a municipal services review prior to updating or amending an SOI. Marin LAFCo has adopted sphere of influence policies, which provide a framework for SOI updates considered after an MSR is completed. The policies define four types of SOIs for cities and special Districts:

1. **Larger or Smaller Sphere of Influence**: Such a designation will be accompanied by a map showing the agency’s present boundary. The areas between the present and planned boundaries define the territory in which Marin LAFCo anticipates the territory to be annexed or detached.
2. **Coterminous sphere of influence**: This designation indicates that Marin LAFCo does not anticipate any change to the agency’s boundary (annexations or detachments) or organization (consolidation, dissolution) in the next 5-10 years.

3. **Zero Sphere of Influence**: This designation indicates Marin LAFCo's determination that, after consideration of all factors in Government Code 56425, that the agency should cease to exist and that its public service responsibilities should be reallocated to another unit of local government through consolidation, dissolution, or establishment as a subsidiary district. This designation encompasses no territory.
4. **Sphere of Influence In Common**: Where two or more single-purpose special districts providing the same service are contiguous, those districts may be allocated sphere of influence in common to include the areas served by both districts. This designation may be assigned where Marin LAFCo believes that the particular service would be most efficiently provided to multiple communities by a single special district. This designation indicates Marin LAFCo's determination that two or more districts should be combined through a consolidation or reorganization process.

The spheres for each of the agencies involved in this study are analyzed and discussed within each agency's profile.

Municipal Service Review Requirements

Section 56425(g) of CKH requires that LAFCos evaluate a given SOI every five years, as necessary; the vehicle for doing this is known as a Municipal Service Review (MSR). Prior to or in conjunction with SOI reviews, an MSR must be prepared pursuant to Government Code section 56430. MSRs are conducted to assist in the SOI review process by providing information regarding the ability of agencies to provide public services. Pursuant to Government Code Section 56430, MSRs are to make determinations considering the seven required topics based on CKH. These seven areas include:

1. Growth and population projections for the affected area;
2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence(s);
3. Present and planned capacity of public facilities and adequacy of public services, adequacy of public services, infrastructure needs, or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
4. Financial ability of agencies to provide services;
5. Status of, and opportunities for, shared facilities;

6. Accountability for community service needs, including government structure and operational efficiencies; and
7. Any other matter related to effective or efficient service delivery, as required by LAFCo policy.

The focus of an MSR is to describe how public services are being carried out and to determine if the residents of the communities are receiving the highest level of service possible, while also discouraging urban sprawl and the premature conversion of agricultural lands. If an MSR determines that certain services are not being carried out to an adequate standard, LAFCo can recommend changes such as sphere changes, as well as consolidation or dissolution of service providers to provide the best service possible to the population.

LAFCo Decision Making

LAFCo decisions are legislative in nature and, therefore, are not subject to an outside appeal process; only courts can overturn LAFCo decisions. LAFCos also have broad powers with respect to conditioning regulatory and planning approvals, so long as not establishing any terms that directly affect land use density or intensity, property development, or subdivision requirements.

LAFCos are generally governed by a board comprised of county supervisors, city council members, independent special district members¹, and representatives of the general public, with an alternate member for each category. Marin LAFCo is governed by a 7-member board comprising of two county supervisors, two city council members, two independent special district members, one representative of the general public, and an alternate member for each category. All members serve four-year terms and must exercise their independent judgment on behalf of the interests of residents, landowners, and the public as a whole. LAFCo members are subject to standard disclosure requirements and must file annual statements of economic interests. LAFCos are independent of local government with their own staff. All LAFCos, nevertheless, must appoint their own Executive Officers to manage agency activities and provide written recommendations on all regulatory and planning actions before the Commission. In addition, all LAFCos must also appoint their own legal counsel.

¹ Just over 50% of LAFCos have special district members on the Commission, while the remaining do not.

Marin LAFCo

Regular Commissioners

Barbara Coler (Chair)	City Member
Dennis Rodoni (Vice-Chair)	County Member
Lew Kious	Special District Member
Steve Burdo	City Member
Eric Lucan	County Member
Craig Murray	Special District Member
Larry Chu	Public Member

Alternate Commissioners

Stefanie Moulton-Peters	County Member
Cathryn Hilliard	Special District Member
Roger Smith	Public Member
Rachel Farac	City Member

Staff

Jason Fried	Executive Officer
Jeren Batchelder-Seibel	Deputy Executive Officer
Claire Devereux	Clerk/Jr. Analyst
Mala Subramanian	Legal Counsel

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Contact Information

Marin LAFCo's office is located at 1401 Los Gamos Drive, Suite 220 in the City of San Rafael. The LAFCo office is open for drop-ins during regular business hours on Wednesdays, and open by appointment on Mondays, Tuesdays, Thursdays, and Fridays to discuss proposals or other matters, and can be scheduled by calling (415)-448-5877, or by emailing staff@marinlafco.org. Additional information is also available online by visiting marinlafco.org.

MSR AND SPHERE STUDY

Overview

This report represents Marin LAFCo's scheduled municipal service review for the City of Novato (City), the Novato Sanitary District (NSD), the Novato Fire Protection District (NFPD), and the Bel Marin Keys Community Services District (MBKCS), located on the eastern side of Marin County's northern Highway 101 Corridor. The report has been prepared by staff consistent with the requirements of the CKH Act. The purpose of this report is to produce an independent assessment of the municipal services in this area over the past five years relative to the Commission's regional growth management duties and responsibilities as established by the State Legislature. This includes evaluating the current and future relationship between the availability, demand, and adequacy of municipal services within the service areas of each of the agencies, as subject to the Commission's oversight. The information generated as part of this report will be used by the Commission in (a) guiding subsequent sphere of influence updates, (b) informing future boundary changes, and – if merited – (c) initiating government reorganizations, such as special district formations, consolidations, and/or dissolutions.

The period for collecting data to inform the Commission's analysis and related projections on population growth and service demands has been set to cover any major updates and changes since the last time the MSR was updated in 2019. The financial analysis has been set to cover the last five-year audited fiscal year period. The timeframe for the report has been generally oriented to cover the next five to six-year period, with the former serving as the analysis anchor.

The document outline serves to inform all the state-mandated requirements in government code sections 56430 and 56425. Written determinations for each agency have been included within their respective agency profile. The prior round of Marin LAFCo MSRs had additional historical context for each agency reviewed. That historical information can be viewed by way of [this link](#).



Methodology

Marin LAFCo worked with staff from each of the included agencies throughout this MSR. Key tasks and activities in completing this MSR include data collection, interviews with agency staff, agency profile development, determination analysis, public review of the MSR, and the adoption of the final MSR.

Data Collection

To fully understand key factors and current issues involving the agencies, Marin LAFCo staff conducted initial interviews with agency staff members to establish the project scope and formalize the overall MSR objectives, schedules, policy and fiscal criteria, service standards, and roles and responsibilities. The MSR began with a complete and thorough review of available data and documents, including adopted budgets, comprehensive financial reports, capital improvement plans, strategic plans, and the General Plan. These documents were assessed to develop a comprehensive overview of the agencies. In addition, various reports and documents were utilized from the Association of Bay Area Governments (ABAG), the California Department of Finance, the California Department of Tax and Fee Administration, the California State Auditor, the United States Census Bureau, and ESRI.

Agency Profiles

Following interviews and data collection, Marin LAFCo staff developed agency profiles based on the criteria noted previously and required for the completion of the MSR per CKH. The profiles include key characteristics such as services offered, staffing levels, population growth, service providers, infrastructure, financial condition, boundary/sphere of influence areas, and other related maps.

KEY FINDINGS/RECOMMENDATIONS

1. Marin LAFCo recommends that the Novato Fire Protection District and the Marinwood Community Services District engage in discussions to determine each agency's willingness to enter into a joint feasibility study to explore the possibility of consolidating Marinwood Community Services District's fire and emergency medical services provision into the Novato Fire Protection District.
2. Marin LAFCo recommends that the Novato Sanitary District's sphere of influence be amended to remove an area along the southern portion that overlaps the jurisdictional lands of the Las Gallinas Valley Sanitary District.
3. Marin LAFCo recommends that the Novato Sanitary District's sphere of influence be amended to include two parcels that are currently outside of the district's SOI and jurisdiction, but are contiguous to both. Assessor parcel numbers 125-180-85 and 125-180-79 have been identified in the Marin County Housing Element as a potential Regional Housing Needs Allocation (RHNA) development site. The two parcels, totaling approximately 233.8 acres, have been designated for a potential 249 above moderate income units that, if developed, would require wastewater services from the district.
4. Marin LAFCo recommends that the City of Novato's sphere of influence be amended to be coterminous with its urban growth boundary.
5. Marin LAFCo recommends that the City of Novato proactively explore the possibility of shared services agreements with the other local agencies providing large-scale municipal services within its jurisdictional boundary in order to address the long-standing staffing issues faced in areas such as administrative support, among others.
6. Marin LAFCo recommends that the Bel Marin Keys Community Services District communicate to Marin LAFCo staff upon the launch of the district's updated website, in order for LAFCo staff to confirm that the currently missing items that have been noted within this study that are legally required of local agencies have been rectified.
7. Marin LAFCo recommends that the Bel Marin Keys Community Services District communicate directly with the County of Marin regarding storm drainage services within its boundary to ensure there is no confusion regarding the responsibility of this critical service provision.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

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CITY OF NOVATO

AGENCY AT A GLANCE

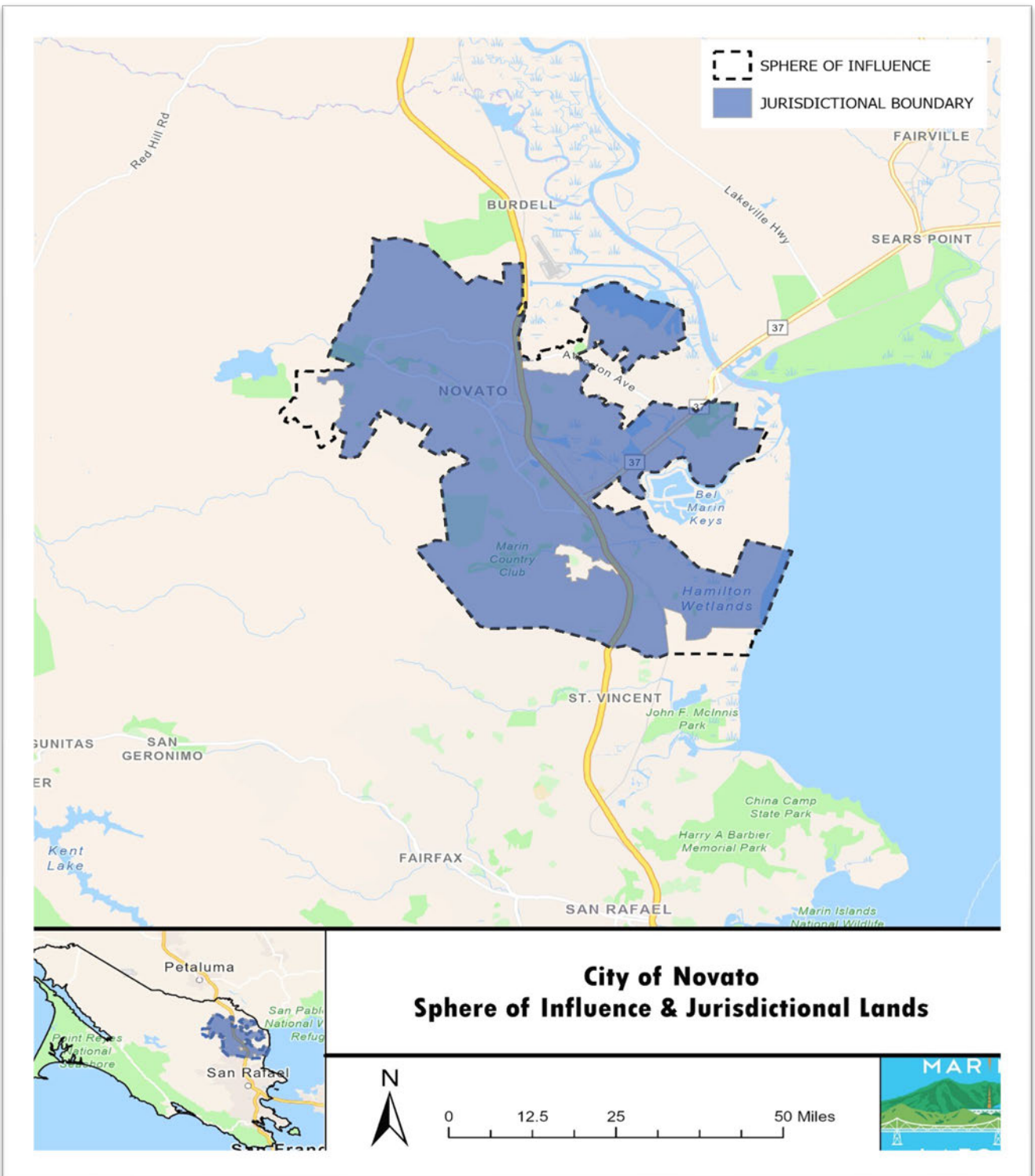
Agency Name	City of Novato
Formation Date	January 20, 1960
Administrative Office Location	922 Machin Avenue, Novato, CA
Website	www.novato.gov
City Manager	Amy Cunningham
Employees	194
Public Meetings	The Novato City Council meets on the 2 nd and 4 th Tuesdays of each month at 6:00 p.m., with special meetings scheduled on an as-needed basis.
Governing Body	Five City Council members, each elected to four-year terms
Municipal Services Provided	Law Enforcement, Building/Planning, Code Enforcement, Parks and Recreation, Landscape Maintenance, Streets/Road Maintenance, Stormwater Drainage
Jurisdictional Area Size	28 Square Miles
Population Estimate	51,690 ²

² [California Department of Finance 2025 Estimate](#)

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Figure 1 City of Novato Sphere of Influence & Jurisdictional Lands



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Agency Profile – City of Novato

The City of Novato is located on the eastern side of Marin County, adjacent to Highway 101, and is the northernmost city in Marin County. The majority of the City is situated within Marin County supervisorial District 5, with an area of west Novato residing in District 4. The City's boundary is surrounded by unincorporated lands and shares no boundary with any other incorporated spaces. Novato is home to 51,690 residents³, making it Marin County's second-largest city. The City was incorporated as a general law city on January 20, 1960.

Novato's jurisdictional boundary encompasses an area of approximately 17,850 acres (28 square miles), with the City's sphere of influence (SOI) moderately larger at 19,240 acres (30 square miles). Novato's sphere of influence was originally established by Marin LAFCo in 1982 and was most recently reaffirmed in June of 2020⁴.

The table below presents a demographic and land use profile⁵ of City of Novato in comparison to Marin County as a whole.

Table 1 Demographic and Land Use Comparison of Novato to Marin County

	Novato	Marin County
Population as of 2010	51,904	252,409
Population as of 2025	51,690	252,074
Annual Pop. Growth Since 2010	-0.03%	-0.0089%
Total Housing Units	21,756	113,062
Persons Per Housing Unit	2.38	2.35
Land Area (Square Miles)	28	520
Single-Family Units ⁶	16,309	80,639
Multi-Family Units	4,931	30,532
Mobile Homes	516	1,891
Persons Per Square Mile	1,846	490
Median Household Income	\$112,193	\$142,785
Projected Population in 2035	50,465	246,101
Annual Proj. Growth 2025-2035	-0.24%	-0.24%
Projected Population in 2045	50,480	246,218
Annual Proj. Growth 2025-2045	-0.12%	-0.12%

³ [California Department of Finance](#)

⁴ Marin LAFCo Resolution No. 20-10

⁵ All population data points, including projections, are sourced from the California Department of Finance

⁶ Includes both detached and attached. All housing unit numbers for the City were provided by way of City staff correspondence on January 29, 2026.



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Between 2010 and 2025, Novato experienced a total estimated population decrease of 0.4%. According to the California Department of Finance Growth Forecast, the population of the City is expected to experience an approximate total decline of 2.7% over the next 20 years. This is based upon a mirrored population growth rate in that same time frame as what is anticipated for the County as a whole.

Both the State of California and the County of Marin⁷ have seen an overall decrease in population over the course of the past decade, brought about by a variety of factors, including an aging population, declining birth rates, impacts of Covid-19, high costs of living, and an increase in domestic migration to other areas.

While the City of Novato is largely urbanized, as far as total land use designations are concerned, nearly half of the City's jurisdictional lands (49%) are actually designated as Planned District (PD), even though the underlying General Plan land use designations may vary. Further discussion of this can be found in the Present and Planned Land Use section of this Agency Profile. The PD designation accounts for approximately 7,900 acres within the City's jurisdiction. Open Space/Restricted Open Space/Parkland/Conservation designations make up approximately 27.2% (4,372 acres), followed by Low Density Residential at 13.5%

CURRENT AND PROPOSED SPHERE OF INFLUENCE

The City of Novato's sphere of influence (SOI) is primarily coterminous with its jurisdictional boundary except for the inclusions of the unincorporated areas of Loma Verde, Vineyard Road, North St. Vincent's, and Atherton Avenue/Rush Creek. The SOI was originally established by Marin LAFCo in 1982 and was subsequently updated in 2002, which removed a significant amount of land to the west of the City's jurisdictional boundary and to the northeast of the boundary from the SOI. This SOI was most recently reaffirmed in 2020. Staff for the City did not provide any identified areas that they desire to add to the SOI at this time, so none are specifically being studied.

Under the Cortese-Knox-Hertzberg (CKH) Act, the SOI is the legal and planning expression of where a city is expected to grow and deliver services. If a city's urban growth boundary (UGB), adopted by ordinance or voters, says that growth and services will not extend beyond the existing city limit, then the "probable" future boundary and service area is defaulted to the existing city boundary itself, making a coterminous SOI the only configuration that is consistent with state law's definition of a sphere, LAFCo policies recognizing UGBs, and the city's own growth limits. As the City of Novato has an urban growth boundary in place through at least 2042, Marin LAFCo staff recommends the Commission amend the City's current sphere of influence to be coterminous with the UGB.

⁷ [Marin County has seen a total population decline of approximately 4,574 residents over the course of the past decade, seeing its peak in 2020 of 261,306.](#)



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

EXTRATERRITORIAL SERVICES

Government Code Sections 56133 and 56134 set forth LAFCo's out-of-agency services oversight role. While the City has numerous contracts and memoranda of understanding (MOU) with surrounding agencies, at this time, there are no agreements that would meet the standard of an outside service agreement requiring LAFCo approval.

GOVERNANCE AND STAFFING

The City of Novato operates under a council-manager system with five district-based council members overseeing policy direction. The City changed from at-large-based elections to district-based elections in 2019⁸. Councilmembers are required to live in the district they represent and are elected only by the registered voters of that district. Councilmembers serve staggered four-year terms, with elections for Districts 1 and 3 next held in 2028, and Districts 2, 4, and 5 next held in 2026. The Mayor and Mayor Pro-Tem are annually selected by the members of the Council. The current City Council members can be seen in the table below.

Table 2 Novato City Council

Novato City Council		
District 2 - Mayor	Rachel Farac	Term Exp. – December 2026
District 1 – Mayor Pro-Tem	Kevin Jacobs	Term Exp. – December 2028
District 4	Pat Eklund	Term Exp. – December 2026
District 3	Tim O'Connor	Term Exp. – December 2028
District 5	Sandeep Karkal	Term Exp. – December 2026

City Council duties include establishing legislation and policies governing the City; adopting all ordinances, resolutions, and major contracts; approving and modifying annual budgets; making appointments to advisory boards, commissions, and committees; and appointing the City Manager and City Attorney. Novato City Council meetings are scheduled on the second and fourth Tuesdays of each month at 6:00 p.m. at the Novato City Hall at 901 Sherman Avenue, in Novato.

The City Council appoints a City Manager to serve as the administrative head of the City government, responsible for the day-to-day operations of the City. The City Manager is an at-will employee and administers the City of Novato's departments. The City is organized into several departments operating under the direction of the City manager, including Community Development, Administrative Services, Central Administration, Public Works, Fire, and Parks/Recreation/Community Services. Two Assistant City Managers oversee the City's branches of Economic Development, Human Resources, Sustainability, Information Technology, and

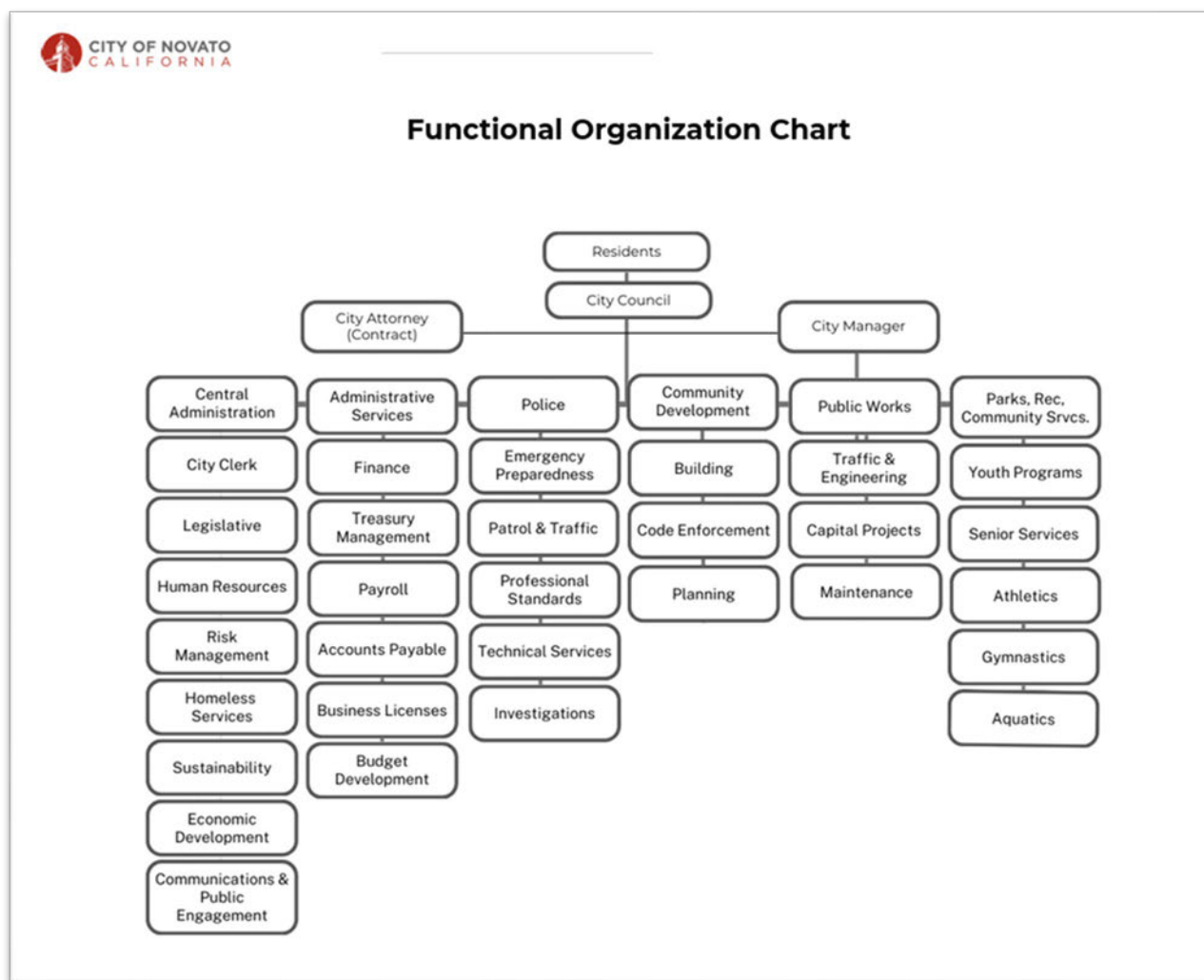
⁸ City of Novato Ordinance 1650

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Homelessness, among others. As of November 2025, the City employed a total of 203.5⁹ full-time equivalent (FTE) employees. The City's organizational chart can be seen below.

Figure 2 City of Novato Organization Chart



ACCOUNTABILITY

As of the writing of this study, all Form 700 financial disclosures are current for each of the required participants within the City. Additionally, all required participants within the City have current certifications for Assembly Bill 1234 (AB 1234) and Assembly Bill 1661 (AB 1661)¹⁰. The City maintains an up-to-date website that contains contact information for City officials and

⁹ Novato City Staff correspondence

¹⁰ The newly enacted SB 827 requires local agency officials to complete a new fiscal training, among other things, by January 1, 2028. While the City has been made aware of this updated requirement, this item has not been added to this section due to the significant amount of time remaining for it to be completed.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

departments, Council records/agendas/minutes, financial transaction reports, compensation reports, and a wealth of other information. At this time, the City is in compliance with Senate Bill 272 (SB 272), and, while not directly applicable to cities, is also in compliance with Senate Bill 929 (SB 929). The City is also in compliance with Assembly Bill 1637.

DISADVANTAGED UNINCORPORATED COMMUNITIES

In 2011, Senate Bill 244 (SB 244) made changes to the Cortese-Knox-Hertzberg (CKH) Act related to “disadvantaged unincorporated communities,” including the addition of SOI determination number five listed above in the Planning Responsibilities section. Disadvantaged unincorporated communities, or “DUCS,” are inhabited territories (containing 12 or more registered voters) where the annual median household income (MHI) is less than 80 percent of the statewide annual median household income.

CKH Act Section 56375(a)(8)(A) prohibits LAFCo from approving a city annexation of more than 10 acres if a DUC is contiguous to the annexation territory but not included in the proposal, unless an application to annex the DUC has been filed with LAFCo¹¹. The legislative intent is to prohibit selective annexations by cities of tax-generating land uses while leaving out underserved, inhabited areas with infrastructure deficiencies and a lack of access to reliable potable water and wastewater services.

According to the California Department of Housing and Community Development, the median household income in California in 2025 is \$118,100, with 80% of that amount being \$94,480. At this time, there are no recognized disadvantaged unincorporated communities within or contiguous to the sphere of influence of the City of Novato.

SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA

A community of interest (COI) is a geographically contiguous population that shares common social, cultural, economic, or historical interests relevant to public policy and fair political representation. This concept is central to redistricting under California’s FAIR MAPS Act and the State Constitution. Within and contiguous to the sphere of influence of the City of Novato, there are a number of communities that Marin LAFCo classifies as unincorporated islands. An unincorporated island is an unincorporated area that is substantially surrounded by a municipality and, in many cases, can only be accessed by way of that municipality's streets. These areas can create governance and service delivery inefficiencies and deficiencies. Marin LAFCo’s Unincorporated Island policy encourages annexations of islands to cities, where supported by the island community, to further reduce and/or eliminate islands to provide more orderly local governmental boundaries and cost-efficiencies. However, Marin LAFCo will not independently proceed with an entire island annexation to the City of Novato (or any other

¹¹ CKH Act Section 56375(a)(8)(B) does allow for exemptions for a DUC to be annexed.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

municipality) where local residents have voiced opposition. In addition, the City of Novato has a voter-approved Urban Growth Boundary (UGB) that limits the growth of the City. A City voter-supported UGB amendment would be required before any annexation of areas outside that boundary could take place.

For the City of Novato, these unincorporated islands represent social and/or economic communities of interest, as many of the residents are working, socializing, recreating, and traversing within the City's jurisdiction as part of their daily lives. In addition, the City's emergency response staff are the first responders to calls for service in these areas. Below is a summary of the communities of interest within or contiguous to the City's SOI:

- **Black Point** – The Black Point planning area, along with its immediate neighbor, Green Point, is an island of unincorporated territory along the Marin and Sonoma County line, bordered by the City of Novato on one side and San Pablo Bay on the other. The unincorporated Black Point neighborhood abuts the unincorporated Green Point neighborhood, the Petaluma River, and the northeast jurisdictional limits of Novato. The area is primarily rural-residential, surrounded by open space.

Zoning in the area is primarily Agricultural Limited and Open Area which allows for the rural residential nature of the community. Basic services in the area include water and fire protection. The community is within the Novato Sanitary District SOI, but does not currently receive service from them. Instead, residents rely on onsite wastewater treatment systems. The Community, through the Black Point Improvement Club, has previously expressed that they do not wish to be annexed into the City of Novato in order to limit development and maintain the rural community setting. This is also the reason why Novato Sanitary District wastewater service has not been extended to the area. Onsite water treatment systems limit the development of higher occupancy residential areas due to their limited capacity.

- **Green Point** – The unincorporated community of Green Point is adjacent to the Black Point neighborhood. Paralleling the Petaluma River, it is bounded on the south by the flat uninhabited bay plans, which separated the community from the City of Novato. Principal access to Green Point is via State Route 37, which separates Green Point and Black Point. Green Point largely developed within the last forty years with large residential lots interspersed with agriculture and large swaths of open space. According to Marin County's Green Point Community Plan, the neighborhood has historically retained a rural sense of place, with an absence of urban services and amenities.

The Black Point Improvement Club, a local community group that is, in part, made of people who live in this unincorporated island of Green Point, has previously expressed

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

that they do not want to be incorporated to the City of Novato.

- **Bel Marin Keys** – The unincorporated community of Bel Marin Keys is located in the southeast Novato region between Highway 37 and Highway 101 and is primarily served by the Bel Marin Keys Community Services District and the County of Marin. The Community is estimated to cover approximately one square mile and has an estimated 700 housing units. In 1982 Marin LAFCo excluded the Bel Marin Keys area from the City of Novato’s SOI. The 2002 LAFCo Municipal Service Review for the region noted that the Bel Marin Key’s residents desire for the exclusive use of its waterways and the City’s desire to avoid the cost liability and service responsibility associated with Bel Marin Keys’ waterways fostered a mutual interest in maintaining the community separate from the City.

While the 2002 MSR mentioned “exclusive use” of the waterways, this is not an accurate depiction of what occurs under the Clean Water Act. The Clean Water Act allows the general public passage through the locks if they desire use of the lagoons. The Bel Marin Keys residents' desire is to maintain local control and limited access to the waterways in accordance with all government regulations and ordinances. The Bel Marin Keys CSD Board of Directors, on behalf of its membership, has informed Marin LAFCo that they do not want to be annexed into the City of Novato.

- **Loma Verde** – The Loma Verde neighborhood is located in the southern portion of Novato. Made up of primarily single-family homes with some apartments and townhomes, the neighborhood’s developed residential area is unincorporated but completely surrounded by the City of Novato, and within the City’s SOI. Adjacent to and associated with the neighborhood is the Loma Verde Open Space Preserve. The preserve itself is within Novato city limits. Both the preserve and unincorporated neighborhood are within the boundaries of Marin County Service Area 1. While there is no official neighborhood group for the Loma Verde area, residents have previously expressed they do not want their island annexed into the City of Novato.
- **Indian Valley** – As defined in the Marin Countywide Plan and Indian Valley Specific Plan, Indian Valley is comprised of the approximately 630-acre unincorporated portion of the Novato Area lying south of Mill Road between Pacheco Avenue and Trumbull Avenue, extending to the boundary of the agricultural and open space preserves to the south. Land ownership in Indian Valley is principally single-family housing with parcel sizes ranging from one to nearly 45 acres. Other uses include equestrian activity, orchards, livestock pasture, and grazing. There is no multi-family use, no institutional use, and no commercial use other than home-office oriented businesses, several horse stables, and

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

plant nurseries.

The Indian Valley Association is a local community group made up of people who live in this unincorporated island. The IVA leadership, on behalf of its membership, has previously expressed that they do not want to be annexed into the City of Novato.

PRESENT AND PLANNED LAND USE

The City of Novato's land use is guided by General Plan 2035, which strives to emphasize managed growth, protection of environmental and open space resources, and preservation of Novato's small-town character while accommodating needed housing, jobs, and transportation improvements. As mentioned earlier in this Agency Profile, nearly half of the City's zoned area is classified in the Planned District (PD) zoning district. The PD designation covering so much of the City's jurisdiction is the result of several interrelated historical, practical, and policy-driven factors. This zoning designation is a special-purpose district that differs fundamentally from conventional zoning categories. According to the City's Housing Element, "The PD district is intended to enable the long-term development of large parcels and requires the adoption of a Master Plan or Precise Development Plan by the City Council".

Critically, the Zoning Ordinance does not specify development standards for parcels zoned PD. Instead, the Housing Element states that "standards shall be determined as part of the approval process based on General Plan density, proposed housing type, City and developer objectives, opportunities to increase density and affordability, neighborhood considerations, and environmental constraints". Where a Master Plan or Precise Development Plan is silent on a specific use or standard, the standards from the most compatible base zoning district apply.

A significant portion of Novato's PD-zoned land traces back to the redevelopment of the Hamilton Army Airfield (Hamilton Field), which was decommissioned in 1974 and gradually converted to civilian use over the following decades. As the General Plan 2035 explains, "In the last decade, the re-use of the Hamilton Army Airfield added over 2,100 new homes to Novato. It is unlikely that Novato will see redevelopment of that size and scope again." Hamilton Field was originally constructed in 1932 on over 900 acres of bayshore land and grew into a full military installation with housing, hangars, offices, and infrastructure. When this massive complex was transferred to civilian use, conventional zoning categories were inadequate for guiding its comprehensive redevelopment. The PD designation allowed the City to manage the transformation through tailored Master Plans and Precise Development Plans that could account for the area's unique characteristics, such as historic Spanish Revival architecture requiring preservation, environmental constraints including wetlands and remediation needs, the need for a mix of housing types (including over 600 affordable units), and the reuse of hangars for commercial purposes.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

The Hamilton Central Design Concepts and Design Guidelines, adopted in 1994, were created specifically for the New Hamilton Partnership (NHP) Master Plan area. The Housing Element notes that "the parcels identified as being subject to the Hamilton Guidelines are built-out", indicating how this major PD area was developed through the master-planning process.

Beyond Hamilton, the PD designation has been systematically applied to large parcels throughout Novato that present unique development challenges. The General Plan 2035 identifies several focus areas, such as the North Redwood Corridor, the Downtown, and the Northwest Quadrant Neighborhood, many of which contain PD-zoned parcels. The PD process is used in two primary contexts, as described in the Housing Element:

1. For projects on sites already designated/zoned for residential uses, where the typical development standards of a base zone may not adequately address site-specific conditions; and
2. Frequently for sites requesting a zone change, General Plan amendment, or annexation into the City for the purposes of residential development.

This dual application means that PD zoning has accumulated over decades as property owners and the City worked through complex development proposals — whether they involved hillside parcels with significant slope constraints, environmentally sensitive areas near wetlands or creeks, large-scale master-planned communities, mixed-use or institutional developments like the Buck Institute for Research on Aging (REI zone), or former military/industrial properties requiring comprehensive reuse plans.

The Housing Element explicitly recognizes PD zoning as a mechanism that has enabled the City to achieve higher densities and more affordable housing than conventional zoning would have allowed. As stated in Appendix C's analysis of the Planned PD Zoning District, "The City has been able to approve developments with higher overall densities, exceptions to certain development standards, and include a greater number of affordable housing units through the PD District than would have been possible with conventional zoning, especially when combined with the Affordable Housing Overlay (AHO) District."

Novato's voter-approved Urban Growth Boundary (UGB), first enacted in 1997 and extended through 2042, restricts urban development from expanding beyond the City limits into surrounding rural and natural areas. The UGB is nearly coterminous with the City's jurisdictional boundary, with four small areas just beyond the jurisdictional boundary. This boundary concentrates all future development within the existing urbanized area, placing a premium on how existing large parcels are developed. The PD designation supports the UGB strategy by allowing complex infill development on sites within the boundary that might otherwise be difficult to develop under rigid zoning. General Plan Policy CC 6 explicitly states: "In order to

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

minimize the need for expansion of the Urban Growth Boundary, focus new residential and commercial growth at appropriate infill sites near transit and retail services."

However, the City has recently recognized that the prevalence of PD zoning creates processing bottlenecks¹² for housing production and is actively pursuing reforms, such as the Housing Element Program 3.I¹³, to allow PD-zoned parcels to alternatively use the development standards of their closest matching base zoning district, thereby reducing entitlement timelines while preserving the General Plan's density and land use objectives.

The table below displays the acreage breakdown¹⁴ for major land use categories within city limits (excluding water and undesignated areas):

Table 3 Acreage Breakdown of Major Land Use Categories Within City Limits as Displayed

Land Use Category	Acres	% of Total Land
Planned District	7878	49.05%
Open Space	2368	14.75%
Restricted Open Space	1555	9.7%
Low-Density Residential	1342	8.4%
Community Facilities	664	4.13%
Low Density Residential (R1-10)	554	3.45%
Parkland	237	1.48%
Conservation (CON-60)	213	1.32%
Research/Education-Institutional	180	1.12%
Conservation Areas	171	1.9%
Low-Density Residential (R1-40)	169	1.05%
Very Low Density Residential (RVL-40)	136	0.85%
Low-Density Residential (R1-20)	108	0.67%
Agricultural	86	0.54%
Very Low Density Residential (RVL-80)	81.5	0.51%
Medium Density Detached Residential (R4-6.0)	62.6	0.39%
Conservation (CON)	56	0.35%
General Commercial	56	0.35%

¹² The PD process requires multiple public hearings before the Design Review Commission, Planning Commission, and City Council, and typically takes 9–18 months for entitlement processing (versus approximately 60–90 days for projects under conventional zoning)

¹³ Housing Element Program 3.I states in part, "The City will amend the Zoning Ordinance to allow developments on parcels zoned PD to utilize the land use and development standards of the closest zoning district which implements the underlying General Plan land use designation which would produce the highest number of units allowed."

¹⁴ The acreage and percentages shown in the table were extrapolated from the attribute tables embedded in the [Zoning of Novato GIS map](#).

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Medium Density Multiple Family Residential (R10-4.5)	51	0.32%
Business and Professional Office	46	0.29%
Light Industrial/Office	38	0.23%
Neighborhood Commercial	33	0.2%
Medium Density Residential (R10-2.5)	27	0.17%
Downtown Core Retail	23	0.14
Commercial/Industrial	17	0.11
All Other Remaining Designations (11 Total)	80	0.49%

The City of Novato's 6th Cycle Housing Element (2023 - 2031) was adopted on May 7, 2024¹⁵, and includes an RHNA allocation of 2,090 units. The City uses four primary sources to meet its RHNA: projected accessory dwelling units (ADU), entitled/proposed pipeline projects, a sites inventory of vacant parcels, and two rezone sites. The City projects 118 ADUs over the 8-year planning period based on an annual average of 14.75 permits from 2018-2021. Within the Housing Element are 15 entitled and proposed pipeline projects, which are the primary source of RHNA capacity, contributing a theoretical 2,459 units. Four of the most notable of the pipeline projects include:

- Fireman's Fund (1,300 units) – By far the largest, this project is planned as a mixed-density residential redevelopment of the former Fireman's Fund Insurance campus on 44 acres now designated R20. The City Council approved General Plan amendments and site-specific objective design standards in January 2024, and demolition of the current structures on the site is nearing completion.
- Three AMG projects (SB35) – In Downtown Novato, collectively propose 492 units, all utilizing the State density bonus law based on proximity to the SMART rail station. These are heavily weighted toward lower-income units.
- Homeward Bound (50 units) – This project, completed in 2025, provides all 50 units serving very low-income households, including 24 reserved for formerly homeless veterans.
- Habitat for Humanity (80 units) – 100% deed-restricted affordable housing on a 13.5-acre site donated by PG&E.

Three vacant parcels were identified in the sites inventory, all accommodating moderate-income units totaling 8 units. The City identified a moderate-income shortfall of 7 units before rezoning and designated sites for rezoning to address this gap, adding 42 moderate-income units on two properties, with both property owners expressing interest in redeveloping for housing during the planning period.

¹⁵ City of Novato Resolution 2024-031

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Ultimately, the City exceeds its RHNA across all income categories with a total surplus of 537 units. The lower-income surplus is +61 units, the moderate-income surplus is +35 units, and the above moderate surplus is +448 units, driven primarily by the Fireman's Fund project. A summary of the units can be found in the table below¹⁶.

Table 4 Summary of RHNA Unit Capacity, Rezoning Outcomes, and Surplus by Income Group

Site Category	Income Group			TOTAL
	Extremely/Very Low/Low	Moderate	Above Moderate	
RHNA Requirement	898	332	860	2,090
ADUs	71	35	12	118
Pipeline Projects	881	282	1,296	2,459
Sites Inventory	0	8	0	8
Rezone Sites	0	42	0	42
Total Capacity	952	367	1,308	2,627
Surplus	+61	+35	+448	+537

SERVICES PROVIDED

The City provides a majority of the municipal services by way of City staff. Animal control, fire and emergency medical, solid waste/refuse, wastewater collection, wastewater treatment and disposal, water, and electricity/natural gas are primarily provided by other government agencies, contractors, or private entities. The table below presents municipal services provided and associated service providers within Novato.

Table 5 Municipal Services Provided and Associated Service Providers Within Novato

Public Service	Responsible Agency Type	Service Provider
Law Enforcement	City	Novato Police Department
Fire Protection	Special District	Novato Fire Protection District
Emergency Medical	Special District	Novato Fire Protection District
Building/Planning	City	City of Novato Staff
Housing	City	City of Novato Staff
Code Enforcement	City	City of Novato Staff
Animal Control	City (Contract)	Marin Humane Society
Parks and Recreation	City	City of Novato Staff
Library	County	County of Marin
Landscape Maintenance	City	City of Novato Staff
Lighting	City	City of Novato Staff

¹⁶ All information provided in Table 4 is sourced from the City of Novato 2023-2032 Housing Element Appendix B from table B-9 on page B-24.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Streets/Road Maintenance	City	City of Novato Staff
Solid Waste	Special District (Contract)	Novato Sanitary District
Stormwater Drainage	City	City of Novato Staff
Water	Special District	North Marin Water District
Wastewater	Special District	Novato Sanitary District
Wastewater Treatment	Special District	Novato Sanitary District

General Government Services

General government services are primarily provided by elected officials and City management. The City's elected officials are responsible for all legislative and policy functions that establish the quality of City services. In addition to the City Council, the City enlists its residents to compose a number of commissions and citizen advisory committees, including (but not limited to) the Design Review Commission, Economic Development Advisory Commission, Finance Advisory Commission, and the Planning Commission. The City Clerk and City Attorney provide support to the City's legislative bodies.

The City's website provides information about City Council meetings, public meetings, and general services provided by or facilitated by the City. The City's website is easily translated into a variety of languages. The City broadcasts City Council meetings live on the City's website, as well as being rebroadcast on Thursdays at 10:00 a.m. on Comcast Channel 27. The City is also active on Facebook, Instagram, X (formerly known as Twitter), and Nextdoor.

Police Services

The City of Novato Police Department (NPD) is the sole public safety agency operated by the City. The department's headquarters are located at 909 Machin Avenue in the City of Novato. The NPD operates from a single police station and maintains a fleet of 20 patrol units. The department is organized into several divisions, including patrol operations, criminal investigations, traffic operations, records management, communications/dispatch, professional standards, K-9, and the Novato Response Team.

Over the course of the study window, authorized sworn officer positions have been very stable, with the department maintaining exactly 62 FTE sworn officer positions from FY 2019 through FY 2024, and dipping to 61 FTE for FY 2025. Civilian police staffing levels were slightly more volatile. The department reached a peak of 20.4 civilian FTEs in FY 2018 before pandemic-related budget cuts reduced the count to 16.5 FTE in FY 2022. This reduction was part of a broader City workforce reduction of 17 positions adopted by the City Council in September 2020. By FY 2024, civilian staffing had increased to 17 FTE and remained there in FY 2025 for a total department staffing of 78 FTE. The NPD consistently represents approximately 40% of the entire City workforce, underscoring its role as the single largest department by headcount.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Over the course of the study window, the department's calls for service peaked¹⁷ in FY 2022 at 36,219. Calls for service dropped sharply during the COVID-19 pandemic (FY 2020 – FY 2021), falling over 21% from FY 2019, and rebounded partially in FY 2022 increasing just under 18%, and then resumed a downward trajectory. The FY 2024 level of 31,213 calls represents a 33% decline from the FY 2018 peak.

Part 1 crimes¹⁸ reached a 13-year low of 825 in FY 2024. This represents a 37% decline from the FY 2017 level of 1,311. Physical arrests (adult and juvenile combined) declined significantly during the pandemic, falling to 995 in FY 2021 from 1,727 in FY 2018. Arrests recovered to 1,385 in FY 2023 before moderating to 1,277 in FY 2024. Parking enforcement activity similarly contracted during the pandemic, dropping to 771 citations in FY 2021 from a pre-pandemic high of 1,745 in FY 2019. By FY 2024, parking violations increased slightly to 857.

The department's operations are funded primarily through the City's General Fund, with supplemental funding from the Special Police Projects Fund, the COPS (Community Oriented Policing Services) Grant Fund, and the American Rescue Plan Act Fund. General Fund police expenditures grew by 8.4% from FY 2022 to FY 2024, rising from \$16.9 million to \$18.3 million. The department consistently came in under its final budget, producing favorable variances of \$416,035 in FY 2022 and over \$1 million in FY 2024. These savings were likely attributable to vacancy savings from unfilled positions and below-budget spending in patrol operations and certain specialty units. Patrol Operations are the majority of the department's expenditures at just over 50% annually. A significant driver of police expenditure growth is the City's Safety pension plan administered through CalPERS. The City's required employer contributions to the Safety plan (which covers police personnel) have increased over the course of the study window by just under \$850,000 for the annual contribution, with a contribution of \$2,937,157 in FY 2021 to \$3,786,451 in FY 2024. The City's proportionate share of the Safety plan's net pension liability stood at \$38.2 million as of the FY 2024 measurement date, up from \$19 million in FY 2022.

In November 2021, the NPD launched a community-wide strategic planning survey to solicit resident input on department priorities. The survey informed the development of the department's 2022 Strategic Plan. The plan emphasized geographic-based policing, assigning officers to specific beats across Novato's four patrol areas (San Marin, Vintage Oaks/Bahia, Ignacio/Hamilton, and Downtown) with the expectation that officers would build community

¹⁷ While well outside the window for this study, staff believes it to be of relative importance to point out a significant methodological change occurring in FY 2016 when the department began including all call types, including officer-initiated calls, in its calls for service count. This resulted in an apparent doubling from approximately 21,000 calls in FY 2015 to over 42,000 in FY 2016. All post-FY 2016 figures reflect this expanded methodology and should not be directly compared to pre-FY 2016 data.

¹⁸ Part 1 crimes are the most serious offenses tracked by the FBI's Uniform Crime Reporting program.



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

relationships with residents, business owners, schools, faith communities, and nonprofits in their sectors.

One of the most significant department initiatives within the study window was the launch of the Specialized Assistance for Everyone (SAFE) Team. In November 2024, the City Council unanimously approved a five-year pilot program partnering with the Petaluma People Services Center (PPSC) to deploy civilian crisis responders. The SAFE Team, which went operational on April 1, 2025, is staffed by Crisis Counselors and Emergency Medical Technicians (EMTs) who respond to calls involving mental health crises, substance abuse, homelessness, welfare checks, and conflict resolution. The SAFE Team operates Tuesday through Saturday, 8 a.m. to 8 p.m., and shares space with the Police Department. The first-year cost was \$548,713, funded through the General Fund and American Rescue Plan Act allocations. Municipalities across the state utilizing the SAFE model have reported approximately a 10% decrease in police calls for service.

Public Works

The Public Works Department manages the planning, environmental documentation, design, construction, maintenance, and operations of all City rights-of-way, properties, and facilities. The department is organized into three divisions: Administration, Maintenance, and Engineering. It oversees five landscape assessment/community facility districts (CFD) in San Marin, Hillside, Hamilton CFD, Pointe Marin CFD, and several smaller lighting and landscaping districts. The department's FY 2025 operating budget was 12.7 million with 47 full-time equivalent employees as of November, 2025. General Fund expenditures for Public Works grew 27% over the study window, from \$7.19 million in FY 2021 to \$9.13 million in FY 2025. The most significant jump occurred in FY 2025 (17% year over year), driven in part by Measure M allocations for weed abatement and street maintenance augmentation.

The City maintains 152 miles of streets and approximately 4,500 street lights. Net infrastructure assets (streets, storm drains, bridges) were valued at \$88.6 million as of June 30, 2025, up from \$83.75 million the prior year, reflecting new capital additions outpacing depreciation for the first time since FY 2021. The department is not merely a participant in the City's capital improvement program (CIP), but rather it is the primary driving mechanism through which the CIP is designed, funded, and delivered. Public Works acts as the core of the City of Novato's infrastructure investment system, commanding over 90% of the City's depreciation charges, managing the interfund transfers that channel revenue from eight different special revenue and capital project funds into the CIP, and directly maintaining a \$261 million portfolio of the municipality's capital assets.

The Public Works Department is integral to the CIP through five interconnected roles:

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

1. **Capital Programming** – The engineering staff programs every project in the 5-year CIP, determining which streets get rehabilitated, which storm drains get replaced, and which facilities receive deferred maintenance investments.
2. **Multi-Fund Financial Management** – Public Works coordinates transfers from 8+ restricted funds into the CIP Fund, each with unique compliance, reporting, and eligibility requirements. No other department touches as many funding sources or navigates as many intergovernmental financial relationships with other agencies, including Caltrans, Transportation Authority of Marin (TAM), Federal Highway Administration, and the County of Marin.
3. **Project Delivery** – The Engineering Division designs, bids, and manages construction contracts for all horizontal infrastructure (streets, storm drains, bridges, pathways) and provides construction management support for building-related capital projects.
4. **Asset Preservation** – The Maintenance Division’s \$4+ million annual operating budget serves as the first line of defense against accelerated depreciation. By maintaining streets, buildings, and infrastructure systems between capital rehabilitation cycles, Maintenance extends asset useful lives and reduces the capital reinvestment burden.
5. **Stewardship of 94% of Depreciable Assets** – With approximately \$7 million in annual depreciation over the course of the study window charged to the public works function, the department oversees the vast majority of the City’s \$290 million infrastructure portfolio. The positive depreciation-vs-outlay gap achieved in FY 2023-2025¹⁹ represents a meaningful step forward for the City in both sustaining and growing the City’s infrastructure.

Beyond the core CIP, Public Works administers five landscape assessment districts and two community facilities districts, each with its own revenue stream and maintenance obligations:

- **San Marin, Country Club, Wildwood Glen, Hillside, Scottsdale** – Landscape assessment districts funded by property assessments, totaling approximately \$120,000 - \$150,000 annually in combined revenue.
- **Hamilton Community Facilities District** – Pump and levy maintenance plus landscape services. Produced \$398,000 in FY 2025 revenue with expenditures of \$405,000.

¹⁹ In FY 2021 and FY 2022, the City under-invested relative to depreciation by a combined \$5.2 million, primarily as a product of the pandemic-era budget reductions. Beginning in FY 2023, capital outlay exceeded depreciation for the first time in several years, driven by the corporation yard land acquisition (\$5.76 million) and the resumed street rehabilitation. This positive gap continued through FY 2025, with net infrastructure value growing from \$83.75M to \$88.58M — the first sustained growth in the study period.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

- **Pointe Marin CFD** – Primarily landscape maintenance providing \$303,000 in FY 2025 revenue.
- **Downtown and San Pablo Lighting/Landscaping Districts** – Combined producing approximately \$25,000 in annual revenue.

These districts create a parallel set of maintenance obligations that Public Works' Maintenance Division must plan and execute alongside the core CIP work. The assessments fund only the direct maintenance of each area. Any capital replacement must be programmed through the CIP.

Recreation and Community Services

The Parks, Recreation, and Community Services Department provides programming across children's enrichment, senior services, athletics, gymnastics, aquatics, special events, and museum services. The department manages 40 City parks encompassing 580 acres, one senior center, one aquatic facility, four tennis courts, three baseball/softball diamonds, nine soccer fields, six pickleball courts, six bocce ball courts, and one lacrosse field.

Parks and Recreation staffing experienced the single most dramatic reduction of any City function during the course of the study window, falling from 22.7 FTE in FY 2021 to 15.2 FTE in FY 2022. The FY 2022 drop reflected the full impact of the pandemic-era position eliminations, which hit recreation programming especially hard, given the reduced demand for in-person activities during COVID-19. Staffing has since partially recovered to 18.5 FTE in FY 2024 and FY 2025.

On a full-accrual basis, Culture and Recreation expenses were \$2.65 million in FY 2025, down from \$3.36 million in FY 2024. This function uniquely generates significant program revenues, with charges for services totaling \$2.49 million in FY 2025, nearly covering all expenses and yielding a net cost of only \$164,079. This translates to the department being the lowest net burden of any governmental function within the City.

The department's annual revenue is supplemented by Measure A, approved by Marin County voters in June 2022 for a nine-year period. This tax assessment provides dedicated funding for park improvements and maintenance. The City's Parks Measure A fund generated approximately \$497,000 in FY 2022, growing to \$538,630 in FY 2025. Measure A has provided critical funding for things like park maintenance and other projects.

On April 9, 2024, the City adopted its first-ever comprehensive Parks Master Plan. The plan was developed over approximately 14 months by the consulting firm Berry Dunn and under the direction of the City's Parks, Recreation, and Community Services Director. The project was funded with a \$250,000 allocation approved during the FY 2022-23 budget cycle and is intended to guide parks planning and recreation development over the next 10 years. One of the projects

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

specifically identified in the Parks Master Plan, the replacement of the playground at Josef Hoog Park, was completed in late 2025.

FISCAL HEALTH

The sections that follow evaluate the City's fiscal health, inclusive of revenue sources and major expenditure categories.

Annual Audit Findings

The City of Novato is required to undergo an annual financial audit, with the results published in an Annual Comprehensive Financial Report (ACFR), in which the auditors are required to issue a report of whether the financial statements of the City accurately present the financial position of the City. Over the course of the study window, the City experienced a significant backlog in its reporting, at one point being three years behind in the completion of its audits. This required the City, over the past 3 years, to complete two audits each year to get caught up. At its meeting on January 27, 2026, the Novato City Council approved the 2025 fiscal year audit, bringing the City fully back into compliance, and with auditors finding no significant errors or areas of concern. Through the process, City staff developed more detailed processes and systems to ensure the prevention of the City falling behind again in the future. The ACFRs from the current study window range from Fiscal Year Ending (FYE) June 30, 2021, to FYE June 30, 2025. These ACFRs did not present material weaknesses and most recently stated, "In our opinion, the combining and individual nonmajor fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole."

The City has faced persistent structural budget deficits for much of the past decade, rooted in a low share of property tax revenue, escalating pension costs, and the expiration of key sales tax²⁰ measures. From FY 2021 through FY 2025, the City relied heavily on one-time funding, such as the American Rescue Plan Act dollars and property sales, to patch operating gaps while deferring infrastructure maintenance and reducing staffing by over 30 positions. The passage of Measure M in November 2024, a 0.75% sales tax increase projected to generate approximately \$10.3 million annually, represents a significant boost in the City's overall fiscal position moving forward

The table below shows the actual historical General Fund revenues and expenditures from FY 2020-21 through FY 2024-25.

²⁰ In 2010, voters approved Measure F, a half-cent sales tax generating roughly \$4-5 million annually, but it expired in 2015 and was replaced by Measure C at only a quarter-cent, butting locally controlled sales tax revenue in half.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Table 6 Historical General Fund Revenues and Expenditures by Fiscal Year

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Actual Revenues					
Taxes/Assessments	\$35,494,688	\$37,940,441	\$40,062,369	\$40,329,541	\$43,343,550
Licenses, Permits, Fees	\$1,256,895	\$1,296,533	\$2,055,450	\$1,900,827	\$2,218,412
Intergovernmental	\$1,156,699	\$414,387	\$656,323	\$947,475	\$739,259
Fines & Forfeitures	\$472,932	\$510,128	538,360	\$411,671	\$469,360
Use of Money and Property	(\$187,715)	(\$1,221,561)	\$719,372	\$1,947,007	\$2,681,389
Charges for Services	\$3,038,052	\$2,634,716	\$4,219,422	\$4,377,144	\$4,413,461
Other Revenue	\$5,934,614	\$1,118,435	\$377,099	\$372,176	\$575,448
Total Revenues	\$47,166,165	\$42,693,079	\$48,628,395	\$50,285,841	\$54,440,879
Actual Expenditures					
General Government	\$9,935,235	\$11,819,996	\$12,085,698	\$12,421,523	\$13,434,133
Public Safety	\$16,238,319	\$16,916,992	\$17,939,471	\$18,337,877	\$19,935,180
Public Works	\$7,192,717	\$7,190,826	\$7,551,312	\$7,801,977	\$9,132,159
Cultural and Recreation	\$2,564,221	\$2,458,492	\$3,099,742	\$3,830,468	\$3,870,903
Community Development	\$3,059,960	\$3,529,166	\$3,977,562	\$4,453,565	\$5,002,887
Capital Outlay	-	-	\$5,759,784	\$84,051	\$36,955
Debt Service	\$246,800	\$23,829	\$62,541	\$204,517	\$181,646
Total Expenditures	\$39,237,252	\$41,939,301	\$50,476,110	\$47,133,978	\$51,593,863
Surplus/(Deficit)	\$7,928,913	\$753,778	(\$1,847,715)	\$3,151,863	\$2,847,016

During the course of the study window, the City's General Fund averaged approximately \$2.56 million in excess revenues over expenditures. The only year that expenditures outpaced revenues, FY 2022-23, was primarily caused by the City intentionally using one-time and restricted General Fund resources for capital and other non-routine spending, while ongoing operating costs were already close to the level of recurring revenues.

In July 2024, the City Council voted to put a 0.75% sales tax increase on the November 2024 ballot, which was projected to generate \$10.3 million annually in General Fund revenue. These monies would be used to sustain services, bridge the ongoing budget deficits, and start investing in the City's infrastructure again. This sales tax increase was identified on the ballot as Measure M, and in November 2024, the voters passed the measure by 58%. The Measure M



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

increase in sales tax became effective April 1, 2025, with the first payment being received in June.

The FY 2024-25 revenue from Measure M was forecast at \$2.6 million at mid-year, and the City received \$2.3 million in revenues. The Council approved allocating the first payment from Measure M to the Insurance reserve, the Emergency Reserve, and to public works to augment deferred maintenance. The City ended FY 2024-25 in a deficit of \$1.9 million, which was absorbed by the General Fund balance, with the exception of \$94,119, which was backfilled from reserves. In FY 2025-26, the baseline General Fund budget reflected revenues of \$52.43 million and expenses of \$56.40 million, reflecting the \$3.97 million systemic General Fund deficit. Measure M was allocated to restore resources in the amount of \$1.3 million and backfill the deficit in the amount of \$3.97 million, creating the first balanced budget the City has developed in over five years. City staff is continuing to monitor the lower-than-anticipated revenues from Measure M.

Operating Revenues

On average, during the course of the study window, tax revenues made up approximately 73% of General Fund revenues, inclusive of property tax, real property transfer tax, sales and use tax, hotel taxes, gas taxes, business license taxes, and franchise fees. The City's second largest revenue source is charges for services, which represent fees charged by departments for services provided, such as licenses, permits, and fines. The figure below compares five of the City's general tax revenue categories based on all of the tax types that the City collects with the general tax revenues of all cities in California.^{21,22}

The City of Novato has a fairly unique general tax revenue profile. The City relies more heavily on sales tax and property tax revenues than the majority of other municipalities in the State, based on the sum total of all tax types collected.

For FY 2025-26, the City Council adopted a General Fund budget that is supported by estimated General Fund revenues of \$50,030,146, transfers in of \$7,697,948, and a projected available fund balance of \$17.4 million. In FY 2024-25, the City's General Fund revenues totaled \$54,440,879 (actual, all General Fund components combined), which equates to approximately \$1,053 per capita.

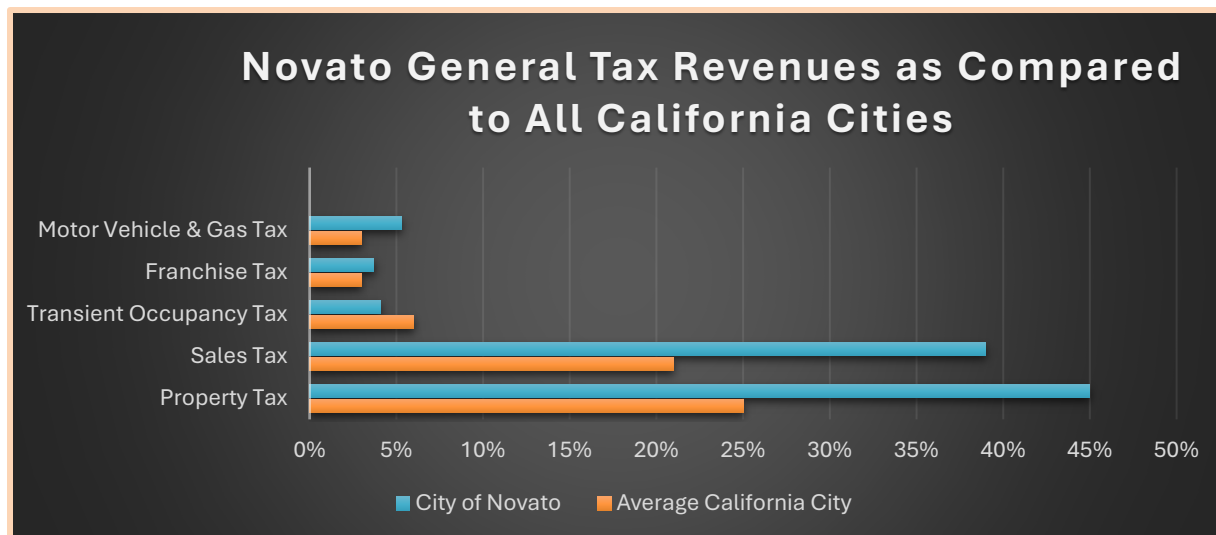
²¹ [City of Novato 2025 ACFR; Pg. 165](#)

²² [California State Controller's Office; Municipalities Revenues Comparison](#)

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Figure 3 Novato General Tax Revenues as Compared to All California Cities



Operating expenditures

The City of Novato's budgeted General Fund expenditures for FY 2025-26 total \$57.73 million.²³ This amount is a 11.9% increase from the prior year's total General Fund uses of \$51,593,863. The City's largest expenditure category is personnel, which includes staff salaries and benefits. For FY 2025-26, the total amount budgeted for personnel expenditures across all departments was \$39,330,068, which was a 4.95% increase from the previous year. The table below displays the City's budgeted expenditures (both personnel and operational) for all departments in both FY 2024-25 and FY 2025-26.

Figure 4 Budgeted Departmental Expenditures (Personnel and Operational) by Fiscal Year

Expenditures by Department				
	FY 2024-25 Amended Budget	FY 2025-26 Adopted Budget	% Change	\$ Change
<i>Non Departmental</i>	\$2,018,974	\$1,762,447	-12.7%	(\$256,527)
<i>Central Admin</i>	\$8,117,654	\$7,805,166	-3.85%	(\$312,488)
<i>Finance</i>	\$6,057,442	\$6,670,666	10%	\$613,224
<i>Police</i>	\$20,923,754	\$21,267,323	1.6%	\$343,569
<i>Community Development</i>	\$5,618,392	\$6,107,465	8.7%	489,073
<i>Public Works</i>	\$9,304,191	\$9,998,805	7.5%	\$694,614
<i>PRCS²⁴</i>	\$3,872,295	\$4,116,222	6.3%	\$243,927
Total Expenditures	\$55,912,702	\$57,728,094	3.2%	\$1,815,392

²³ This amount is inclusive of planned transfers out totaling \$2,413,447.

²⁴ PRCS = Parks Recreation and Community Services

PERFORMANCE STANDARDS

Marin LAFCo utilized four different methodologies to evaluate the City of Novato's fiscal performance. The four approaches to evaluating performance include a review of reserve fund balances, pensions/other post-employment benefits (OPEB), debt ratio, and third-party fiscal health evaluations. The methodologies and findings are outlined below.

Reserve Fund Balance

Within the City's General Fund balance of \$31,605,232 at June 30, 2025, the primary assigned reserve funds and their balances include the following:

- Insurance Reserve Fund - \$2,789,428: Described as a fund that "accounts for set aside monies to meet uninsured losses to City facilities and other property, as well as workers' compensation claims." While no explicit percentage target is stated in the City's policies, its purpose as a risk-management reserve is clearly described.
- Emergency Disaster Response Fund - \$18,674,249: This fund "accounts for funds that will provide a buffer during significant economic downturns affecting revenues, or for severe emergency reasons. To meet minimum levels of safety and security, a balance equal to 15% of the operating budget is maintained in this reserve." This is a clear, numerical reserve policy for the General Fund's emergency reserve.
- Long-Term maintenance – Facilities/Infrastructure - \$12,869,849: These funds were created to provide resources for long-term maintenance and emergency needs for City facilities and for infrastructure identified in the Facilities Condition Assessment, with periodic additions planned from the General Fund and other sources.

All of these are reported as assigned fund balance, which insinuates management/Council-designated reserves for specific purposes rather than legally restricted resources. The Emergency Disaster Response fund, which is the only reserve with a formal policy target of 15% of the operating budget, equivalent to about 1.8 months of operations, has a current balance well above the minimum policy level at approximately 4.4 months as it currently stands. If you combine the Emergency Disaster Response, Insurance, and the two Long-Term Maintenance funds, this amount would be stretched to approximately 6.4 months of General Fund operations.

Pension and OPEB Obligations

The City's defined benefit retirement plan is administered by the California Public Employees' Retirement System (CalPERS). CalPERS operates as a cost-sharing, multiple-employer defined benefit plan for the City and numerous other participating employers throughout the state. As of June 30, 2025, the City had 136 active employees within its CalPERS plans, as well as 314 inactive members or beneficiaries currently receiving benefits, and 232 inactive members entitled to but not yet receiving benefits.

Net pension liability is the amount owed to a defined benefit pension plan based on the actuarial present value of the projected benefit payments for plan members and their beneficiaries, less the plan's net position. Essentially, it represents the portion of the pension obligation that is not covered by the plan's assets, indicating an unfunded liability. This liability is reported by employers who sponsor defined-benefit pension plans. As of June 30, 2025, the City of Novato carried a net pension liability of \$66,254,478 (Miscellaneous and Safety plans combined). Public safety pension contributions consume a disproportionate share of the City's budget, with the most recent ACFR noting that pension-related costs represent approximately 53.9% of current public safety payroll costs. The City issued Pension Obligation Bonds (Series A-1 and A-2, maturing 2035) with an outstanding balance of \$15.1 million as of June 30, 2025, to prepay a portion of its CalPERS unfunded liability.

A pension funded ratio is a metric that expresses the value of a pension plan's assets divided by its liabilities. It indicates the extent to which a pension plan has sufficient funds to cover its future obligations to retirees. A funded ratio of 100% means the plan is fully funded, while a ratio below 100% indicates unfunded liability. As of June 30, 2025, the City's pension funded ratio was 76.9% for the Miscellaneous Plan and the 78.08% for the Safety Plan. As of June 30, 2023, the average funded ratio for California cities participating in public pension systems is 72.3%.²⁵

The City also provides certain health care benefits for retired employees and their spouses under an Agent Multiple-Employer Defined Benefit Plan (also known as other post employment benefits or OPEB). Employees who meet the vesting criteria become eligible for these benefits if they receive a retirement benefit from the Marin County Employees' Retirement Association within 120 days of retirement from City employment. As of the most recent measurement date of June 30, 2025, the City's OPEB plan consisted of 198 active members, 73 inactive employees or beneficiaries currently receiving benefit payments, and 125 inactive employees entitled to but not yet receiving benefit payments. As of June 30, 2025, the City carried a net OPEB liability of \$469,594 with a funded ratio of 89%.

Debt Ratio

The debt ratio is a fundamental financial metric that measures the proportion of a municipality's assets that are financed through debt, calculated by dividing total liabilities by total assets. This ratio reveals the extent to which a local government relies on borrowed funds versus owned resources, providing critical insights into its financial structure and overall fiscal health. For municipalities, maintaining appropriate debt levels is essential as excessive debt can constrain future financial flexibility and potentially lead to fiscal stress or even bankruptcy.

²⁵ [Annual Review of Funding Levels and Risks FYE 2023](#)

Unlike the pension funded ratio, which specifically measures the percentage of pension liabilities covered by pension assets, the debt ratio offers a broader perspective on a municipality's overall financial position by examining its entire liability structure relative to its asset base. The debt ratio serves as one of several critical indicators that collectively portray a municipality's fiscal condition. The following aspects are typically considered when evaluating municipal financial health in relation to debt ratio:

1. Short-term Financial Stability

The debt ratio helps assess a municipality's ability to meet immediate financial obligations by indicating the level of leverage in its capital structure. A lower debt ratio suggests greater financial flexibility and capacity to address short-term needs without additional borrowing.

2. Long-term Fiscal Sustainability

By examining the relationship between debt and assets, the ratio provides insights into a municipality's long-term financial trajectory and its ability to sustain service levels while meeting future obligations. Municipalities with lower debt ratios generally have more capacity to invest in infrastructure and respond to emerging community needs.

3. Financial Flexibility and Resilience

The debt ratio directly impacts a municipality's financial flexibility—its ability to respond to economic downturns, emergencies, or changing service demands. A municipality with a high debt ratio has less "fiscal space" to maneuver during challenging times, as more of its revenue must be dedicated to debt service rather than operational needs or new initiatives.

As of June 30, 2025, the City of Novato had a debt ratio of 24.3%²⁶, and has been relatively stable throughout the study window between 24% and 26%. During that time, total assets grew steadily from \$384.2 million to \$409.7 million (+6.6%), driven primarily by capital asset additions (infrastructure improvements) and growth in cash and investments. Total liabilities swung between \$73.5 million and \$105.7 million, with the variance almost entirely driven by GASB 68 pension remeasurements. The ratio calculation is shown below:

Total Long-Term Liabilities: \$99,491,382

Total Assets (Primary Government): \$409,714,124

Debt-to-Assets Ratio: 24.3% (calculated as $\$99,491,382 \div \$409,714,124$)

²⁶ This debt ratio provided is specifically for total assets and liabilities. The City's debt ratio, specifically surrounding more liquid, or "current assets" and liabilities, is 9.1%, with current assets totaling \$131,117,000 and current liabilities at \$11,968,870.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Additionally, the Government Finance Officers Association (GFOA) and industry standards suggest that annual debt service²⁷ should generally not exceed 7-10% of operating revenues²⁸. For California local governments, debt service as a percentage of General Fund revenues is a key metric, with the State Treasurer's Office reporting that the state's ratio was 3.71%²⁹ in FY 2022-23. In FY 2024-25, the City of Novato had a total debt service amount of \$2,695,208. In comparison to total operating revenues for the same fiscal year, the City's debt service ratio was 3.7%. Over the course of the study window, the City's long-term governmental debt has seen a 20.7% reduction, with the City's annual debt service burden declining from \$3.5 million to \$2.7 million, which frees up modest capacity for other uses.

California Policy Center Fiscal Health Evaluation

In 2019, the California State Auditor completed an audit of local governments in the State to determine which cities may be facing fiscal challenges by assessing the risk associated with ten various fiscal indicators. The fiscal health analysis examined general fund reserves, debt burden, liquidity position, revenue trends, pension costs, pension funding, pension obligations, OPEB obligation, OPEB Funding, and unrestricted net position relative to government-wide revenues. The Auditor ranked all 431 cities in California on each fiscal indicator, with 1 being the highest risk and 431 being the lowest risk.

The State Auditor continued producing this information annually by way of a dashboard on its website until 2023, at which time it was discontinued due to insufficient staffing to continue to maintain it. At that time, the educational non-profit organization, California Policy Center, replicated the State Auditor's interactive dashboard tool on its website and has continued to publish these findings annually using the same methodology³⁰ and publicly available information.

For the fiscal year 2023-24 (the most recently evaluated FY), the City of Novato received a fiscal strength score of 67 out of 100, categorizing the City as "moderate risk of financial distress". The City received its highest categorical scoring in General Fund Reserves, Liquidity, and Debt Burden. The City's lowest categorical scores were in Pension Costs, which measures the fraction of the revenues that is consumed to fund pension obligations and thus the fiscal burden that pension costs exert, Pension Obligations, which measures the net pension obligations relative to the annual government-wide revenues, and Net Worth, rates the size of a government's unrestricted net position relative to the annual government-wide revenues. The City was scored in the "moderate risk of financial distress" range for FYs 2023-24 and 2022-23, and was rated as "low risk of financial distress" in FY 2021-22. It is important to keep in mind that each of these

²⁷ Debt service is the amount of interest and sinking fund payments due annually on long-term debt.

²⁸ [GFOA Publication, "How Much Debt is Too Much?"](#)

²⁹ [State of California ACFR 2023](#)

³⁰ [Local Fiscal Health Dashboard Methodology](#)

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

ratings preceded the City's recently passed sales and use tax, Measure M, which is anticipated to provide a significant boost to the City's fiscal position.

Sustainability

The City of Novato tracks community-wide greenhouse gas (GHG) emissions across seven sectors: transportation, residential, commercial/industrial, off-road equipment, waste, water, and wastewater. In 2005, emissions totaled about 368,900 metric tons of CO₂ equivalents (MTCO₂e); by 2015, they had fallen to roughly 313,100 MTCO₂e, a 15% reduction.

Transportation is the largest source at 57% of 2015 emissions, followed by residential (21%) and commercial/industrial (16%). The City's 2009 Climate Change Action Plan set a target of 15% below 2005 emissions by 2020 and 40% below 2005 by 2035, consistent with state law under AB 32 and SB 32. General Plan 2035, adopted in 2020, now serves as the updated Climate Action Plan and incorporates these reduction goals directly into land use, transportation, and infrastructure policy. With full implementation of local measures plus state actions, Novato projects a 48% reduction below 2005 levels by 2035, exceeding its stated targets.

Core Local Reduction Measures

Appendix E of the General Plan identifies 30 quantified local measures across buildings, energy, transportation, waste, water, and natural systems. Combined, these are projected to reduce emissions by about 48,400 MTCO₂e in 2035. Mirroring state actions such as renewable portfolio standards, stricter building and appliance codes, and vehicle efficiency rules, the City is able to add roughly 78,800 MTCO₂e by 2035. The largest single local measure is the transition to low-carbon electricity via Marin Clean Energy (MCE), projected to cut about 20,000 MTCO₂e by 2035. Community-scale renewable energy (primarily rooftop solar) is expected to reduce a further 10,000 MTCO₂e by 2035. Other high-impact measures include zero-waste programs, community energy efficiency, and public outreach campaigns that support behavior change.

Novato applies the California Green Building Standards Code (CALGreen) with locally adopted Tier 1 efficiency standards, requiring new construction to outperform base code energy requirements by roughly 15%. The Housing Element's Goal 7 requires all new housing to be designed for energy efficiency and encourages major remodels to use efficient windows, materials, and appliances. It also supports weatherization of existing homes and maintains development regulations to accommodate rooftop solar and other renewable energy systems. To retrofit existing buildings, the City relies on Property Assessed Clean Energy (PACE) financing and regional programs like BayREN and Marin Energy Watch, which provide audits, rebates, and direct installation of efficiency improvements. The City is targeting upgrades in thousands of homes and over a thousand businesses by 2035, projecting nearly 2,000 MTCO₂e in annual savings from community efficiency measures alone. For low-income households, Novato promotes programs such as MCE's CARE discounts, the Low-Income Weatherization Program,

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

and the Energy Savings Assistance Program, which collectively fund no-cost weatherization and solar for income-qualified residents.

Because transportation creates over half of local emissions, Novato's climate strategy emphasizes shifting trips to walking, biking, transit, and cleaner vehicles. The City has about 33 miles of bikeways (Class I paths, Class II lanes, and Class III routes), five park-and-ride lots, and 134 bus stops served by Marin Transit. Sonoma-Marina Area Rail Transit (SMART) began service in 2017 with three Novato stations and an associated multi-use pathway, enabling rail-and-bike commutes between Marin and Sonoma counties. General Plan measures include commute alternatives programs, idling reduction, expanded EV charging, complete streets design, and Safe Routes to Schools, which engaged 11 schools and more than 5,400 students in 2016–2017. Collectively, transportation measures are projected to save several thousand MTCO₂e per year by 2035, mainly through reduced vehicle miles traveled and increased adoption of low-emission vehicles. On the land use side, Novato's Urban Growth Boundary—adopted in 1997 and extended through 2042—directs growth inward to protect hillsides, baylands, and agricultural areas. General Plan 2035 and the Housing Element promote mixed-use infill, transit-oriented development near SMART stations, and a better jobs-housing balance.

General Plan 2035 and Climate Integration

In November 2020, the City Council adopted a Climate Emergency Resolution, formally elevating climate mitigation and adaptation as top municipal priorities. General Plan 2035 requires periodic GHG inventory updates and progress tracking, with the Sustainability Division coordinating implementation and partnerships with agencies such as Marin Clean Energy, BayREN, the Transportation Authority of Marin, and the Marin Climate and Energy Partnership.

Novato's planning documents explicitly address climate risks, particularly sea level rise, heat, wildfire, and changing precipitation. Tide-gauge records in the region show roughly 7 inches of sea level rise since 1900, with projections of about 10 inches by 2040 and 2.4–3.4 feet by late century, depending on emissions scenarios. Most of the city's development is inland and buffered by extensive marsh and agricultural land, but critical facilities like the wastewater treatment plant and some utility infrastructure face increasing flood risk with higher sea levels.

General Plan policies call for incorporating climate projections into capital planning and development review, coordinating on regional shoreline adaptation, and maintaining the FEMA-accredited Hamilton Levee that protects low-lying neighborhoods. The plan also anticipates higher temperatures—potentially 3 °F warmer by mid-century and up to 8 °F by 2100—and more extreme heat days, which are of particular concern for Novato's aging population. In response, the City emphasizes cool paving, shade trees, and building design that mitigates heat, as well as continued wildfire-safety measures in the wildland-urban interface.

DETERMINATIONS

Service Review Determinations per Government Code Section 56430

As set forth in Section 56430(a) of the CKH Act, “In order to prepare and to update the SOI in accordance with Section 56425, the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the Commission. The Commission shall include in the area designated for a service review the county, the region, the sub-region, or any other geographic area as is appropriate for analysis of the service or services to be reviewed and shall prepare a written statement of its determinations with respect to each of the following.” Pursuant to Government Code Section 56430, the requisite CKH determinations for this municipal service review for the Novato Sanitary District are presented below:

1) Growth and population projections for the affected area

- a.** The City of Novato is home to an estimated 51,690 residents as of 2025, according to the California Department of Finance. Between 2010 and 2025, the City experienced a total estimated population decrease of approximately 0.4%, representing an annual average decline of -0.03%. This trend is consistent with broader regional and statewide population dynamics, including the County of Marin's concurrent modest decline from a 2020 peak of 261,306 to approximately 252,074 in 2025. Contributing factors include an aging population, declining birth rates, the ongoing impacts of COVID-19, high costs of living, and increasing domestic out-migration to lower-cost regions.
- b.** The California Department of Finance Growth Forecast projects a total population decline of approximately 2.7% over the next 20 years, with the population expected to reach approximately 50,465 by 2035 (at -0.24% per year) and 50,480 by 2045 (at -0.12% per year). These projections suggest a modest, long-term decline that broadly mirrors the anticipated trajectory for Marin County as a whole. Novato has 21,756 total housing units (16,309 single-family, 4,931 multi-family, and 516 mobile homes) at a density of 1,846 persons per square mile—substantially above the countywide average of 490 persons per square mile.
- c.** Notwithstanding declining population projections, the City faces a state-mandated RHNA allocation of 2,090 housing units for the 2023–2031 planning cycle. The City's 6th Cycle Housing Element, adopted on May 7, 2024, identifies housing capacity across four sources: projected accessory dwelling units (118 units), 15 entitled and proposed pipeline projects (2,459 units), a vacant sites inventory (8 units), and two rezone sites (42 units), yielding a total housing capacity of 2,627 units and a surplus of 537 units above the RHNA requirement. The four most significant pipeline projects are the Fireman's Fund campus redevelopment (1,300 units), three Downtown AMG projects utilizing SB 35 (492 units collectively), the Homeward Bound project (50 units completed in 2025), and the Habitat for

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Humanity project (80 units of 100%-deed-restricted affordable housing). The City exceeds its RHNA across all income categories: lower-income by +61 units, moderate-income by +35 units, and above-moderate by +448 units.

d. Despite the RHNA pipeline, it is critical to note that all housing capacity identified in the Housing Element lies within the City's current jurisdictional boundary. The City's voter-approved Urban Growth Boundary (UGB), first enacted in 1997 and extended through at least 2042, restricts urban development from expanding beyond the current city limits into surrounding rural and natural areas. All future development is therefore concentrated within the existing urbanized footprint.

e. Marin LAFCo determines that the City of Novato is projected to experience modest, long-term population decline consistent with broader Marin County and statewide demographic trends, while simultaneously managing a substantial near-term housing production mandate under state law. These dynamics are not mutually exclusive: population may decline even as new units are added through household formation changes, replacement of substandard units, and satisfaction of pent-up demand. The City's infrastructure and service systems must plan for Housing Element build-out capacity while accounting for the probability that per-capita service demand will remain stable or modestly decline over the 20-year planning horizon.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

a. Pursuant to Government Code Section 56033.5, disadvantaged unincorporated communities (DUCs) are inhabited territories containing 12 or more registered voters where the annual median household income (MHI) is less than 80 percent of the statewide annual MHI. According to the California Department of Housing and Community Development, the statewide MHI in California in 2025 is \$118,100, establishing the DUC threshold at \$94,480.

b. The City of Novato has a median household income of \$112,193. The unincorporated communities within or contiguous to the City's SOI—including Black Point, Green Point, Bel Marin Keys, Loma Verde, and Indian Valley—are each characterized by rural-residential, low-density, or single-family land uses with household incomes above the DUC threshold. No inhabited unincorporated territory within or contiguous to the City's SOI has been identified as meeting the SB 244 definition of a disadvantaged unincorporated community.

c. Marin LAFCo determines that there are no recognized disadvantaged unincorporated communities within or contiguous to the sphere of influence of the City of Novato at this time. This finding is consistent with the demographic and land use profiles of the surrounding unincorporated communities. The Commission will monitor this determination in future study cycles as conditions change.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

a. The Novato Police Department (NPD), headquartered at 909 Machin Avenue, is the sole public safety agency operated by the City and consistently represents approximately 40% of the total City workforce. The department maintains 61 authorized FTE sworn officer positions as of FY 2025 (down from a stable 62 from FY 2019 through FY 2024) and 17 FTE civilian staff, for a total departmental headcount of 78 FTE. The department operates from a single police station and maintains a fleet of 20 patrol units, organized into divisions covering patrol operations, criminal investigations, traffic, records management, communications and dispatch, professional standards, K-9, and the Novato Response Team.

Public safety performance indicators over the study window reflect a generally improving trend. Calls for service declined from a peak of 36,219 in FY 2022 to 31,213 in FY 2024—a 33% decline from the FY 2018 peak. Part 1 crimes reached a 13-year low of 825 in FY 2024, representing a 37% decline from the FY 2017 level of 1,311. Physical arrests moderated to 1,277 in FY 2024 following a pandemic-era low of 995 and a recovery to 1,385 in FY 2023. General Fund police expenditures grew by 8.4% from FY 2022 to FY 2024, rising from \$16.9 million to \$18.3 million, and are budgeted at \$21.3 million for FY 2025-26.

The most significant departmental service delivery initiative in the study window was the launch of the Specialized Assistance for Everyone (SAFE) Team in November 2024, a unanimous Council-approved five-year pilot program in partnership with the Petaluma People Services Center (PPSC). Operational since April 1, 2025, the SAFE Team deploys civilian Crisis Counselors and EMTs to respond to calls involving mental health crises, substance abuse, homelessness, welfare checks, and conflict resolution—Tuesday through Saturday, 8 a.m. to 8 p.m., at a first-year cost of \$548,713. Municipalities utilizing this model statewide have reported approximately a 10% decrease in police calls for service, which would translate into meaningful sworn officer workload reduction and cost efficiency for the NPD over the pilot period.

b. The Public Works Department manages the planning, environmental documentation, design, construction, maintenance, and operations of all City rights-of-way, properties, and facilities through three divisions: Administration, Maintenance, and Engineering. The department employed 47 FTE as of November 2025 with a FY 2025 operating budget of \$12.7 million—a 27% increase over the study window from \$7.19 million in FY 2021, driven in part by Measure M allocations for weed abatement and street maintenance augmentation in FY 2025. The City maintains 152 miles of streets and approximately 4,500 street lights.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Net infrastructure assets (streets, storm drains, bridges) were valued at \$88.6 million as of June 30, 2025, up from \$83.75 million the prior year—reflecting the first sustained period of capital additions outpacing depreciation since FY 2021. The department stewards approximately 94% of the City's depreciable assets and commands over 90% of the City's depreciation charges, overseeing a capital portfolio valued at approximately \$261 million. Between FY 2021 and FY 2022, the City under-invested relative to depreciation by a combined \$5.2 million, primarily as a consequence of pandemic-era budget reductions; resumption of the Capital Improvement Program (CIP) beginning in FY 2023, including the \$5.76 million corporation yard land acquisition, has restored the positive capital investment trajectory.

Public Works also administers five landscape assessment districts (San Marin, Country Club, Wildwood Glen, Hillside, and Scottsdale), two Community Facilities Districts (Hamilton CFD and Pointe Marin CFD), and downtown and San Pablo lighting/landscaping districts, each with its own revenue stream and maintenance obligation that must be coordinated alongside the core CIP work. The Hamilton CFD generated \$398,000 in FY 2025 revenue with \$405,000 in expenditures; Pointe Marin CFD generated \$303,000; and the combined landscape assessment districts generate approximately \$120,000–\$150,000 annually.

c. The Parks, Recreation, and Community Services (PRCS) Department manages 40 City parks encompassing 580 acres, one senior center, one aquatic facility, four tennis courts, three baseball/softball diamonds, nine soccer fields, six pickleball courts, six bocce ball courts, and one lacrosse field. PRCS staffing declined sharply from 22.7 FTE in FY 2021 to 15.2 FTE in FY 2022 due to pandemic-era position eliminations, and has recovered to 18.5 FTE in FY 2024 and FY 2025. Culture and Recreation expenses were \$2.65 million in FY 2025, with charges for services totaling \$2.49 million—yielding a net General Fund cost of only \$164,079, making PRCS the lowest net fiscal burden of any governmental function in the City.

The department's capital planning framework was advanced by the City's adoption on April 9, 2024 of its first-ever comprehensive Parks Master Plan, developed by Berry Dunn consultants over 14 months with a \$250,000 budget allocation, intended to guide parks planning and recreation development over the next 10 years. The Parks Measure A fund (approved by Marin County voters in June 2022 for a nine-year period) provides supplemental dedicated funding for parks improvements, generating \$538,630 in FY 2025.

d. Marin LAFCo determines that the City of Novato has the present organizational capacity and staffing to provide its authorized municipal services throughout the jurisdictional boundary. Positive trends are evident in public safety performance, infrastructure reinvestment, and parks planning. The principal areas of infrastructure concern are deferred

street maintenance and aging public facilities accumulated during the pandemic-era budget contraction; Measure M is specifically and deliberately targeted at reversing these deficiencies, and the reinvestment trajectory as of FY 2023–2025 is moving in the correct direction. The SAFE Team pilot represents an innovative and fiscally sound approach to improving community response capacity without additional sworn officer costs, and should be closely monitored for effectiveness. The City's documented difficulties in staff recruitment and retention across departments remain a concern moving forward and should be monitored closely due to the possible impact on service delivery.

4) Financial ability of agencies to provide services

a. The City of Novato is required to undergo an annual financial audit published in an Annual Comprehensive Financial Report (ACFR). Over the course of the study window, the City experienced a significant audit backlog—at one point falling three fiscal years behind in ACFR completion, requiring the City to complete two audits per year over the past three years to return to compliance. At its meeting on January 27, 2026, the City Council approved the FY 2025 audit, bringing the City fully back into compliance. Auditors found no material weaknesses, and the most recent audit opinion states that the financial statements "are fairly stated, in all material respects, in relation to the basic financial statements as a whole." City staff have developed more detailed processes and systems to prevent a future recurrence of the audit backlog. This Commission notes the prior audit backlog as a transparency concern and commends the City on its full remediation.

b. Total General Fund revenues grew from \$47.2 million in FY 2021 to \$54.4 million in FY 2025, a cumulative increase of approximately 15.4%. Tax revenues (including property tax, sales and use tax, real property transfer tax, hotel taxes, gas taxes, business license taxes, and franchise fees) constitute approximately 73% of General Fund revenues, supplemented by charges for services as the second-largest category. The City relies more heavily on sales tax and property tax revenues relative to the mix of all tax types collected than the majority of other California municipalities. The City received approximately \$1,053 in General Fund revenue per capita in FY 2024-25.

c. The City has faced persistent structural budget deficits for much of the past decade, rooted in a low property tax revenue allocation (resulting from the City's relatively recent incorporation and limited redevelopment history), escalating pension costs, and the expiration of key sales tax measures. From FY 2021 through FY 2025, the City relied heavily on one-time funding mechanisms—including American Rescue Plan Act dollars and property sales—to bridge operating gaps while deferring infrastructure maintenance and reducing total City staffing by over 30 positions. While the General Fund averaged approximately \$2.56 million in surplus revenues over expenditures during the study window, FY 2022-23

produced a deficit of \$1,847,715 driven by intentional use of one-time and restricted General Fund resources for capital spending.

d. The passage of Measure M in November 2024—a 0.75% sales tax increase approved by 58% of voters, projected to generate approximately \$10.3 million annually—represents the most significant structural fiscal improvement in the City's recent history. Measure M became effective April 1, 2025. The City received \$2.3 million in FY 2024-25 (against a \$2.6 million mid-year forecast), with the first payment allocated to the Insurance Reserve, Emergency Disaster Response Reserve, and Public Works deferred maintenance. For FY 2025-26, the City combined \$52.43 million in baseline General Fund revenues with \$5.28 million in Measure M allocations to produce the first structurally balanced General Fund budget in over five years. Marin LAFCo notes, however, that City staff is monitoring lower-than-anticipated Measure M revenues, which introduces near-term execution risk to the balanced budget projection.

e. The City participates in CalPERS through both a Miscellaneous Plan (non-safety employees) and a Safety Plan (police officers). As of June 30, 2025, the City carried a combined net pension liability of \$66,254,478. The Miscellaneous Plan funded ratio is 76.9% and the Safety Plan funded ratio is 78.08%—both above the 72.3% average funded ratio for California cities participating in public pension systems as of June 30, 2023. Public safety pension contributions consume approximately 53.9% of current public safety payroll costs, which is a disproportionately high share that is a primary driver of the City's structural fiscal challenges. The City issued Pension Obligation Bonds (Series A-1 and A-2, maturing 2035) with an outstanding balance of \$15.1 million as of June 30, 2025, to prepay a portion of the CalPERS unfunded liability.

The City's OPEB plan is administered under an Agent Multiple-Employer Defined Benefit Plan, with benefits payable upon receiving a retirement benefit from the Marin County Employees' Retirement Association. As of June 30, 2025, the plan covers 198 active members, 73 retirees currently receiving benefits, and 125 inactive members entitled to future benefits. The net OPEB liability is \$469,594 with a funded ratio of 89%. This is a well-managed and near-fully-funded position.

f. The City's total debt ratio is 24.3% as of June 30, 2025 (total long-term liabilities of \$99,491,382 divided by total assets of \$409,714,124), stable throughout the study window between 24% and 26%. The current liquidity-focused debt ratio (current assets to current liabilities) is 9.1%. The City's debt service as a percentage of total operating revenues in FY 2024-25 was 3.7%—well within the GFOA-recommended ceiling of 7-10% and consistent with the state average ratio of 3.71% in FY 2022-23. Long-term governmental debt declined 20.7% over the study window, from approximately \$3.5 million in annual debt service to \$2.7 million.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

g. Marin LAFCo determines that the City of Novato possesses the fiscal resources necessary to maintain its current service levels and move toward structural budget sustainability, but does so with meaningful fiscal constraints and risks that distinguish its position from the other agencies in this study. The City's fiscal profile is characterized by a structural revenue deficiency (now being addressed by Measure M), significant pension obligations (particularly for public safety), a completed audit backlog remediation, and meaningful reserve balances. The passage of Measure M represents a voter mandate to sustain and improve services and is the decisive fiscal inflection point for the City's near-term and medium-term financial trajectory. The Commission will monitor the City's continued progress toward structural balance and audit timeliness in future MSR cycles.

5) Status of and, opportunities for, shared facilities.

a. The City of Novato maintains numerous contracts and memoranda of understanding (MOUs) with surrounding agencies. At this time, there are no agreements that would meet the standard of an outside service agreement under Government Code Sections 56133 and 56134 requiring LAFCo approval.

b. The most significant shared service structure for the City is its array of partner agencies that provide essential municipal services within the City's jurisdiction. Fire protection and emergency medical services are provided by the Novato Fire Protection District (NFPD)—a separate special district analyzed in this Novato Area Study. Wastewater collection, treatment, and solid waste collection are provided by the Novato Sanitary District (NSD), also analyzed in this Study. Potable water is provided by the North Marin Water District. Animal control is provided under contract by the Marin Humane Society. Library services are provided by the County of Marin. This service delivery architecture—in which the City directly provides land use, public safety, parks, and public works functions while partner agencies handle utilities and specialized services—reflects the established multi-agency governance framework characteristic of the Novato area.

c. The City has had difficulties in staffing, particularly retention of staff, in areas such as administrative support. Given the interwoven nature of the service delivery between multiple agencies throughout the City, Marin LAFCo would encourage the City to explore the possibility of shared services agreements between the City and other local agencies such as NFPD, NSD, and the North Marin Water District (NMWD), in an effort to ensure staffing needs continue to be met, while simultaneously minimizing the costs that additional full-time/benefitted positions would incur for a single agency.

d. Marin LAFCo determines that the City of Novato's service delivery model is appropriately structured to leverage partner agencies for utility and specialized services while retaining direct City operation of core municipal functions. The multi-agency service framework within the Novato area is well-established and functioning efficiently. No additional

opportunities for facility sharing or service consolidation have been identified that would materially enhance service delivery efficiency beyond the existing structure at this time.

6) Accountability for community service needs, including governmental structure and operational efficiencies

a. The City of Novato operates under a council-manager form of government. The five-member City Council is elected through a district-based system established by Ordinance 1650 in 2019, transitioning the City from at-large elections. Councilmembers must reside in and are elected exclusively by the registered voters of their district, serving staggered four-year terms. Elections for Districts 1 and 3 are next held in 2028; Districts 2, 4, and 5 are up in 2026. The Mayor and Mayor Pro-Tem are selected annually by the Council members. The current Council consists of Mayor Rachel Farac (District 2), Mayor Pro-Tem Kevin Jacobs (District 1), and Councilmembers Pat Eklund (District 4), Tim O'Connor (District 3), and Sandeep Karkal (District 5).

b. The City Manager is appointed by the Council as an at-will employee responsible for day-to-day operations. The current City Manager is Amy Cunningham. The City is organized into departments, including Community Development, Administrative Services, Central Administration, Public Works, Police, and Parks/Recreation/Community Services, with two Assistant City Managers overseeing branches, including Economic Development, Human Resources, Sustainability, Information Technology, and Homelessness response. As of November 2025, the City employed 203.58 FTE, a figure that reflects a significant recovery from the pandemic-era workforce reduction of over 30 positions.

c. The City enlists residents through a number of commissions and citizen advisory committees—including the Design Review Commission, Economic Development Advisory Commission, Finance Advisory Commission, and Planning Commission—which provide formalized channels for community input on policy and development decisions. The City broadcasts City Council meetings live on its website and on Comcast Channel 27 (rebroadcast Thursdays at 10:00 a.m.) and maintains active social media engagement on Facebook, Instagram, X (formerly Twitter), and Nextdoor. The City's website is translatable into multiple languages, broadening public access to City information for non-English-speaking residents

d. The City is in compliance with Senate Bill 272 (enterprise system catalog), Senate Bill 929 (special district website requirements—though not directly applicable to cities, the City has voluntarily achieved compliance), and Assembly Bill 1637 (local government electronic notification). All Form 700 financial disclosures are current for all required participants. All required officials hold current certifications for Assembly Bill 1234 (ethics training) and Assembly Bill 1661 (sexual harassment prevention training). The City has been made aware of the SB 827 fiscal training requirement with a compliance deadline of January 1, 2028.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

e. Marin LAFCo determines that the City of Novato has a well-structured, accessible, and accountable governance framework appropriate for Marin County's second-largest city. The transition to district-based elections in 2019 has strengthened geographic representation. Accountability mechanisms—including citizen commissions, live broadcast of Council meetings, multi-language web accessibility, SB 272 and SB 929 compliance, and current ethics certifications—collectively reflect a strong commitment to transparency and community engagement. The Commission notes that the recent audit backlog remediation, now complete, is an important accountability improvement that must be sustained going forward.

7) Any other matter related to effective or efficient service delivery

a. The City's Urban Growth Boundary (UGB), first enacted in 1997 and extended through 2042, is a foundational policy instrument that shapes every dimension of the City's service delivery planning, capital investment strategy, and governance. By confining all development within existing city limits, the UGB both protects surrounding open space, agricultural, and baylands areas and focuses all Housing Element build-out on infill sites that can be served by existing infrastructure systems. From a service delivery perspective, this means the City does not face the financially challenging scenario of extending costly new infrastructure into undeveloped areas; instead, the primary capital challenge is maintaining and upgrading aging infrastructure within the existing footprint.

b. The prevalence of Planned District (PD) classification—covering 49% of the jurisdictional land area, or approximately 7,878 acres—creates both opportunity and friction for housing production. While PD designation has historically enabled the City to negotiate higher densities, affordable housing requirements, and tailored development standards (as evidenced by the successful Hamilton Army Airfield conversion that added over 2,100 homes to Novato), the entitlement process under PD typically requires 9–18 months—significantly longer than the 60–90 days for projects under conventional zoning. The City is actively pursuing Housing Element Program 3.I to amend the Zoning Ordinance and allow PD-designated parcels to alternatively utilize the development standards of their closest matching base General Plan zoning, which would reduce processing bottlenecks and accelerate housing delivery on RHNA-identified sites. Implementation of this reform has direct implications for the City's ability to meet its 6th Cycle RHNA commitments.

c. Marin LAFCo determines that there are no additional governance or service delivery matters that would require Commission action at this time beyond the SOI amendments addressed in Part II of these determinations and those addressed in the preceding determinations.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Sphere of Influence Determinations per Government Code Section 56425

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the Commission shall develop and determine the sphere of influence of each local agency, as defined by Government Code section 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining the sphere of influence of each local agency, the Commission shall consider and prepare a written statement of its determinations with respect to the following:

1) Present and planned land uses in the area, including agricultural and open space lands

a. Land use within the City of Novato is guided by General Plan 2035, which emphasizes managed growth, protection of environmental and open space resources, and preservation of Novato's small-town character while accommodating needed housing, jobs, and transportation improvements. Nearly half of the City's zoned area is classified in the Planned District (PD) zoning district, at 49.05% of jurisdictional land area (7,878 acres), followed by Open Space and Restricted Open Space combined at approximately 24.45% (3,923 acres), Low Density Residential in its various subcategories at approximately 13.5%, and Community Facilities at 4.13%. Open Space/Parkland/Conservation designations collectively account for approximately 27.2% (4,372 acres) of the City's land, reflecting a strong commitment to natural lands preservation within the urban boundary.

b. The City's current SOI is primarily coterminous with its jurisdictional boundary, with the addition of four unincorporated areas: Loma Verde, Vineyard Road, North St. Vincent's, and Atherton Avenue/Rush Creek. The unincorporated communities of Loma Verde and Indian Valley are characterized by single-family residential uses. Loma Verde is completely surrounded by the City and within the City's SOI; Indian Valley comprises approximately 630 acres of low-density single-family housing with parcel sizes ranging from 1 to nearly 45 acres, plus equestrian, orchard, and livestock uses. Black Point and Green Point are rural-residential communities at the Marin/Sonoma County line, bounded by San Pablo Bay, the Petaluma River, and the City's northeast jurisdictional limits, and are characterized by Agricultural Limited and Open Area zoning and a stated community preference for preserving their rural, non-urban character.

c. The City's voter-approved Urban Growth Boundary, in effect through at least 2042, is the controlling land use policy instrument that defines the probable physical boundary of the City's future service area. Under the CKH Act, the SOI is the legal and planning expression of where a city is expected to grow and deliver services. Where a city has adopted an urban growth boundary restricting expansion beyond the existing city limit, the probable future boundary and service area defaults to the existing city boundary itself. A SOI that extends

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

beyond the UGB would be inconsistent with state law's definition of a sphere, with Marin LAFCo's policy recognizing UGBs, and with the City's own voter-enacted growth limits.

d. Marin LAFCo determines that present and planned land uses within and contiguous to the City's current sphere of influence support the amendment of the City's SOI to be coterminous with the City's UGB. The planned land uses within the current non-coterminous portions of the SOI (Loma Verde, Vineyard Road, North St. Vincent's, and Atherton Avenue/Rush Creek) are not scheduled for annexation into the City, the communities themselves have expressed opposition to annexation, and the UGB prevents any expansion-based annexation without a separate voter-approved UGB amendment. Retaining these areas in the SOI would be inconsistent with the legal and policy framework governing SOI determinations for cities with in-place urban growth boundaries.

2) Present and probable need for public facilities and services in the area

a. The City of Novato directly provides law enforcement, building and planning, code enforcement, parks and recreation, landscape maintenance, streets and road maintenance, and stormwater drainage services to its 51,690 residents within the 28-square-mile jurisdictional boundary. The present need for these services is continuous, essential, and appropriately met by the City's existing organizational structure and departmental resources.

b. Within the current SOI areas beyond the City's jurisdictional boundary—Loma Verde, Vineyard Road, North St. Vincent's, and Atherton Avenue/Rush Creek—residents currently receive City services on a de facto basis (particularly emergency response) without formal service agreements or the benefit of City fiscal resources derived from those areas. However, none of these communities have expressed a desire for annexation, and no formal annexation proceedings are pending or anticipated. The probable need for extended City services in these areas is therefore based on a continuation of the existing informal first-responder role rather than any planned annexation.

c. The City's RHNA pipeline projects 2,627 units of new housing capacity within the existing city limits, all of which will be served by the City's existing infrastructure and service systems. No new territory outside the current city limits is required to accommodate the Housing Element build-out. The public facilities and services needed to support RHNA development are extensions or upgrades of existing systems within the established urban boundary.

d. Marin LAFCo determines that there is a stable and ongoing present need for the City of Novato's public facilities and services throughout the jurisdictional boundary, and that the probable future need for City services does not extend beyond the UGB. The City's RHNA

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

capacity exceeds its state-mandated allocation by 537 units within the existing boundary, confirming that all foreseeable service demand growth can be accommodated within the current jurisdictional footprint.

3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

a. As established in MSR Determination 3, the City's police, public works, and parks and recreation services are adequately staffed and resourced at present levels, with clear improvement trajectories driven by Measure M funding, SAFE Team deployment, and the Parks Master Plan. Police staffing remains stable at 78 FTE, infrastructure reinvestment has returned to a positive trajectory (net infrastructure assets grew from \$83.75M to \$88.6M in FY 2025), and the PRCS Department operates at near-full cost recovery with a net General Fund cost of only \$164,079 in FY 2025.

b. The City's primary infrastructure adequacy concern is deferred maintenance of roads, storm drains, and public facilities accumulated during the pandemic-era budget reductions of FY 2021 and FY 2022, when the City under-invested relative to depreciation by a combined \$5.2 million. The Public Works department's return to a positive capital investment trajectory beginning in FY 2023, augmented by Measure M-funded weed abatement and street maintenance in FY 2025, represents the appropriate and necessary corrective action. Full quantification of the remaining deferred maintenance backlog and a dedicated remediation schedule would further strengthen the City's capital planning framework.

c. Marin LAFCo determines that the City of Novato has sufficient present capacity to provide its authorized services throughout the jurisdictional boundary. Deferred maintenance accumulated during the pandemic-era budget contraction represents the primary known infrastructure adequacy concern, and the City's capital investment trajectory as of FY 2025 is moving in the correct direction. The Commission will monitor continued progress in reducing the deferred maintenance backlog, particularly for streets, in future MSR evaluations.

4) Existence of any social or economic communities of interest in the area, if the Commission determines that they are relevant to the agency.

a. A community of interest (COI) is a geographically contiguous population that shares common social, cultural, economic, or historical interests relevant to public policy and fair political representation. Within and contiguous to the sphere of influence of the City of Novato, Marin LAFCo has identified several unincorporated communities that constitute social and/or economic communities of interest. These communities are classified as unincorporated islands—areas substantially surrounded by the City that in many cases can

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

only be accessed via the City's streets—creating governance and service delivery conditions that are directly relevant to this SOI determination

b. The identified communities of interest are:

Loma Verde: A primarily single-family residential neighborhood completely surrounded by the City and within the City's SOI, also within the boundaries of Marin County Service Area 1. Residents have previously expressed opposition to annexation into the City. The area has no official neighborhood group.

Indian Valley: Comprising approximately 630 acres of low-density residential uses with parcel sizes ranging from 1 to nearly 45 acres, plus equestrian, agricultural, and open space uses. The Indian Valley Association has previously expressed opposition to annexation.

Black Point: A rural-residential community at the Marin/Sonoma County line, within the Novato Sanitary District SOI but not receiving NSD wastewater service, relying instead on on-site wastewater treatment systems. The Black Point Improvement Club has previously expressed opposition to annexation.

Green Point: Adjacent to Black Point, with large residential lots interspersed with agriculture and open space, historically retaining a rural character without urban services or amenities. Represented in part by the Black Point Improvement Club, which has previously expressed opposition to annexation.

Bel Marin Keys: Located in the southeast Novato region between Highways 37 and 101, covering approximately one square mile with an estimated 700 housing units, primarily served by the Bel Marin Keys Community Services District (BMKCSD). Excluded from the City's SOI by Marin LAFCo since 1982, the BMKCSD Board of Directors has previously informed Marin LAFCo that the community does not wish to be annexed into the City.

c. Marin LAFCo's Unincorporated Island policy encourages annexation of islands to cities where supported by the island community, to reduce governance inefficiencies and provide more orderly local government boundaries. However, Marin LAFCo will not proceed with an island annexation where the affected community has voiced opposition. All five communities identified above have expressed such opposition.

d. Additionally, any annexation of areas outside the UGB would require a City voter-approved UGB amendment—a prerequisite that effectively forecloses annexation of Black

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Point, Green Point, and any other areas external to the jurisdictional boundary absent a separate public vote.

- e. Marin LAFCo determines that the unincorporated communities of Loma Verde, Indian Valley, Black Point, Green Point, and Bel Marin Keys constitute social and/or economic communities of interest within or contiguous to the City of Novato's SOI. These communities are relevant to the SOI determination because their residents interact daily with City infrastructure, depend on City emergency response as de facto first responders, and maintain distinct community identities. However, as all communities have, at one point or another, expressed opposition to annexation, and the UGB restricts expansion beyond the current city limits through 2042, no annexation proceedings are appropriate at this time. The Commission affirms its Unincorporated Island policy and will continue to facilitate dialogue with these communities as part of future MSR and SOI reviews.

5) Present and probable need for public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

- a. Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the City of Novato's sphere of influence with present or probable unmet needs for public facilities or services at this time. The Commission will revisit this determination in future MSR cycles as demographic conditions evolve.

NOVATO SANITARY DISTRICT

AGENCY AT A GLANCE

Agency Name	Novato Sanitary District
Formation Date	October 1925



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

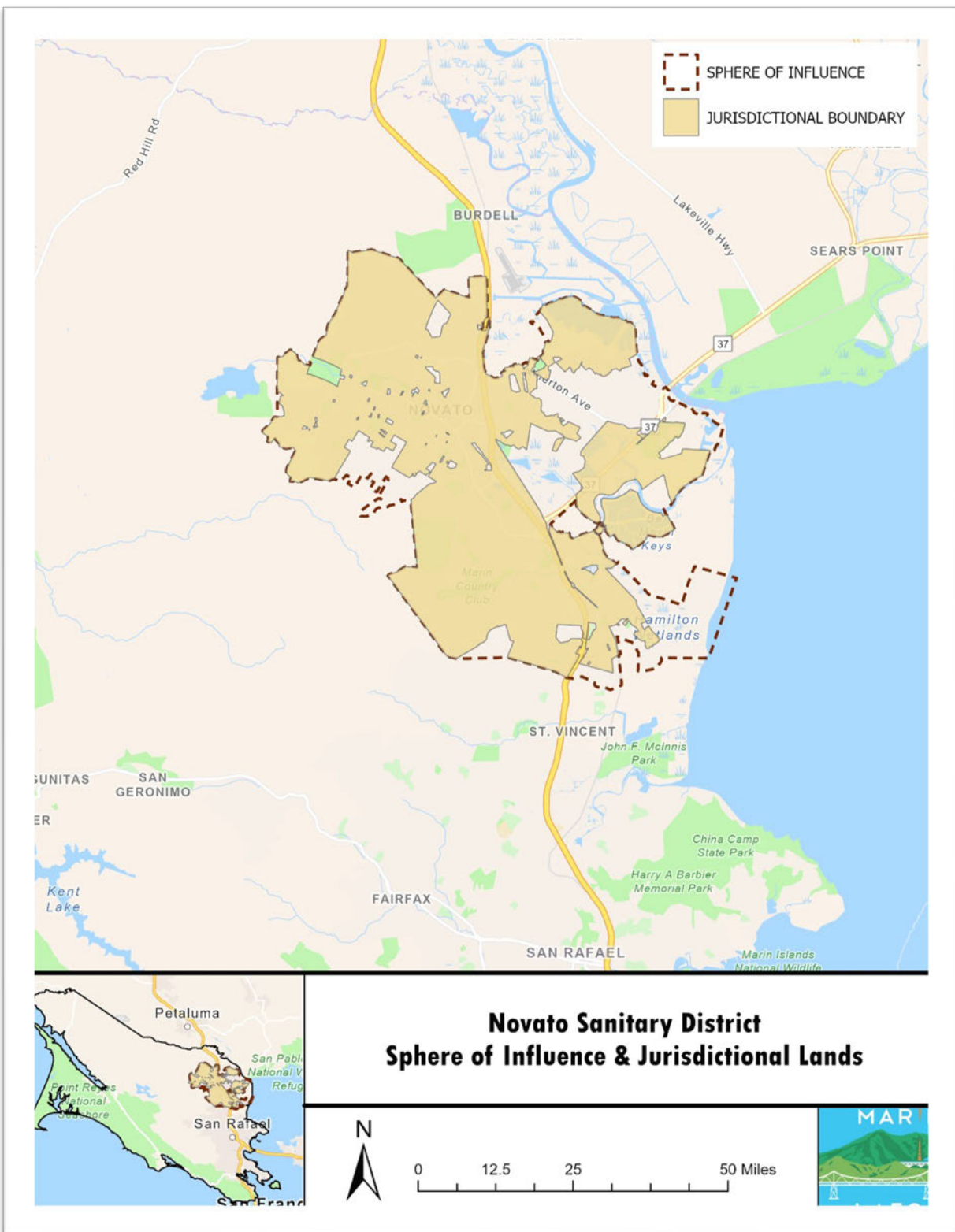
Administrative Office Location	500 Davidson Street, Novato, CA
Website	novatosan.com
General Manager-Chief Engineer	Sandeep Karkal
Employees	23.35 FTE
Public Meetings	The Novato Sanitary District Board of Directors meets on the 2 nd Monday of each month at 5:30 p.m., with special meetings scheduled on an as-needed basis.
Governing Body	Five-member Board of Directors; each elected to a four-year term
Municipal Services Provided	Wastewater Collection, Wastewater Treatment, Recycled Water, Solid Waste Collection
Jurisdictional Area Size	31 Square Miles
Population Estimate	55,690 ³¹

³¹ Estimate based upon American Community Survey 5-year estimates, released January 29, 2026, from census tracts that comprise the District's jurisdictional lands, which include parts or all of U.S. Census Tracts 1011, 1012, 1021, 1022.02, 1022.03, 1031, 1032, 1041.02, 1041.03, 1041.04, 1042, 1043, 1050.01, and 1050.02.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Figure 5 Novato Sanitary District Sphere of Influence & Jurisdictional Lands



Agency Profile – Novato Sanitary District

The Novato Sanitary District (NSD) is located in the north-eastern area of Marin County, along the northern Highway 101 corridor. The majority of the district's jurisdictional lands and sphere of influence are situated within Marin County Supervisor District 5, with parts of the western area residing in Marin County Supervisor District 4. The district's boundary encompasses the majority of the City of Novato, as well as the unincorporated neighborhoods of Loma Verde, Bel Marin Keys, and much of the areas of Atherton Avenue, Center Road, and Vineyard Road. NSD is home to an estimated 55,690 residents. The district was originally formed in October of 1925 as the Marin County Sanitary District No. 6, under the California Sanitary District Act of 1923 (now codified in the Health and Safety Code sections 6400 et seq.). Residents voted to create the district that year to address public-health and sanitation issues in the Novato area, making it one of the earliest organized wastewater-management entities in the region.

Novato Sanitary District's jurisdictional boundary encompasses approximately 20,006 acres (31 square miles), and the district's sphere of influence (SOI) is just under 10% larger at just under 22,000 acres. The SOI includes the non-jurisdictional lands that comprise the unincorporated communities of Indian Valley, Black Point, and Green Point. NSD's sphere of influence was originally established by Marin LAFCo in 1982 and was most recently amended in 2020³².

The Table below presents a demographic and land-use profile of NSD compared to Marin County as a whole.

Table 7 Demographic and Land Use Profile of NSD Compared to Marin County

	NSD	Marin County
Population as of 2010	55,904	252,409
Population as of 2026	55,690	254,550
Annual Pop. Growth Since 2010	-0.3%	0.056%
Total Housing Units	22,385	113,062
Persons Per Housing Unit	2.48	2.25
Land Area (Square Miles)	31	520
Single-Family Units	17,204	80,639
Multi-Family Units	4,719	30,532
Mobile Homes	462	1,891
Persons Per Square Mile	1,796	490
Median Household Income	\$115,736	\$142,785

³² Marin LAFCo Resolution No. 20-12

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

CURRENT AND PROPOSED SPHERE OF INFLUENCE

Novato Sanitary District's sphere of influence (SOI) currently includes all of the lands within its jurisdictional boundary as well as the unincorporated neighborhoods of Green Point, Black Point, Indian Valley, and the area surrounding the U.S. Coast Guard facility. The SOI was originally established by Marin LAFCo in 1982 and was most recently updated in 2020³³ to amend the exclusion of the district's jurisdictional lands in the Little Mountain area. At this time, staff for the district have not provided any identified areas that they desire to add to the SOI; therefore, no areas specifically requested by the district are being studied for possible inclusion into the NSD SOI. Marin LAFCo staff, in the course of this study, identified an area along the southern portion of the district's SOI that overlaps the jurisdictional lands of the Las Gallinas Valley Sanitary District. Staff recommends that the SOI be amended to remove this area. Staff also recommends amending the current sphere to include two parcels that are currently outside of the district's SOI and jurisdiction, but are contiguous to both. Assessor parcel numbers 125-180-85 and 125-180-79 have been identified in the Marin County Housing Element as a potential Regional Housing Needs Allocation (RHNA) development site. The two parcels, totaling approximately 233.8 acres, have been designated for a potential 249 above moderate income units that, if developed, would require wastewater services from the district.

EXTRATERRITORIAL SERVICES

Government Code Sections 56133 and 56134 set forth LAFCo's out-of-agency services oversight role. While the district has several agreements and MOUs (memorandum of understanding) with other agencies, at this time, the district has no standing contracts specifically for service provisions outside of its current boundaries.

GOVERNANCE AND STAFFING

The Novato Sanitary District is governed by a five-member Board of Directors by way of a district-based election system that divides the district into five geographic regions. Members of the board must be residents as well as registered voters of the region of the district that they are running to represent, and are elected to four-year terms. The NSD board members receive \$225 compensation per meeting for their service. Members are also eligible for reimbursement of up to a maximum of \$200 per month for healthcare plan premiums (though not provided through the district's employee health insurance program), and are also eligible for coverage under the district's group Delta Dental plan. The Board acts collectively to establish policies, provide oversight, and set a vision for the district. Regular meetings are typically held at 5:30 p.m. on the second Monday of each month at the district's headquarters at 500 Davidson Street, Novato.

³³ Marin LAFCo Resolution No. 20-12



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Table 8 Novato Sanitary District Board Members

Novato Sanitary District Board Members		
President	Jerry Peters – District 4	Term Exp. – December 2028
Director	Jean Mariani – District 1	Term Exp. – December 2028
Vice President	Dennis Bentley – District 2	Term Exp. – December 2026
Secretary	Tim Fvette – District 3	Term Exp. – December 2028
Director	Carole Dillon-Knutson – District 5	Term Exp. – December 2026

The Board of Directors appoints a General Manager to serve as the administrative head of the district, responsible for the day-to-day operations. The district has 23.35 FTE employees.

ACCOUNTABILITY

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 identifies a number of components that must be found within an agency's website. Additionally, the Special District Leadership Foundation (SDLF), an independent, non-profit organization formed to promote good governance and best practices among California's special districts, has also outlined recommended website elements as part of its District Transparency Certificate of Excellence. This program was created in an effort to promote transparency in the operations and governance of special districts to the public and to provide special districts with an opportunity to showcase their efforts in transparency. Based on SB 929's criteria and the recommendations set by the SDLF, Marin LAFCo conducted a thorough review of the District's website. The table below summarizes staff's findings on whether the website meets the statutory requirements. At present, the District does meet the statutory requirements set under SB 929 and the majority of SDLF's website transparency criteria.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Table 9 Summary of Website Compliance with SB 929 and SDLF Transparency Requirements

Website Components	Checkmark (Yes)
Required Items (SB 929 Criteria and SDLF Benchmarks)	
1. Names and Contact Information of Board Members	✓
2. Board Member Term Limits	✓
3. Names of Key Staff, Including General Manager/Director	✓
4. Contact Information for Staff	✓
5. Election/Appointment Procedure and Deadlines	✓
6. Board Meeting Schedule	✓
7. Mission Statement	✓
8. Description of District's Services/Functions and Service Area	✓
9. Authorizing Statute/Enabling Act	✓
10. Adopted District Budgets	✓
11. Financial Audits	✓
12. Archive of Board Meeting Agendas and Minutes	✓
13. Link to State Controller's Webpages for District's Reported Board Member and Staff Compensation	✓
14. Link to State Controller's Webpages for District's Reported Financial Transaction Report	✓
15. Reimbursement and Compensation Policy/ Annual Policies	✓
16. Home Page Link to Agendas/Board Packets	✓
17. SB 272 – Compliance of Enterprise Catalogs	✓
18. Machine Readable/Searchable Agendas	✓
19. Recipients of Grant Funding or Assistance	✓
20. Link to or Copies of most recent LAFCo Service and Sphere Reviews	
TOTAL SCORE (out of a possible 20)	19

As of the writing of this study, all Form 700 financial disclosures are current for each required participant within the district. Additionally, all required participants within the district have current certifications for Assembly Bill 1234 (AB 1234)³⁴ and Assembly Bill 1661 (AB 1661)^{35, 36}.

³⁴ State-mandated ethics training for public officials.

³⁵ State-mandated sexual harassment training.

³⁶ The newly enacted SB 827 requires local agency officials to complete a new fiscal training, among other things, by January 1, 2028. While the district has been made aware of this updated requirement, this item has not been added to the scoresheet due to the significant amount of time remaining for it to be completed.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

DISADVANTAGED UNINCORPORATED COMMUNITIES

In 2011, Senate Bill 244 (SB 244) made changes to the Cortese-Knox-Hertzberg (CKH) Act related to “disadvantaged unincorporated communities,” including the addition of SOI determination number five listed above in the Planning Responsibilities section. Disadvantaged unincorporated communities, or “DUCS,” are inhabited territories (containing 12 or more registered voters) where the annual median household income (MHI) is less than 80 percent of the statewide annual median household income.

CKH Act Section 56375(a)(8)(A) prohibits LAFCo from approving a city annexation of more than 10 acres if a DUC is contiguous to the annexation territory but not included in the proposal, unless an application to annex the DUC has been filed with LAFCo³⁷. The legislative intent is to prohibit selective annexations by cities of tax-generating land uses while leaving out underserved, inhabited areas with infrastructure deficiencies and a lack of access to reliable potable water and wastewater services.

According to the California Department of Housing and Community Development, the median household income in California in 2025 is \$118,100, with 80% of that amount being \$94,480. According to the most current available data, there are no disadvantaged unincorporated communities within or contiguous to the sphere of influence of the Novato Sanitary District at this time.

SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA

A community of interest (COI) is a geographically contiguous population that shares common social, cultural, economic, or historical interests relevant to public policy and fair political representation. This concept is central to redistricting under California’s FAIR MAPS Act and the State Constitution. Within the sphere of influence of the Novato Sanitary District, there are no communities that Marin LAFCo deems to be a social and economic community of interest.

PRESENT AND PLANNED LAND USE

The Novato Sanitary District’s land use is primarily guided by the City of Novato’s General Plan and the Marin Countywide Plan. The land use designation with the highest utilization within the district’s lands, approximately 45%, is designated as Planned District. Multiple types of residential designations comprise approximately 20% of the district’s lands, with other designations such as industrial/employment, public/community facilities, and commercial/mixed use creating the remaining areas.

The County of Marin’s 2023-2031 Housing Element identifies the need for the development of 3,569 housing units in unincorporated Marin County to meet its Regional Housing Needs

³⁷ CKH Act Section 56375(a)(8)(B) does allow for exemptions for a DUC to be annexed.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Allocation (RHNA) mandate from the Association of Bay Area Governments (ABAG), including 1,734 units for low and very-low-income households. Within the Housing Element, a number of sites have been identified with their planned unit counts for development. The site inventory strategy relies primarily on commercial property conversions and mixed-use development as opposed to greenfield development on vacant lots. While none of the unincorporated land that is zoned for development within the boundary of NSD has been identified as a possible development site, Marin County has designated three sites within the district's sphere of influence and one outside but contiguous to it for possible development. The sites include Atherton Corridor, Buck Center Vacant Property, Greenpoint Nursery, and Vacant Black Point. If developed, they would create a projected total of 507 new units, with 109 of those units meeting the low and very-low-income requirements.

The City of Novato's 6th Cycle Housing Element (2023 - 2031) was adopted on May 7, 2024³⁸, and includes an RHNA allocation of 2,090 units. The City's Housing Element identifies seven sites with an anticipated 2,366 units, with 898 anticipated to meet the low or very-low-income designation requirements. The identified sites include the following: Fireman's Fund Campus, Valley Oaks North, Village at Novato, Hamilton Village, 3rd Street and Grant Avenue, Downtown Novato (4th and Grant), and approximately 400 additional units between 1st and 2nd Streets along 4th Street in downtown Novato.

SERVICES PROVIDED

Government Code § 56425 (i) provides that "When adopting, amending, or updating a sphere of influence for a special district, the commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts." Government Code § 56050.5 defines a latent service or power as "those services, facilities, functions, or powers authorized by the principal act under which the district is formed, but that are not being exercised, as determined by the commission pursuant to subdivision (i) of Section 56425." Therefore, once the Commission has established what services are being provided, all other services, functions, and powers become "latent services or powers" by operation of law.

The last time the Commission adopted an SOI and MSR update for the district in 2019, NSD's activated service powers included wastewater collection, wastewater treatment and disposal, recycled water, and solid waste collection and disposal. Law enforcement, fire protection, emergency medical, animal control, water, housing, code enforcement, library, landscape maintenance, streets maintenance, stormwater drainage, and electricity/natural gas are primarily provided by other government agencies, contractors, or private entities. This section provides information on the services that the district is currently authorized to provide. The

³⁸ City of Novato Resolution 2024-031



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

table below presents municipal services provided by the district and associated service providers within the Novato Sanitary District.

Table 10 Municipal Services Provided by the District and Associated Service Providers in NSD

Public Service	Responsible Agency Type	Service Provider
Law Enforcement	City/County	City of Novato/County of Marin
Fire Protection	Special District	NFPD
Emergency Medical	Special District	NFPD
Building/Planning	City/County	City of Novato/County of Marin
Housing	City/County	City of Novato/County of Marin
Code Enforcement	City/County	City of Novato/County of Marin
Animal Control	County	Marin Humane Society
Parks and Recreation	City/County	City of Novato/County of Marin
Library	County	County of Marin
Landscape Maintenance	City/County	City of Novato/County of Marin
Lighting	City/County	City of Novato/County of Marin
Streets/Road Maintenance	City/County	City of Novato/County of Marin
Solid Waste	Special District	Novato Sanitary District
Stormwater Drainage	City/County	City of Novato/County of Marin
Water	Special District	North Marin Water District
Wastewater	Special District	Novato Sanitary District
Wastewater Treatment & Disposal	Special District	Novato Sanitary District

Wastewater Collection, Treatment, and Recycled Water

Novato Sanitary District's wastewater service includes collection, conveyance to the Novato Treatment Plant (NTP), treatment, and disposal. NSD's collection system includes approximately 240 miles of sewers (212 miles of gravity and 18.5 miles of force main) and 39 pump stations. The district has a total of 20,138 service connections, both residential and commercial, within its jurisdiction as of 2025. The collection system conveys wastewater by gravity and mechanical

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

means (pump stations) to the NTP. The district utilizes Computerized Maintenance Management Systems (CMMS) to track and process data on each pipe's age, location, condition, maintenance history, and more, allowing staff to efficiently prioritize maintenance activities. NSD also employs closed-circuit television (CCTV) cameras to conduct detailed sewer inspections and identify potential issues. Additionally, NSD has deployed "Smart" sewer access covers with real-time monitoring sensors to identify high flows during storms and monitor the potential for overflows.

The NTP was upgraded and expanded through a major capital project completed in 2011, at a cost of approximately \$90 million. The expansion consolidated all wastewater treatment at the Novato plant, and the former Ignacio Treatment Plant was decommissioned. The NTP utilizes a six-step treatment process:

1. **Pre-Treatment:** Bar screens and grit chambers trap large and small objects. Nature-based odor control systems reduce odor and corrosion.
2. **Primary Treatment:** Primary clarifiers settle out larger organic materials.
3. **Secondary Treatment:** Natural bacteria consume smaller organic solids in four aeration basins, each with a capacity of more than 850,000 gallons. Each basin has three anoxic zones for nitrogen removal.
4. **Disinfection:** Ultraviolet disinfection eliminates harmful pathogens without liquid chlorine.
5. **Solids Handling:** Primary and secondary solids are processed in anaerobic digesters. Biogas is produced for potential energy recovery.
6. **Effluent Disposal:** Treated effluent is discharged to San Pablo Bay, stored for reclamation, or further treated for recycled water use.

The Treatment plant is managed through a public-private partnership with Veolia Water West Operating Services, Inc., a nationally recognized firm specializing in utilities management. This partnership has resulted in significant cost savings and consistent regulatory compliance. In calendar year 2024, Veolia completed its twelfth consecutive year of zero effluent violations and thirteenth year of zero recordable safety incidents at the NTP. The tables below display the design criteria for the NTP, as well as 2024 influent flows and loading summary, and 2024 plant performance.

Table 11 Design Criteria for the NTP

Condition	Value	Unit
Average Dry Weather Flow (Design)	7.0	Million Gallons Per Day
Peak Wet Weather Flow (Max Day)	30.7	Million Gallons Per Day
Max Peak Wet Weather (1-3 Hour)	47.0	Million Gallons Per Day
Average BOD Loading	14,600	Pounds Per Day
Average TSS	17,600	Pounds Per Day



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Table 12 2024 Influent Flows and Loading Summary

Condition	2024 Actual Value	Unit
Average Daily Flow Rate	5.31	MGD
Average Dry Weather Flow (Jul/Aug/Sept)	3.49	MGD
Peak Wet Weather Flow (Max Day)	30.05	MGD
Max Peak Wet Weather (1-3 Hour)	46.7	MGD
Average BOD	284	mg/L
Average TSS	337	mg/L

Table 13 2024 Plant Performance Summary

Parameter	2024 Actual Value	Unit
Total Volume of Wastewater Treated	1,994.35	Million Gallons
Total Volume of Reclaimed Water	301.01	Million Gallons
Recycled Water – Title 22	191.31	Million Gallons
Flow Discharged to San Pablo Bay	1,743.44	Million Gallons
Average BOD Effluent	5.5	mg/L
Average TSS Effluent	3.4	mg/L
BOD Removal	98	%
TSS Removal	99	%
Total NPDES Violations	0	-
Total WDR Violations	0	-

NSD operates under National Pollutant Discharge Elimination System (NPDES) Permit No. CA0037958, issued by the San Francisco Bay Regional Water Quality Control Board (RWQCB). The most recent permit reissuance is Regional Water Board Order R2-2026-0002, which establishes terms and conditions for the discharge of secondary-treated municipal wastewater to San Pablo Bay. The permit allows year-round discharge to San Pablo Bay, with more stringent effluent limits applicable from May 1 through October 31 (the dry season). The NTP has achieved 12 consecutive years of perfect NPDES compliance, earning the National Association of Clean Water Agencies' Platinum 12 Peak Performance Award, an achievement attained by fewer than 150 treatment plants in the country.

NSD maintains a Sewer System Management Plan (SSMP) consistent with the requirements of the State Water Resources Control Board's Statewide General Waste Discharge Requirements

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

for Sanitary Sewer Systems³⁹. The SSMP is periodically audited and updated. The most recent SSMP for the district, including a triennial audit, was completed in 2025.

The State Water Board maintains a sanitary Sewer Overflows (SSO) database within the California Integrated Water Quality System (CIWQS). NSD is enrolled under the Statewide General Waste Discharge Requirements (WDR) for Sanitary Sewer Systems. NSD reports SSO events through its self-monitoring program. The district's proactive maintenance program, including CCTV inspection, smart sewer access covers, high-tech maintenance management, and an active lateral replacement incentive program, is designed to minimize SSOs. NSD maintains a summary of past district sewer overflows on its website. Over the course of the study window, the district experienced 26 (2 wet weather and 24 dry weather) SSOs totaling 46,347 gallons overflowed.

The district also recycles and reclaims approximately 500 million gallons of treated wastewater per year, which is nearly 40% of its dry weather flow. This level of reuse is something very few Bay Area communities have reached to date. There are two distinct types and use cases of the treated water that the district is able to reuse:

- **Reclaimed Water:** Highly treated wastewater is used to support wildlife habitat and pastureland across approximately 800 acres of district-owned land.
- **Recycled Water:** Tertiary-treated, Title 22⁴⁰ quality recycled water is provided to the North Marin Water District for the irrigation of large landscapes, including golf courses, parks, schools, car washes, and cemeteries. This is part of a collaborative water program with the North Bay Water Reuse Authority (NBWRA). In 2024, the district produced just over 191.31 million gallons of recycled Title 22 water.

The district has been implementing a comprehensive, long-term capital improvement program since the early 2000s to rebuild virtually the entire wastewater system. Major capital projects include:

- **Treatment Plant Upgrade:** The \$90 million expansion of the NTP consolidated all treatment at one facility, upgraded capacity to 7.0 MGD ADWF, and installed UV disinfection.
- **Collection System Master Plan:** NSD completed a Collection System Master Plan to identify 10-to-20-year improvement needs. Ongoing work includes sewer main replacement, capacity improvements, and rehabilitation projects.
- **Pump Station Rehabilitation:** Multi-year program to rehabilitate and replace aging pump stations with modern submersible-type stations and new emergency generators.

³⁹ Water Quality Order No. WQ 2022-0103-DWQ

⁴⁰ Title 22 of the California Code of Regulations which contains the state's health-based rules for how recycled water must be treated and where and how it can be safely used. These water-recycling criteria set treatment levels, water quality standards, and allowable uses for different classes of recycled water.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

- **Recycled Water:** Continuing investment in the NBWRA regional recycled water program and facility improvements.
- **Cogeneration/Alternative Energy:** NSD received a grant of approximately \$2.13 million from the California Public Utility Commission's Self-Generation Incentive Program for a 754-kilowatt battery storage system.
- **Lateral Replacement Program:** NSD offers a financial incentive program to homeowners to replace private sewer laterals, providing grants of up to \$2,750 per residential lateral.

The FY 2025-26 capital improvement budget of \$15,932,700 funds collection system improvements, pump station rehabilitation, solids management, treatment plant electrical improvements, recycled water projects, and vehicle replacements.

Solid Waste Management

NSD contracts with a franchise service provider, Recology Sonoma-Marin, that manages recycling, composting, and garbage collection in the region. Recology has a "Waste Zero" vision that works by diverting waste from landfills. They utilize a three-bin system that includes organics, recycling, and trash. The original franchise agreement was made with Novato Disposal Service in 2011. Since then, Recology bought out Novato Disposal Service and took over the remainder of the agreement, which extended through December 23, 2024. The district has since amended the agreement to extend the service contract through December 31, 2029. Recology performs the responsibilities and duties as described in the agreement, with the understanding that fees will be collected from customers for services rendered. Recology does not receive payment from NSD as part of the agreement.

FISCAL HEALTH

The sections that follow evaluate the district's fiscal health, inclusive of revenue sources and major expenditure categories.

Annual Audit Findings

Novato Sanitary District is required to undergo an annual financial audit, with the results published in an Annual Financial Report, in which the auditors are required to issue a report of whether the financial statements of the district accurately present the financial position of the district. The Annual Financial Reports from the current study window range from Fiscal Year Ending (FYE) June 30, 2021, to FYE June 30, 2025. These reports did not present any findings and each stated, "In our opinion, the financial statements referred to present fairly, in all material respects, the respective financial position of the business-type activities of the District, and the respective changes in financial position and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America." The district has also received the GFOA Certificate of Achievement for Excellence in Financial Reporting.



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

The table below shows the actual historical General Fund revenues and expenditures from FY 2020-21 through FY 2024-25.

Table 14 Novato Sanitary District General Fund Revenues and Expenditures by Fiscal Year

	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25
Actual Revenues					
Operating	\$20,637,247	\$20,528,176	\$20,476,638	\$21,134,517	\$22,207,684
Non-Operating	\$3,073,327	\$2,818,014	\$3,862,759	\$4,946,736	\$5,302,776
Total Revenues	\$23,710,574	\$23,346,190	\$24,339,397	\$26,081,253	\$27,510,460
Actual Expenditures					
Operating	\$9,881,753	\$3,833,946	\$15,777,072	\$12,644,109	\$12,976,688
Depreciation	\$6,314,427	\$6,296,841	\$6,175,731	\$6,242,667	\$6,391,927
Non-Operating	\$2,435,482	\$1,676,270	\$2,007,859	\$1,973,482	\$1,758,675
Total Expenditures	\$18,631,662	\$11,807,057	\$23,960,662	\$20,860,258	\$21,127,290
Surplus/(Deficit)	\$5,078,912	\$11,539,133	\$378,735	\$5,220,995	\$6,383,170

During the course of the study window, the district averaged approximately \$5,720,189 in excess revenues over expenditures, and the district's net position grew from \$131.9 million to \$159.7 million, an increase of 21.1%. The most significant anomaly during the review period was the significant shifts in operating expenditure totals from FY 2020-21 through FY 2022-23. The large drop in FY 21-22 was primarily driven by a one-time \$6,373,556 pension credit recorded on an accrual basis. Conversely, the following year's jump in operating expenses to over \$15.7 million was almost entirely driven by a massive swing in non-cash pension accounting entries rather than a change in actual operational activity. When these non-cash actuarial adjustments are normalized, the district's actual-cash based operating costs for departmental activities remained stable and consistent with historical trends.

Operating Revenues

On average, during the course of the study window, sewer service charges (SSC) made up approximately 80% of total revenues (93% of operating revenues), with property taxes providing the second largest allocation at approximately 12% of total revenues. The remaining revenues are primarily interest income and AB 939 solid waste collector fees. SSC revenue declined modestly from \$19.6 million in FY 2021 to \$19.18 million in FY 2023 (a cumulative -2.3%), reflecting a period in which the Board held rates flat for three consecutive years despite inflationary pressures. Beginning in FY 2024, following the Board's adoption of Resolution No. 3180 in March 2023, SSC revenues rebounded with annual increases of approximately 4% in each of FY 2024 and FY 2025, reaching \$20.75 million by fiscal year-end 2025.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

The adopted FY 2025-2027 budget projects continued SSC growth of approximately 4.1% in FY 2026 and 4.6% in FY 2027, supported by Board Resolution No. 3200, which set average residential rates at \$729 per equivalent dwelling unit (EDU) for FY 2026 and \$762/EDU for FY 2027. These rates remain the lowest among all comparable Marin County wastewater agencies, and well below the median of approximately \$1,260/EDU. Total revenues grew from \$23.7 million in FY 2021 to \$27.5 million in FY 2025, a cumulative increase of 16.0%. Non-operating revenues have been a meaningful growth driver, rising from \$3.1 million to \$5.3 million over the period, primarily due to property tax growth (from \$2.70 million to \$3.23 million) and a dramatic increase in interest earnings from a loss position of -\$289,000 in FY2021 to \$1.91 million in FY2025.

Operating Expenditures

Core departmental operating expenses (excluding pension credit/expense and OPEB credit/expense line items) rose from \$9.18 million in FY2021 to \$12.40 million in FY2025, an increase of 35.0% or approximately 7.8% annualized. Key drivers include:

- **Treatment plant costs:** Up from \$3.05M to \$3.78M (+24.0%), reflecting CPI-linked contract escalation with Veolia Water
- **Administration and engineering:** Up from \$2.09M to \$3.17M (+51.4%), driven by new positions (Capital Projects Manager in FY2024, Environmental Programs Manager in FY2025) and salary/benefit increases
- **AB939 solid waste programs:** Up from \$0.38M to \$0.73M (+89.3%), largely a pass-through offset by franchise fee revenues

The district's partnership with Veolia Water allows it to maintain a lean internal workforce of approximately 20 full-time equivalents (FTEs) while ensuring 24/7 coverage of high-complexity treatment operations. This model effectively shifts some of the operational risks and staffing burdens to the private sector.

Energy costs are a major non-discretionary expenditure, budgeted at \$1,565,585 for the upcoming fiscal year. The district is particularly vulnerable to PG&E rate hikes and the risk of Public Safety Power Shutdowns (PSPS). The FY 2025-27 budget includes specific provisions for PSPS staffing and equipment, as well as a multi-million dollar investment in the Cogeneration/Alternative Energy project. This project is a critical defensive fiscal strategy; by utilizing anaerobic digester gas to generate on-site power, the district aims to permanently lower its operational utility expenditures.

Depreciation expense has been highly stable, ranging from \$6.18M to \$6.39M across the period, averaging approximately \$6.29M annually. For FY 2025-26, the district's adopted operating

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

expenditures budget (excluding passthroughs) is \$13,972,507, a 5.58% increase from the previous year.

PERFORMANCE STANDARDS

Marin LAFCo utilized four different methodologies to evaluate the Novato Sanitary District's fiscal performance. The four approaches to evaluating performance include a review of reserve fund balances, pensions/other post-employment benefits (OPEB), debt ratio, and evaluation of revenue and expenditure trends (seen above). The methodologies and findings are outlined below.

Reserve Fund Balance

The district's reserve position is one of the strongest among California special districts of its size, a fact explicitly cited by S&P Global Ratings during its "AAA" rating affirmation. The district operates under a structured Reserves Policy (Policy No. 3500) that prioritizes safety, liquidity, and fiscal autonomy. The primary liquidity reserve is the Operating Fund, which targets a balance of 67% (approximately eight months) of the upcoming year's operating expenditures as of July 1st each year. This target is specifically calibrated to handle the six-month gaps between property tax receipts in December and April. For the FY 2025-26 budget, the district projects an available Operating Fund balance of \$12,007,481, which significantly exceeds the target level. This surplus liquidity provides the district with the ability to fund emergency repairs or respond to regulatory changes without immediate rate shocks to the community.

The Wastewater Capital Reserve Fund (WCRF) is a restricted reserve established to fund the expansion, major repair, or replacement of wastewater facilities. Although the original loan covenants requiring this fund have been satisfied through refinancing, the district has prudently maintained the policy of contributing at least 0.5% of the original State Revolving Fund (SRF) loan amount—approximately \$400,000—annually. The inclusion of unused general obligation bonding capacity as a dollar-for-dollar offset to required cash deposits is a strategic accounting method that preserves cash for immediate needs while maintaining the district's high borrowing capacity for future multi-generational projects.

The Rate Stabilization Fund (RSF) acts as a secondary buffer against revenue volatility. It is maintained at a minimum balance of \$1,500,000, which is adjusted annually for inflation using unreserved amounts from the operating fund. The projected balance of \$2,202,800 by June 30, 2027, reflects the district's commitment to ensuring that even in the event of a significant economic downturn or regulatory failure, the burden on residential and commercial ratepayers can be spread over multiple years.

Pension and OPEB Obligations

The district's defined benefit retirement plan is administered by the California Public Employees' Retirement System (CalPERS). CalPERS operates as a cost-sharing, multiple-employer defined benefit plan for the district and numerous other participating employers across the state.

Net pension liability is the amount owed to a defined benefit pension plan based on the actuarial present value of the projected benefit payments for plan members and their beneficiaries, less the plan's net position. Essentially, it represents the portion of the pension obligation that is not covered by the plan's assets, indicating an unfunded liability. This liability is reported by employers who sponsor defined-benefit pension plans. As of June 30, 2024, the Novato Sanitary District carried a net pension liability of \$1.16 million. The district's pension position has been volatile over the study period due to CalPERS investment performance and actuarial assumption changes, swinging from a liability of \$6.5 million in FY 2020 to a \$3.64 million asset position in FY 2021. In October 2020, the District issued \$6,467,000 in Taxable Revenue Refunding Bonds specifically to prepay its entire CalPERS unfunded accrued liability (UAL). At the time, the CalPERS UAL was being amortized at an assumed rate of return (interest rate) of 7.0%, while the bonds were issued at an all-inclusive rate of approximately 2.81%. The "asset" reported in 2021 was a transient effect of the UAL payoff occurring during a year of exceptional market returns. While subsequent market corrections and a reduction in the CalPERS discount rate to 6.90% moved the funded ratio back to approximately 96%, the district remains essentially "fully funded" on a structural basis. To further mitigate risk, the district continues to fund a separate IRC Section 115 trust with Public Agency Retirement Services (PARS), which held \$2,325,497 as of June 30, 2025, providing a local buffer against future CalPERS rate hikes.

A pension funded ratio is a metric that expresses the value of a pension plan's assets divided by its liabilities. It indicates the extent to which a pension plan has sufficient funds to cover its future obligations to retirees. A funded ratio of 100% means the plan is fully funded, while a ratio below 100% indicates unfunded liability. As of June 30, 2024, the district's pension funded ratio was 95.89%. As of June 30, 2023, the average funded ratio for independent special districts in California participating in CalPERS⁴¹ was 72.3%.⁴²

The district also provides certain health care benefits for retired employees and their spouses (also known as other post-employment benefits or OPEB). Employees who meet the vesting criteria become eligible for these benefits if they receive a retirement benefit from CalPERS within 120 days of retirement from district employment. As of the most recent measurement

⁴¹ CalPERS is a similar pension plan to MCERA that is offered to public employees throughout the State of California and has reciprocity with MCERA.

⁴² [CalPERS Annual Comprehensive Financial Report, 2023-24](#)

date of June 30, 2025, the district's OPEB plan consisted of 19 active members and 26 inactive employees or beneficiaries currently receiving benefit payments. In FY 2017, district management initiated a strategy to aggressively fund this obligation through a dedicated trust administered by Public Agency Retirement Services (PARS). This strategy has led the district's OPEB from a position of \$2.4 million liability in FY 2021 to a nearly \$2 million asset in FY 2025. The transition from a 48% funded status in 2021 to a surplus of 156% in 2025 is a remarkable fiscal achievement. This was driven by a combination of significant cash contributions from District reserves and actuarial assumption changes—specifically a reduction in the healthcare cost trend rate and an increase in the long-term investment rate of return (to 6.70% in the latest valuation). Having achieved over-funded status, the district is now positioned to lower its annual OPEB contributions, freeing up more resources for capital infrastructure. As of June 30, 2025, the district carried a net OPEB asset of \$1,955,660, with a funded ratio of 155.94%.

Debt Ratio

The debt ratio is a fundamental financial metric that measures the proportion of an agency's assets that are financed through debt, calculated by dividing total liabilities by total assets. This ratio reveals the extent to which a local government relies on borrowed funds versus owned resources, providing critical insights into its financial structure and overall fiscal health. For special districts, maintaining appropriate debt levels is essential as excessive debt can constrain future financial flexibility and potentially lead to fiscal stress or even bankruptcy.

Unlike the pension funded ratio, which specifically measures the percentage of pension liabilities covered by pension assets, the debt ratio offers a broader perspective on an agency's overall financial position by examining its entire liability structure relative to its asset base. The debt ratio serves as one of several critical indicators that collectively portray an agency's fiscal condition. The following aspects are typically considered when evaluating public agency financial health in relation to debt ratio:

1. Short-term Financial Stability

The debt ratio helps assess an agency's ability to meet immediate financial obligations by indicating the level of leverage in its capital structure. A lower debt ratio suggests greater financial flexibility and capacity to address short-term needs without additional borrowing.

2. Long-term Fiscal Sustainability

By examining the relationship between debt and assets, the ratio provides insights into an agency's long-term financial trajectory and its ability to sustain service levels while meeting future obligations. Agencies with lower debt ratios generally have more capacity to invest in infrastructure and respond to emerging community needs.

3. Financial Flexibility and Resilience

The debt ratio directly impacts an agency's financial flexibility—its ability to respond to economic downturns, emergencies, or changing service demands. An agency with a high debt ratio has less "fiscal space" to maneuver during challenging times, as more of its revenue must be dedicated to debt service rather than operational needs or new initiatives.

The district's debt management has been geared towards aggressive deleveraging and opportunistic refinancing. Between 2017 and 2020, the district completed three major debt restructurings that cumulatively saved ratepayers over \$10 million in long-term interest costs. As of June 30, 2025, the district had a debt ratio of approximately 23%, which is down from 38.6% in FY 2021. This trend is primarily the result of the district's policy of not issuing new debt for its annual capital improvements, choosing instead to fund those from current revenues and existing fund balances. By 2031, a significant portion of the 2017 and 2019 bonds will be retired, which will further dramatically reduce these ratios and open significant debt capacity for the next generation of treatment plant upgrades. The ratio calculation is shown below:

Total Liabilities: \$47,750,907

Total Assets: \$207,251,210⁴³

Debt-to-Assets Ratio: 0.23 (calculated as $\$47,750,907 \div \$207,251,210$)

Additionally, the district's debt coverage ratio (DCR) is a key metric for its "AAA" credit rating. For FY 2025-26, the district projects a DCR of 2.00, meaning that its net revenues are twice the amount required to service its annual principal and interest payments. Management has consistently exceeded the internal target of a DCR of 1.20, which has contributed to the district being viewed as one of the lowest-risk utility credits in the greater Bay Area.

DETERMINATIONS

Service Review Determinations per Government Code Section 56430

As set forth in Section 56430(a) of the CKH Act, "In order to prepare and to update the SOI in accordance with Section 56425, the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the Commission. The Commission shall include in the area designated for a service review the county, the region, the sub-region, or any other geographic area as is appropriate for analysis of the service or services

⁴³ While GASB prefers the calculation of debt ratio to be inclusive of total assets, the district's current assets, or assets that are more readily realized as liquid, total \$47,269,868, with current liabilities at \$7,484,079. This gives the district a current ratio of 6.32, indicating the district possesses \$6.32 in liquid assets for every \$1.00 of liabilities due within the next 12 months.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

to be reviewed and shall prepare a written statement of its determinations with respect to each of the following.” Pursuant to Government Code Section 56430, the requisite CKH determinations for this municipal service review for the Novato Sanitary District are presented below:

1) Growth and population projections for the affected area

- a. The Novato Sanitary District serves an estimated population of 55,690 as of 2026. In contrast to many California special districts experiencing population growth, NSD's service area population has modestly declined from 55,904 in 2010, representing an annual average change of approximately -0.03% per year. This trend diverges from Marin County's modest overall growth rate of 0.056% over the same period and reflects the built-out character of the district's primary service area.
- b. While the unincorporated lands within NSD's boundary that are zoned for development are essentially built out with no identified unincorporated development sites within the jurisdictional boundary itself, growth potential exists within both the incorporated and SOI areas. Marin County has designated three sites within the district's current sphere of influence—Atherton Corridor, Buck Center Vacant Property, and Greenpoint Nursery—plus one site outside but contiguous to the SOI (Vacant Black Point), together projected to yield 507 new units, with 109 meeting low- and very-low-income requirements. Additionally, the City of Novato's 6th Cycle Housing Element (2023–2031), adopted May 7, 2024, includes an RHNA allocation of 2,090 units across seven identified infill sites, including the Fireman's Fund Campus, Valley Oaks North, Village at Novato, Hamilton Village, 3rd Street and Grant Avenue, Downtown Novato (4th and Grant), and approximately 400 additional units along 4th Street, with an anticipated yield of 2,366 units total.
- c. Marin LAFCo determines that the NSD service area's near-term population is projected to remain stable or experience modest growth consistent with Housing Element build-out. The district's current infrastructure—particularly the Novato Treatment Plant's (NTP) design capacity of 7.0 million gallons per day (MGD) Average Dry Weather Flow (ADWF) against an actual 2024 average daily flow of 5.31 MGD—indicates meaningful available treatment capacity relative to existing and near-term projected demand. The district is well-positioned to accommodate incremental growth from RHNA development without requiring near-term plant capacity expansion, though long-term collection system planning will be necessary to serve new service connections arising from approved development sites.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

- a. Pursuant to Government Code Section 56033.5, disadvantaged unincorporated communities (DUCs) are inhabited territories containing 12 or more registered voters where the annual median household income (MHI) is less than 80 percent of the statewide annual MHI. According to the California Department of Housing and Community Development, the statewide MHI in California in 2025 is \$118,100, establishing the DUC threshold at \$94,480.
- b. The NSD service area has a median household income of \$115,736, which exceeds the DUC income threshold of \$94,480. The district's SOI includes several unincorporated communities—Indian Valley, Black Point, and Green Point—none of which, based on the most current available data, meet the income criteria for designation as a disadvantaged unincorporated community.
- c. Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the sphere of influence of the Novato Sanitary District at this time. This finding is consistent with the demographic profile of the district's service area and the surrounding unincorporated communities. The Commission will continue to monitor this determination as Housing Element development proceeds and new residential communities may be established within or adjacent to the SOI.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

- a. NSD's collection system comprises approximately 240 miles of sewers—212 miles of gravity and 18.5 miles of force main—plus 39 pump stations, serving 20,138 residential and commercial service connections as of 2025. The district employs multiple advanced technologies to manage and maintain the collection system, including a Computerized Maintenance Management System (CMMS) that tracks pipe age, location, condition, and maintenance history; closed-circuit television (CCTV) inspections; and "smart" sewer access covers with real-time overflow monitoring sensors deployed at key system nodes.

The district's comprehensive Capital Improvement Program (CIP) has included a long-term Collection System Master Plan identifying 10-to-20-year improvement needs, with ongoing work encompassing sewer main replacement, capacity improvements, and rehabilitation projects. A multi-year pump station rehabilitation program is also underway, modernizing aging pump stations with submersible-type units and new emergency generators. The FY 2025-26 capital improvement budget of \$15,932,700 funds collection system improvements, pump station rehabilitation, solids management, treatment plant electrical improvements, recycled water projects, and vehicle replacements.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

- b. The Novato Treatment Plant (NTP) was upgraded and expanded through a \$90 million capital project completed in 2011, which consolidated all district wastewater treatment at a single facility, upgraded the plant's capacity to 7.0 MGD ADWF and 30.7 MGD maximum-day peak wet weather flow, and installed ultraviolet disinfection in place of liquid chlorine. The plant's six-step treatment process—pre-treatment, primary clarification, secondary biological treatment with nitrogen removal, UV disinfection, anaerobic digestion for solids management, and effluent disposal—represents a modern, fully integrated treatment system.

In calendar year 2024, the NTP processed an average daily flow of 5.31 MGD, which represents approximately 76% of the plant's design capacity. The plant achieved 98% BOD removal and 99% TSS removal, with average effluent concentrations of 5.5 mg/L BOD and 3.4 mg/L TSS, substantially below permit limits. The plant is managed through a public-private partnership with Veolia Water West Operating Services, Inc. In 2024, Veolia completed its twelfth consecutive year of zero effluent violations and thirteenth year of zero recordable safety incidents at the NTP.

- c. NSD operates under NPDES Permit No. CA0037958 (Regional Water Board Order R2-2026-0002), which governs discharge of secondary-treated municipal wastewater to San Pablo Bay. The NTP has achieved 12 consecutive years of perfect NPDES compliance—zero NPDES violations and zero Water Discharge Requirement (WDR) violations in the most recently reported year—earning the National Association of Clean Water Agencies' (NACWA) Platinum 12 Peak Performance Award, an achievement attained by fewer than 150 treatment plants nationwide. NSD maintains a Sewer System Management Plan (SSMP) consistent with State Water Resources Control Board requirements, most recently updated and audited in 2025. Over the course of the study window, the district experienced 26 sanitary sewer overflows (2 wet weather, 24 dry weather) totaling 46,347 gallons—a limited volume across the study period, further mitigated by the district's proactive maintenance program, CCTV inspections, smart access cover monitoring, and lateral replacement incentive program.
- d. NSD recycles and reclaims approximately 500 million gallons of treated wastewater per year, representing nearly 40% of its dry weather flow—a level of reuse that very few Bay Area communities have achieved. Reclaimed water (less-than-Title 22 quality) is used to support wildlife habitat and pastureland across approximately 800 acres of district-owned land. Title 22-quality recycled water is provided to the North Marin Water District for large-landscape irrigation through the North Bay Water Reuse Authority (NBWRA) regional program; in 2024, NSD produced 191.31 million gallons of Title 22 recycled water.

- e. Marin LAFCo determines that NSD has the capability, capacity, and infrastructure to adequately provide its authorized services throughout the jurisdictional boundary. The NTP's substantial remaining treatment capacity, 12-year perfect NPDES compliance record, top-tier recycled water reuse rate, modern collection system management technology, and active CIP collectively represent a well-maintained and high-performing wastewater system. No significant service deficiencies have been identified. The district's ongoing capital investment program reflects a deliberate, long-term commitment to sustaining and improving infrastructure reliability, with the FY 2025-26 capital budget of \$15,932,700 representing a continuation of this commitment.

4) Financial ability of agencies to provide services

- a. NSD has received clean, unqualified audit opinions for all audited fiscal years within the study window (FYE June 30, 2021, through FYE June 30, 2025). Each Annual Financial Report stated that the financial statements "present fairly, in all material respects, the respective financial position of the business-type activities of the District...in accordance with accounting principles generally accepted in the United States of America." The district has also received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting, a recognition that affirms the highest standards of governmental accounting and public disclosure.
- b. The district's adopted FY 2025–2027 two-year budget projects continued SSC growth of approximately 4.1% in FY 2026 and 4.6% in FY 2027, supported by Board Resolution No. 3200, which set average residential rates at \$729/EDU for FY 2026 and \$762/EDU for FY 2027. Critically, these rates remain the lowest among all comparable Marin County wastewater agencies and are well below the Marin County median of approximately \$1,260/EDU—indicating that the district has significant rate headroom available should future capital needs require additional revenue.
- c. Total revenues grew from \$23.7 million in FY 2021 to \$27.5 million in FY 2025, a cumulative increase of 16.0%. Sewer service charges (SSC) constitute approximately 80% of total revenues and 93% of operating revenues, providing the district with a stable, ratepayer-supported revenue base. Property taxes account for approximately 12% of total revenues, and interest income has grown substantially—from a loss position of –\$289,000 in FY 2021 to \$1.91 million in FY 2025—reflecting both the benefit of higher interest rates and the district's strong liquidity position.
- d. The district averaged approximately \$5,720,189 in annual operating surpluses over the five-year study window, and the district's net position grew from \$131.9 million to \$159.7 million—a 21.1% increase—over the same period. The most significant anomaly was a large non-cash pension accounting swing in FY 2021-22 and FY 2022-

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

23 that reflected accrual-basis actuarial adjustments rather than changes in actual cash operations; when normalized, core departmental operating costs followed stable and predictable trends.

- e. Marin LAFCo determines that the Novato Sanitary District is in exceptionally strong financial condition and has demonstrated the sustained ability to provide its authorized services on a fiscally sound and forward-looking basis. The district's AAA credit rating, near-zero pension liability, over-funded OPEB position, lowest-in-Marin service rates, robust multi-tier reserve structure, and aggressive debt deleveraging collectively represent fiscal management at the highest level among California special districts. No financial concerns have been identified that would threaten the district's ability to deliver services over the planning horizon.

5) Status of and, opportunities for, shared facilities.

- a. NSD maintains agreements and memoranda of understanding (MOUs) with other agencies for coordination of regional services. The district does not have any standing contracts for the provision of services outside of its current jurisdictional boundaries under Government Code Sections 56133 and 56134.
- b. The most significant shared facility arrangement in NSD's operational landscape is its participation in the North Bay Water Reuse Authority (NBWRA) regional recycled water program. Under this program, NSD produces Title 22-quality recycled water at the NTP and delivers it to the North Marin Water District for large-landscape irrigation, providing a regional water supply benefit through the beneficial reuse of treated effluent that would otherwise be discharged to San Pablo Bay. In 2024, NSD delivered 191.31 million gallons of Title 22 recycled water to North Marin Water District through this arrangement.
- c. NSD's public-private partnership with Veolia Water West Operating Services, Inc. for the management of the Novato Treatment Plant represents a significant operational efficiency mechanism that allows the district to maintain a lean internal workforce of approximately 20 FTEs while ensuring 24/7 coverage of high-complexity treatment operations. This arrangement effectively transfers operational risk and staffing burdens to a nationally recognized private utility management firm, and has delivered twelve consecutive years of zero effluent violations since Veolia's engagement.
- d. NSD's solid waste franchise with Recology Sonoma-Marin represents a further shared-service model in which a regional service provider delivers waste collection, recycling, and composting services to district customers under a franchise agreement without direct district financial subsidy, extended through December 31, 2029.

- e. Marin LAFCo determines that NSD has effectively leveraged shared facilities, inter-agency service agreements, and public-private partnerships to optimize operational efficiency and reduce the cost burden on ratepayers. The NBWRA recycled water program, the Veolia treatment plant management contract, and the Recology solid waste franchise are well-structured shared-service arrangements that provide meaningful operational value. No additional opportunities for facility sharing or service consolidation have been identified that would materially enhance service efficiency beyond the existing framework.

6) Accountability for community service needs, including governmental structure and operational efficiencies

- a. The Novato Sanitary District is governed by a five-member Board of Directors elected through a district-based election system that divides the district into five geographic regions. Board members must be both residents and registered voters of the region they represent and serve four-year staggered terms. The Board meets regularly on the second Monday of each month at 5:30 p.m. at 500 Davidson Street, Novato. Board compensation is set at \$225 per meeting. Board members are also eligible for reimbursement of up to \$200 per month for individual healthcare plan premiums (not provided through the district's employee health insurance program) and coverage under the district's group Delta Dental plan. All five board seats are currently filled with directors whose terms are staggered between December 2026 and December 2028, providing governance continuity
- b. A review of the district's website against the criteria of Senate Bill 929 and the Special District Leadership Foundation's District Transparency Certificate of Excellence yielded a score of 19 out of 20 required elements. The district meets all statutory requirements under SB 929. The sole missing element is a link to or copies of the most recent LAFCo service and sphere reviews, which should be added promptly. The district otherwise demonstrates comprehensive online transparency, including board member term limits, State Controller compensation and financial transaction report links, an SB 272-compliant enterprise systems catalog, machine-readable agendas, grant recipient disclosures, and an adopted budget archive.
- c. Marin LAFCo determines that NSD is highly accountable to the community it serves and demonstrates exceptional governance and operational standards. The district's AAA credit rating, GFOA Certificate of Achievement, NACWA Platinum 12 Peak Performance Award, and 19/20 transparency score collectively reflect a model special district. The single website deficiency—absent LAFCo review links—is minor and should be corrected. The district-based election structure ensures geographic

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

representation across a service area that spans urban Novato and several distinct unincorporated communities.

7) Any other matter related to effective or efficient service delivery

- a. NSD's energy cost exposure represents a material ongoing fiscal and operational risk. Energy is a major non-discretionary expenditure, budgeted at \$1,565,585 for the upcoming fiscal year, and the district is particularly vulnerable to PG&E rate escalation and Public Safety Power Shutdown (PSPS) events that could interrupt treatment plant operations. The district's multi-million dollar investment in a cogeneration/alternative energy project—utilizing anaerobic digester gas to generate on-site power—and the \$2.13 million battery storage system grant represent a proactive and fiscally sound long-term strategy to reduce this exposure.
- b. The pending SOI amendments identified by Marin LAFCo staff in the course of this study have direct implications for the district's future service delivery scope. Two amendments are recommended: (1) removal of the southern SOI overlap area with the Las Gallinas Valley Sanitary District, which corrects a geographic error; and (2) inclusion of APNs 125-180-85 and 125-180-79 (totaling approximately 233.8 acres, designated for up to 249 above-moderate-income housing units in the Marin County Housing Element). These amendments collectively clarify the geographic boundaries of NSD's probable future service area and ensure proper jurisdictional positioning for potential annexation requests arising from RHNA development activity.
- c. Marin LAFCo determines that there are no additional governance or service delivery matters that would require Commission action at this time beyond the SOI amendments addressed in Part II of these determinations and those addressed in the preceding determinations.

Sphere of Influence Determinations per Government Code Section 56425

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the Commission shall develop and determine the sphere of influence of each local agency, as defined by Government Code section 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining the sphere of influence of each local agency, the Commission shall consider and prepare a written statement of its determinations with respect to the following:

1) Present and planned land uses in the area, including agricultural and open space lands

- a. Land use within the NSD jurisdictional boundary and SOI is primarily governed by the City of Novato's General Plan and the Marin Countywide Plan. Approximately 45% of the

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

district's lands are designated as Planned District. Multiple residential designations comprise approximately 20% of the district's lands, with industrial/employment, public/community facilities, and commercial/mixed-use designations comprising the remainder. The SOI includes the unincorporated neighborhoods of Indian Valley, Black Point, Green Point, and the area surrounding the U.S. Coast Guard facility, which are characterized by lower-density residential and agricultural land uses.

b. While the unincorporated land within NSD's jurisdictional boundary that is zoned for development is essentially built out, the district's SOI encompasses active RHNA development potential. Marin County has identified four unincorporated development sites—three within the SOI (Atherton Corridor, Buck Center Vacant Property, and Greenpoint Nursery) and one outside but contiguous to the SOI (Vacant Black Point)—projected to yield 507 new units collectively. The City of Novato's 6th Cycle Housing Element projects 2,366 units across seven infill sites within the district's jurisdiction. Additionally, the two parcels (APNs 125-180-85 and 125-180-79, totaling approximately 233.8 acres) proposed for SOI inclusion have been designated for up to 249 above-moderate-income housing units, and their designation as RHNA sites provides land use justification for the recommended SOI expansion.

c. The SOI area also encompasses agricultural and open space lands within Indian Valley, Black Point, Green Point, and Vacant Black Point that currently do not require wastewater services. These areas are not anticipated to convert to urban uses within the current planning cycle except as specifically identified in Housing Element site inventories.

d. Marin LAFCo determines that present and planned land uses within and contiguous to the NSD sphere of influence support the specific SOI modifications recommended by staff in this study; namely, the removal of the southern overlap with Las Gallinas Valley Sanitary District and the inclusion of APNs 125-180-85 and 125-180-79. The planned land uses on the two proposed addition parcels are directly relevant to NSD's future service provision and provide clear justification for the SOI amendment.

2) Present and probable need for public facilities and services in the area

a. The Novato Sanitary District's jurisdictional boundary encompasses 20,138 service connections and serves an estimated 55,690 residents with wastewater collection, treatment, disposal, recycled water, and solid waste services. The present need for these services is continuous, essential to public health and environmental protection, and non-discretionary. No alternative service providers are available or appropriate to serve the established residential and commercial areas within the district's boundary.

b. The probable future need for wastewater services in the SOI is linked primarily to

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Housing Element development. The three SOI-area RHNA sites (Atherton Corridor, Buck Center Vacant Property, and Greenpoint Nursery) could generate up to 507 new service connections if fully developed, all of which would require connection to the NSD collection system and treatment at the NTP. The two parcels proposed for SOI inclusion represent an additional probable future need for wastewater services of up to 249 units.

c. Unincorporated communities currently within the SOI but outside the jurisdictional boundary—including portions of Indian Valley, Black Point, and Green Point—utilize on-site wastewater systems (septic) at present. The absence of centralized wastewater service in these areas is consistent with their current land use densities.

d. Marin LAFCo determines that there is a stable and ongoing present need for the public facilities and services provided by NSD within its jurisdictional boundary, and a probable future need for those services on the identified RHNA development sites within and contiguous to the SOI. The NTP's substantial available capacity and the district's strong CIP program ensure that NSD is operationally and financially positioned to meet this probable future demand.

3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

a. The Novato Treatment Plant operates at an average daily flow of 5.31 MGD against a design capacity of 7.0 MGD ADWF, leaving approximately 1.69 MGD (24%) of treatment capacity available for future growth. Peak wet weather capacity is 30.7 MGD maximum-day and 47.0 MGD for 1-to-3-hour peaks; in 2024, the plant reached a maximum-day peak of 30.05 MGD—essentially at maximum-day design capacity—and a 1-to-3-hour peak of 46.7 MGD, near the design peak wet weather limit. This data indicates that while dry-weather treatment capacity is adequate for near-term growth, wet-weather peak conveyance and treatment capacity warrant continued monitoring and planning, particularly in the context of aging collection system infrastructure and potential climate-related increases in wet-weather infiltration and inflow (I/I).

b. The collection system's 240 miles of sewers and 39 pump stations are maintained under an active CMMS-supported program, with CCTV inspection, smart sewer access cover monitoring, and an ongoing pump station rehabilitation capital program. The 26 SSOs recorded over the study window (totaling 46,347 gallons) reflect a well-managed system, with the district's proactive maintenance and lateral incentive programs designed to minimize future events.

c. The NTP's 12-consecutive-year NPDES compliance record, NACWA Platinum 12 Peak Performance Award, and current 2025 SSMP triennial audit confirm that the district's

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

wastewater treatment and collection operations are meeting all regulatory requirements at or above mandated standards.

d. Recycled water production at approximately 500 million gallons per year—representing nearly 40% of dry weather flow—demonstrates that the district's tertiary treatment and reclamation infrastructure is functioning effectively and contributing meaningfully to regional water supply sustainability.

e. Marin LAFCo determines that NSD has the present capacity to adequately provide its authorized services throughout the existing sphere of influence. The NTP's available dry weather treatment capacity and the district's active CIP provide a sound foundation for accommodating near-term growth. The Commission notes that wet weather peak flow performance warrants continued attention in the district's long-term capital planning, particularly as the collection system ages and climate variability potentially intensifies winter storm events. No service deficiencies requiring immediate structural intervention have been identified.

4) Existence of any social or economic communities of interest in the area, if the Commission determines that they are relevant to the agency.

b. Marin LAFCo determines that the existing and proposed amended sphere of influence boundary appropriately encompasses all relevant communities within the NSD service area and probable future service area. No social or economic communities of interest have been identified that would warrant modification of the sphere boundary beyond the specific amendments recommended by staff based on land use and jurisdictional considerations described herein.

5) Present and probable need for public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

a. Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the NSD sphere of influence with present or probable unmet needs for wastewater facilities or services. The absence of DUCs within the sphere is consistent with the socioeconomic profile of the surrounding communities. The Commission will revisit this determination in future MSR cycles as development activity occurs in the SOI's unincorporated communities.

NOVATO FIRE PROTECTION DISTRICT



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

AGENCY AT A GLANCE

Agency Name	Novato Fire Protection District
Formation Date	July 6, 1926
Administrative Office Location	95 Rowland Way, Novato, CA
Website	www.novatofire.org
Fire Chief	Dan Peters
Employees	88 FTE
Public Meetings	The Novato Fire Protection District Board of Directors meets on the 1 st Wednesday ⁴⁴ of each month at 10:00 a.m., with special meetings scheduled on an as-needed basis.
Governing Body	Five-member Board of Directors; each elected to a four-year term
Municipal Services Provided	Fire Protection and Emergency Response
Jurisdictional Area Size	71 Square Miles
Population Estimate	59,825 ⁴⁵

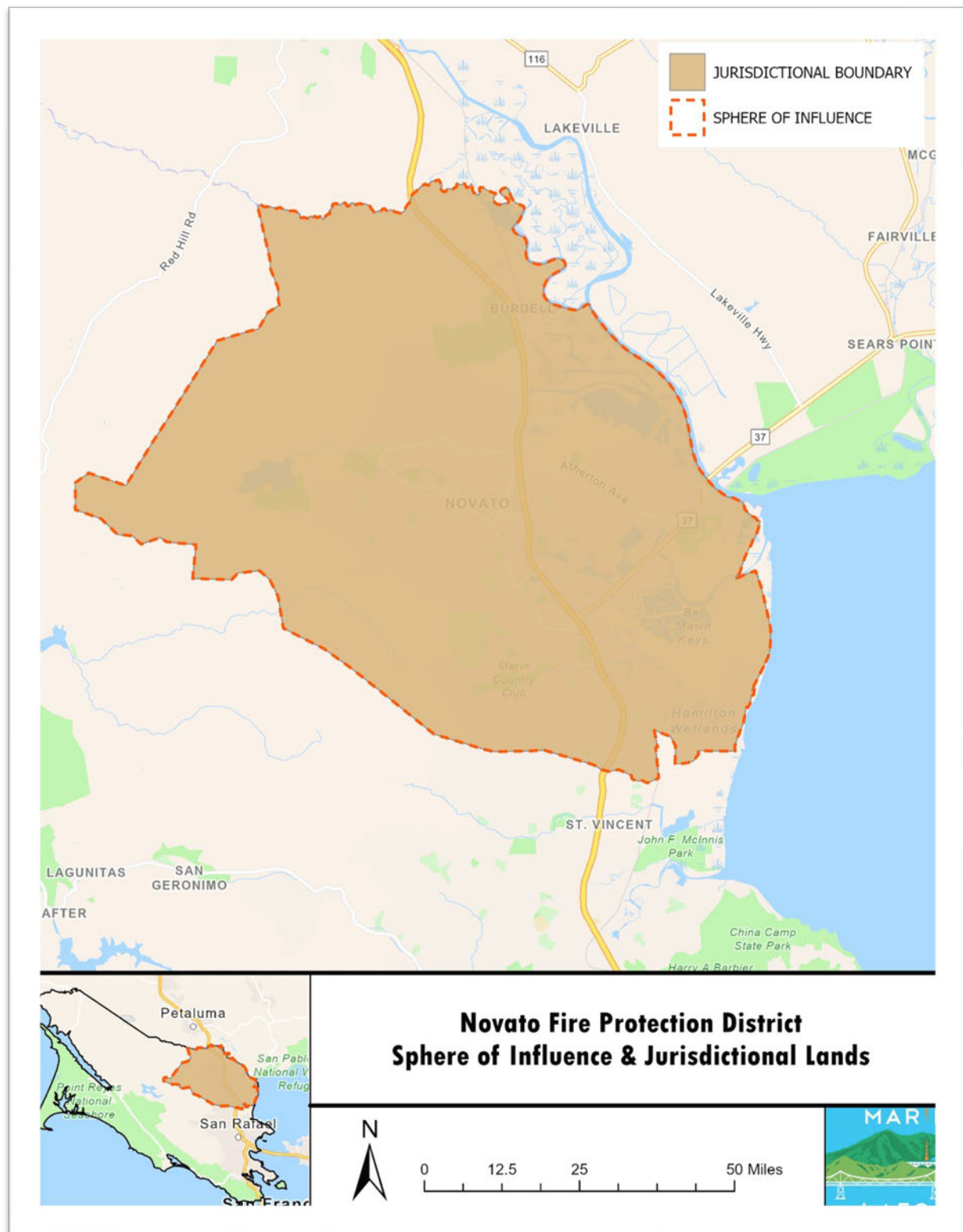
⁴⁴ For calendar year 2026, the NFPD Board has scheduled its meetings in January, February, March, and December, for the 2nd Wednesday of the month as a special meeting, with all other meetings remaining on the 1st Wednesday.

⁴⁵ Estimate based upon American Community Survey 5-year estimates, released January 29, 2026, from census tracts that comprise the District's jurisdictional lands, which include U.S. Census Tracts 1011, 1012, 1021, 1022.02, 1022.03, 1031, 1032, 1041.02, 1041.03, 1041.04, 1042, 1043, 1050.01, and 1050.02.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Figure 6 Novato Fire Protection District Sphere of Influence & Jurisdictional Lands



Agency Profile – Novato Fire Protection District

The Novato Fire Protection District (NFPD) is located in the north-eastern area of Marin County, along the northern Highway 101 corridor. The majority of the district's jurisdictional lands and sphere of influence are situated within Marin County Supervisor District 5, with parts of the western area residing in Marin County Supervisor District 4. The district's boundary encompasses the entirety of the City of Novato, as well as a significant amount of unincorporated lands surrounding the City to the east, north, and west. The entirety of the District's northern boundary is contiguous to Sonoma County's boundary. NFPD is home to an estimated 59,825 residents, making it Marin County's largest fire protection district based on total population. The district was formed as an independent special district organized pursuant to California Health and Safety Code Sections 13800 - 13970 on July 6, 1926.

Novato Fire Protection District's jurisdictional boundary encompasses approximately 45,440 acres (71 square miles), and the district's sphere of influence (SOI) aligns with the boundary and is fully coterminous. NFPD's sphere of influence was originally established by Marin LAFCo in 1982 and was most recently amended in 2023⁴⁶.

The Table below presents a demographic and land-use profile of NFPD compared to Marin County as a whole.

Figure 7 Demographic and Land Use Profile of NFPD Compared to Marin County

	NFPD	Marin County
Population as of 2010	58,809	252,409
Population as of 2026	59,825	254,550
Annual Pop. Growth Since 2010	0.11%	0.056%
Total Housing Units	24,071	113,062
Persons Per Housing Unit	2.48	2.25
Land Area (Square Miles)	71	520
Single-Family Units	18,053	80,639
Multi-Family Units	5,536	30,532
Mobile Homes	516	1,891
Persons Per Square Mile	843	490
Median Household Income	\$115,736	\$142,785

⁴⁶ Marin LAFCo Resolution No. 23-19

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

CURRENT AND PROPOSED SPHERE OF INFLUENCE

Novato Fire Protection District's sphere of influence (SOI) is currently coterminous with its jurisdictional boundary and includes the unincorporated neighborhoods of Green Point, Black Point, Loma Verde, Indian Valley, and Bel Marin Keys. The SOI was originally established by Marin LAFCo in 1982 and was most recently updated in 2023⁴⁷ to amend the area of the Hamilton Field and Rafael Village Detachment that the Ninth Circuit U.S. Court of Appeals determined was not valid in 1999, and Marin LAFCo formally rescinded in 2009⁴⁸. At this time, staff for the district have not provided any identified areas that they desire to add to the SOI; therefore, no areas specifically requested by the district are being studied for possible inclusion into the NFPD SOI, and Marin LAFCo staff recommend that the SOI be reaffirmed as it currently stands.

EXTRATERRITORIAL SERVICES

Government Code Sections 56133 and 56134 set forth LAFCo's out-of-agency services oversight role. While the district has several agreements and MOUs (memorandum of understanding) with other agencies in both Marin and Sonoma counties for mutual aid, at this time, the district has no standing contracts specifically for service provisions outside of its current boundaries.

GOVERNANCE AND STAFFING

The Novato Fire Protection District is governed by a five-member Board of Directors by way of a district-based election system that divides the District into five geographic regions. Members of the board must be residents of the region of the district that they are running to represent, and are elected to four-year terms. The NFPD board receives \$200 compensation per meeting for its service. The Board acts collectively to establish policies, provide oversight, and set a vision for the district. Regular meetings are typically held at 10:00 a.m. on the first Wednesday of each month at the district's headquarters at 95 Rowland Way, Novato. For calendar year 2026, the board has scheduled meetings in January, February, March, and December on the second Wednesday of the month, with all other meetings scheduled for the usual first Wednesday.

Table 15 Novato Fire Protection District Board Members

Novato Fire Protection District Board Members		
President	Bruce Goines – District 4	Term Exp. – December 2026
Director	LJ Silverman – District 1	Term Exp. – December 2028
Vice President	Michael Hadfield – District 2	Term Exp. – December 2028
Secretary	Shane Francisco – District 3	Term Exp. – December 2028
Director	William Davis – District 5	Term Exp. – December 2026

⁴⁷ Marin LAFCo Resolution No. 23-19

⁴⁸ Marin LAFCo Resolution No. 09-03

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

The Board of Directors appoints a Fire Chief to serve as the administrative head of the district, responsible for the day-to-day operations. The district has 88 FTE employees.

ACCOUNTABILITY

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 identifies a number of components that must be found within an agency's website. Additionally, the Special District Leadership Foundation (SDLF), an independent, non-profit organization formed to promote good governance and best practices among California's special districts, has also outlined recommended website elements as part of its District Transparency Certificate of Excellence. This program was created in an effort to promote transparency in the operations and governance of special districts to the public and to provide special districts with an opportunity to showcase their efforts in transparency. Based on SB 929's criteria and the recommendations set by the SDLF, Marin LAFCo conducted a thorough review of the District's website. The table below summarizes staff's findings on whether the website meets the statutory requirements. At present, the District does meet the statutory requirements set under SB 929 and the majority of SDLF's website transparency criteria.

Table 16 Summary of Website Compliance with SB 929 and SDLF Transparency Requirements

Website Components	Checkmark (Yes)
Required Items (SB 929 Criteria and SDLF Benchmarks)	
1. Names and Contact Information of Board Members	✓
2. Board Member Term Limits	✓
3. Names of Key Staff, Including General Manager/Director/Fire Chief	✓
4. Contact Information for Staff	
5. Election/Appointment Procedure and Deadlines	✓
6. Board Meeting Schedule	✓
7. Mission Statement	✓
8. Description of District's Services/Functions and Service Area	✓
9. Authorizing Statute/Enabling Act	✓
10. Adopted District Budgets	✓
11. Financial Audits	✓
12. Archive of Board Meeting Agendas and Minutes	✓
13. Link to State Controller's Webpages for District's Reported Board Member and Staff Compensation	✓
14. Link to State Controller's Webpages for District's Reported Financial Transaction Report	✓
15. Reimbursement and Compensation Policy/ Annual Policies	✓
16. Home Page Link to Agendas/Board Packets	✓

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

17. SB 272 – Compliance of Enterprise Catalogs	✓
18. Machine Readable/Searchable Agendas	✓
19. Recipients of Grant Funding or Assistance	✓
20. Link or Copies of LAFCo's Service and Sphere Reviews	
TOTAL SCORE (out of a possible 20)	18

As of the writing of this study, all Form 700 financial disclosures are current for each required participant within the district. Additionally, all required participants within the district have current certifications for Assembly Bill 1234 (AB 1234)⁴⁹ and Assembly Bill 1661 (AB 1661)⁵⁰.⁵¹

DISADVANTAGED UNINCORPORATED COMMUNITIES

In 2011, Senate Bill 244 (SB 244) made changes to the Cortese-Knox-Hertzberg (CKH) Act related to “disadvantaged unincorporated communities,” including the addition of SOI determination number five listed above in the Planning Responsibilities section. Disadvantaged unincorporated communities, or “DUCS,” are inhabited territories (containing 12 or more registered voters) where the annual median household income (MHI) is less than 80 percent of the statewide annual median household income.

CKH Act Section 56375(a)(8)(A) prohibits LAFCo from approving a city annexation of more than 10 acres if a DUC is contiguous to the annexation territory but not included in the proposal unless an application to annex the DUC has been filed with LAFCo⁵². The legislative intent is to prohibit selective annexations by cities of tax-generating land uses while leaving out underserved, inhabited areas with infrastructure deficiencies and a lack of access to reliable potable water and wastewater services.

According to the California Department of Housing and Community Development, the median household income in California in 2025 is \$118,100, with 80% of that amount being \$94,480. According to the most current available data, there are no disadvantaged unincorporated communities within or contiguous to the sphere of influence of the Novato Fire Protection District at this time.

SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA

A community of interest (COI) is a geographically contiguous population that shares common social, cultural, economic, or historical interests relevant to public policy and fair political

⁴⁹ State-mandated ethics training for public officials.

⁵⁰ State-mandated sexual harassment training.

⁵¹ The newly enacted SB 827 requires local agency officials to complete a new fiscal training, among other things, by January 1, 2028. While the district has been made aware of this updated requirement, this item has not been added to the scoresheet due to the significant amount of time remaining for it to be completed.

⁵² CKH Act Section 56375(a)(8)(B) does allow for exemptions for a DUC to be annexed.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

representation. This concept is central to redistricting under California’s FAIR MAPS Act and the State Constitution. Within the sphere of influence of the Novato Fire Protection District, there are no communities that Marin LAFCo deems to be a social and economic community of interest.

PRESENT AND PLANNED LAND USE

The Novato Fire Protection District’s land use is guided by the City of Novato’s General Plan, Marin Countywide Plan, the Black Point Community Plan, the Green Point Community Plan, the Indian Valley Specific Plan, and the Marin County Housing Element. The majority of the district’s lands, approximately 65%, are designated as either open space, agricultural, conservation, or parks. Multiple types of residential designations comprise approximately 20% of the district’s lands, with other designations such as industrial/employment, public/community facilities, and commercial/mixed use creating the remaining areas.

The County of Marin’s 2023-2031 Housing Element identifies the need for the development of 3,569 housing units in unincorporated Marin County to meet its Regional Housing Needs Allocation (RHNA) mandate from the Association of Bay Area Governments (ABAG), including 1,734 units for low and very-low-income households. Within the Housing Element, a number of sites have been identified with their planned unit counts for development. The site inventory strategy relies primarily on commercial property conversions and mixed-use development as opposed to greenfield development on vacant lots. While the unincorporated land that is zoned for development within the boundary of NFPD is essentially built out, Marin County has designated four sites within the boundary for possible development. The sites include Atherton Corridor, Buck Center Vacant Property, Greenpoint Nursery, and Vacant Black Point. If developed, they would create a projected total of 507 new units within the district, with 109 of those units meeting the low and very-low-income requirements.

The City of Novato’s 6th Cycle Housing Element (2023 - 2031) was adopted on May 7, 2024⁵³, and includes an RHNA allocation of 2,090 units. The City’s Housing Element identifies seven sites with an anticipated 2,366 units, with 898 anticipated to meet the low or very-low-income designation requirements. The identified sites include the following: Fireman’s Fund Campus, Valley Oaks North, Village at Novato, Hamilton Village, 3rd Street and Grant Avenue, Downtown Novato (4th and Grant), and approximately 400 additional units between 1st and 2nd Streets along 4th Street in downtown Novato.

Should all proposed units be developed, the total increase within the jurisdictional boundary of the Novato Fire Protection District would stand to be 2,873.

⁵³ City of Novato Resolution 2024-031

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

SERVICES PROVIDED

Government Code § 56425 (i) provides that “When adopting, amending, or updating a sphere of influence for a special district, the commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts.” Government Code § 56050.5 defines a latent service or power as “those services, facilities, functions, or powers authorized by the principal act under which the district is formed, but that are not being exercised, as determined by the commission pursuant to subdivision (i) of Section 56425.” Therefore, once the Commission has established what services are being provided, all other services, functions, and powers become “latent services or powers” by operation of law.

The last time the Commission adopted an SOI and MSR update for the district in 2019, NFPD’s activated service powers included fire protection and emergency medical response. Law enforcement, Animal control, solid waste/refuse, wastewater collection, wastewater treatment and disposal, water, housing, code enforcement, library, landscape maintenance, streets maintenance, stormwater drainage, and electricity/natural gas are primarily provided by other government agencies, contractors, or private entities. This section provides information on the services that the district is currently authorized to provide. The table below presents municipal services provided by the district and associated service providers within the Novato Fire Protection District.

Table 17 Municipal Services Provided by the District & Associated Service Providers in NFPD

Public Service	Responsible Agency Type	Service Provider
Law Enforcement	City/County	City of Novato/County of Marin
Fire Protection	Special District	NFPD
Emergency Medical	Special District	NFPD
Building/Planning	County	County of Marin
Housing	City/County	City of Novato/County of Marin
Code Enforcement	City/County	City of Novato/County of Marin
Animal Control	County	Marin Humane Society
Parks and Recreation	City/County	City of Novato/County of Marin
Library	County	County of Marin
Landscape Maintenance	City/County	City of Novato/County of Marin
Lighting	City/County	City of Novato/County of Marin

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Streets/Road Maintenance	City/County	City of Novato/County of Marin
Solid Waste	Special District	Novato Sanitary District
Stormwater Drainage	City/County	City of Novato/County of Marin
Water	Special District	North Marin Water District
Wastewater	Special District	Novato Sanitary District
Wastewater Treatment & Disposal	Special District	Novato Sanitary District

Fire and Emergency Medical Response Services

Novato Fire Protection District owns, operates, and maintains five fire stations and one administrative building and provides a full range of fire protection services, including fire suppression, rescue, advanced life support (ALS), and emergency medical services, hazardous material control, and fire prevention services. The stations have local numerical designations⁵⁴, fitting within the broader Bay Area regional fire station numbering system that helps coordinate mutual aid and emergency response across multiple jurisdictions. The projected expenditure budget for the district in FY 2025-26 is \$43.1 million, which represents an approximately 31% increase over the course of this study window from the FY 2021-22 expenditure budget of \$32.9 million.

The district employs 88 full-time paid personnel⁵⁵. All response personnel are trained to either the Emergency Medical Technician (EMT) level or the EMT-paramedic (paramedic) level. Engine staffing includes at least one EMT-paramedic at all times. The district also provides Advanced Life Support (ALS) ground ambulance service. Over the course of the study window, the District has averaged 7,052 calls for service annually, with the significant majority⁵⁶ of these calls being for emergency medical response. The district provides response services from its five fire stations with a daily staffing of 20 personnel. This staffing, along with the assigned apparatus, is summarized in the following table.

⁵⁴ NFPD's fire stations are numbered 61, 62, 63, 64, and 65

⁵⁵ 67 emergency personnel and 21 administrative

⁵⁶ Approximately 68% of the District's annual calls for service are for Rescue/Emergency Medical

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Table 18 Novato Fire Protection District Station, Apparatus and Staffing Summary

Station	Address	Assigned Apparatus	Minimum Daily Staffing
Station 61	7025 Redwood Boulevard	Engine-61 Medic 61 Battalion Chief Water Tender-61	3 2 1 **
Station 62	450 Atherton Avenue	Engine-62 Medic 62	3 **
Station 63	65 San Ramon Way	Engine-63 Engine-663	3 **
Station 64	319 Enfrente Road	Engine-64 Truck-64	3 **
Station 65	5 Bolling Circle	Engine-65 Medic 65 Engine-665	3 2 **
Total:			20

** Cross-staffed as needed based on type of call

Unit Hour Utilization (UHU)⁵⁷ measures the percentage of time an emergency response unit is actively engaged in responding to emergency incidents out of its total time available. It is calculated by dividing the number of transports (or unit hours engaged on calls) by the total number of unit hours available. A 10% UHU (0.10) means the unit is committed to incidents 10% of the time and available for response 90% of the time. In California, UHU benchmarks for emergency medical services and fire-based emergency response services can vary, but the generally accepted threshold is that a UHU above 35-40% for 24-hour shifts tends to raise concerns regarding provider fatigue and safety, and should elicit consideration of an additional peak demand unit. When workload saturation begins to consistently meet or exceed that 40% threshold, it typically correlates to a unit going from call to call with little time for breaks, refueling, meals, and other critical daily procedures and operations. Additionally, since the busiest incident demand hours typically occur during daytime work hours, other significant duties and responsibilities, such as apparatus maintenance, report writing, and training, are often neglected if UHU exceeds the threshold.

Over the course of the study window, none of NFPD's engine companies neared the 40%, or even 35% threshold. In the most recent year of UHU data available (2023-24), Engine 61 consistently had the highest UHU, with a peak UHU of 17.06%. In addition, both of the district's ambulances were well below the threshold, with Medic 61 having a peak UHU of 16.73%. While neither medic unit neared the saturation limit of 40% or more, Medic 61 and Medic 65 were

⁵⁷ All reported performance metrics are sourced from the NFPD Standards of Coverage Analysis Update 2025

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

simultaneously committed to incidents more than 3,300 times over the course of the study window, which equates to just over twice per day. In this event, Medic 62, which is cross-staffed by Engine 62 personnel as needed for a third concurrent EMS call, is the responding unit. The instances that Medic 61 and Medic 65 were simultaneously committed averaged less than 20 minutes each.

The NFPA 1710 is the National Fire Protection Association standard for the organization, deployment, and staffing of career fire departments for suppression, EMS, and special operations, establishing benchmarks for response times and minimum crew sizes. In municipal fire and EMS performance analysis, the commonly referred to “90th percentile” means the response time target that is met or bettered on 90% of applicable incidents, allowing up to 10% of calls to exceed that target. These performance components include call processing/dispatch, crew turnout, and first-unit travel, among other things. The consulting firm of Citygate Associates has performed the district’s Standards of Coverage Analysis and has set 90th percentile standards for the district based on local conditions. While multiple performance metrics were assessed and all marked as exceeding or within an acceptable variance of the desired standard, the primary performance metric of call-to-first-unit arrival 90th percentile performance over the course of the study window of 8:21 minutes was well within the desired best practice goal of 7:30 to 8:30 minutes.

In September of 2023, NFPD was awarded a Class 02/2x Public Protection Classification (PPC) rating by the Insurance Services Office (ISO), an organization that independently evaluates municipal fire-protection efforts throughout the United States. Ratings range on a scale of 1 to 10. Class 1 generally represents superior property fire protection, and Class 10 indicates that the area’s fire suppression program does not meet ISO’s minimum Criteria. While many communities receive a single number classification, many smaller and more rural communities receive a split classification to reflect the risk of loss more precisely. In the case of a split classification, the first number refers to the classification of properties within 5 road miles of a fire station and within 1,000 feet of a creditable water supply. The second number, with either the X or Y designation, applies to properties within 5 road miles of a fire station but beyond 1,000 feet of creditable water supply (i.e., fire hydrant). The majority of insurance agencies throughout the country use the PPC classification for underwriting and calculating premiums on residential, commercial, and industrial properties. Of the approximately 49,000 fire agencies eligible for certification, the district is in the top 3% with this current rating.

The district has automatic mutual aid agreements with the Marinwood Community Services District, the Marin County Fire Department, the City of San Rafael Fire Department, and the City of Petaluma Fire Department. NFPD is also one of 17 member agencies of the Marin Wildfire Prevention Authority (MWPA), which was created in 2020 by a joint powers agreement and funded through a voter-approved parcel tax in order to plan, finance, implement, and manage fire protection and prevention services across multiple jurisdictions throughout Marin County.



FISCAL HEALTH

The sections that follow evaluate the district's fiscal health, inclusive of revenue sources and major expenditure categories.

Annual Audit Findings

Novato Fire Protection District is required to undergo an annual financial audit, with the results published in an Annual Financial Report, in which the auditors are required to issue a report of whether the financial statements of the district accurately present the financial position of the district. The Annual Financial Reports from the current study window range from Fiscal Year Ending (FYE) June 30, 2020, to FYE June 30, 2024. These reports did not present any findings and each stated, "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America."

The table below shows the actual historical General Fund revenues and expenditures from FY 2019-20 through FY 2023-24.

Table 19 Historical General Fund Revenues and Expenditures by Fiscal Year

	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Actual Revenues Governmental Funds					
Property Taxes	\$28,032,082	\$29,328,570	\$31,273,366	\$32,998,684	\$33,971,930
Measure C	-	\$1,904,640	\$1,932,731	\$1,992,139	\$2,089,978
MWPA Core Fund Reimbursement	-	-	\$624,047	\$2,123,004	\$1,281,588
Charges for Service	\$3,070,287	\$3,132,226	\$3,209,478	\$3,811,009	5,112,691
Interest	\$383,197	\$139,051	\$19,705	\$415,939	\$1,535,346
Intergovernmental	\$1,880,692	\$2,996,415	\$1,792,315	\$1,565,434	\$1,324,652
Miscellaneous	\$189,287	\$223,626	\$462,728	\$77,792	\$250,061
Total Revenues	\$33,555,545	\$37,724,528	\$39,314,370	\$42,984,091	\$45,566,246
Actual Expenditures					
Salaries/Benefits	\$23,108,627	\$24,085,954	\$26,133,581	\$25,616,659	\$27,422,930
Services/Supplies	\$3,828,948	\$4,110,261	\$7,000,471	\$7,927,575	\$7,339,936
Capital Outlay	\$1,409,700	\$2,340,662	\$1,681,954	\$740,023	\$1,212,008
Debt Service	\$577,643	\$577,849	\$577,946	\$557,622	\$332,770
Total Expenditures	\$28,924,918	\$31,114,726	\$35,393,952	\$34,841,879	\$36,307,644
Surplus/(Deficit)	\$4,630,627	\$6,609,802	\$3,920,418	\$8,142,212	\$9,258,602

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

During the course of the study window, the district's governmental funds averaged approximately \$6,512,332 in excess revenues over expenditures, and the district's net position grew from \$17.3 million to \$59.1 million. The most significant anomaly during the review period was the formation of MWPA and the injection of additional annual revenue that Measure C has provided.

Operating Revenues

On average, during the course of the study window, tax revenues made up approximately 75% of General Fund revenues, inclusive of property tax and Educational Revenue Augmentation Fund (ERAF) tax. The district also levies a special tax, initially adopted by the voters on November 5, 1991, and most recently updated by the district's Board in May of 2025⁵⁸ to be 11.6 cents per square foot of improved residential/rural/agricultural, and 17.4 cents per square foot for industrial/commercial improved. The remaining revenues are primarily from charges for service as well as supplementation from Countywide assessments such as Measure C (MWPA).

For FY 2025-26, the Novato Fire Protection District Board of Directors adopted an operating budget that is supported by projected revenues of \$43,946,654, making the district's operating revenues total approximately \$735 per capita. This amount represents an estimated .07% increase in revenues from the previous fiscal year. Over the course of the study window, the district showed a total revenue growth of approximately 36%, spurred primarily by an increase in property tax revenue of approximately 20% over the course of that window, a significant increase in charges for services driven by higher ambulance billing and program changes, as well as the influx of revenue from Measure C.

Operating Expenditures

The NFPD's budgeted operating expenditures for FY 2025-26 totaled \$38,999,785. This amount represents an increase from the prior year's total estimated expenditures, which were \$34,307,390. The district's largest expenditure category is personnel, which includes staff salaries and benefits, at approximately 75% of all budgeted expenditures⁵⁹. For FY 2025-26, the total amount budgeted for personnel expenditures across all district operations was \$31,893,969, which was a 14.3% increase from the previous year's estimated total.

PERFORMANCE STANDARDS

Marin LAFCo utilized four different methodologies to evaluate the Novato Fire Protection District's fiscal performance. The four approaches to evaluating performance include a review of reserve fund balances, pensions/other post-employment benefits (OPEB), debt ratio, and

⁵⁸ NFPD Resolution No. 2025-06

⁵⁹ This is inclusive of budgeted allocations for Acting Pay, Holiday Pay, FLSA Pay, and Overtime Pay.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

evaluation of revenue and expenditure trends (seen above). The methodologies and findings are outlined below.

Reserve Fund Balance

The total fund balance (General Fund) for the district more than doubled over the course of the study window, jumping from \$26.2 million to \$54.4 million, primarily driven by recurring annual surpluses. Unassigned fund balance grew from \$9.1 million to \$22.3 million, with the most recent financial statements showing it equating to 62% of General Fund expenditures, which is well above the typical 25-50% policy targets for fire districts. The assigned and committed balances have also increased across the study window, which indicates a deliberate policy to pre-fund capital, equipment, and long-term obligations rather than using a single undifferentiated reserve. On the government-wide Statement of Net Position, the unrestricted net position has swung from \$2.36 million in 2020 to \$41.4 million⁶⁰ in 2024. This expansion in unrestricted cushion offers the district considerable flexibility to absorb shocks or accelerate liability pay-downs.

Pension and OPEB Obligations

The district's defined benefit retirement plan is administered by the Marin County Employees' Retirement Association (MCERA). MCERA operates as a cost-sharing, multiple-employer defined benefit plan for the district and numerous other participating employers across Marin County.

Net pension liability is the amount owed to a defined benefit pension plan based on the actuarial present value of the projected benefit payments for plan members and their beneficiaries, less the plan's net position. Essentially, it represents the portion of the pension obligation that is not covered by the plan's assets, indicating an unfunded liability. This liability is reported by employers who sponsor defined-benefit pension plans. As of June 30, 2023, the Novato Fire Protection District carried a net pension liability of \$21.62 million.

A pension funded ratio is a metric that expresses the value of a pension plan's assets divided by its liabilities. It indicates the extent to which a pension plan has sufficient funds to cover its future obligations to retirees. A funded ratio of 100% means the plan is fully funded, while a ratio below 100% indicates unfunded liability. As of June 30, 2023, the district's pension funded ratio was 91.59%. As of June 30, 2023, the average funded ratio for independent special districts in California participating in CalPERS⁶¹ was 72.3%.⁶² The district's dollar-level net pension liability was essentially flat over the course of the study window, while payroll and reserves rose, so pension risk is becoming more manageable relative to the district's capacity.

⁶⁰ This amount saw a significant increase in 2022 due to temporary recognition of a net pension asset and large pension-related deferred inflows.

⁶¹ CalPERS is a similar pension plan to MCERA that is offered to public employees throughout the State of California and has reciprocity with MCERA.

⁶² [CalPERS Annual Comprehensive Financial Report, 2023-24](#)

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

The required contribution rate of around 40-50% of payroll is high but standard for mature California safety plans, and the district is fully funding those required contributions.

The district also provides certain health care benefits for retired employees and their spouses under the California Employers' Retiree Benefit Trust (CERBT) Fund (also known as other post-employment benefits or OPEB). Employees who meet the vesting criteria become eligible for these benefits if they receive a retirement benefit from CalPERS within 120 days of retirement from district employment. As of the most recent measurement date of June 30, 2023, the district's OPEB plan consisted of 76 active members and 104 inactive employees or beneficiaries currently receiving benefit payments. As of June 30, 2023, the district carried a net OPEB liability of \$8.4 million, with a funded ratio of 68%. This metric is steadily trending in a positive direction, with the funded ratio now in the high 60s, up from approximately 46% at the 2019 valuation. The district has made an effort, when able, to contribute more than the Governmental Accounting Standards Board (GASB) "actuarially determined contribution" and, if continued, could reasonably move it into the 80-90% range over the remaining amortization period (approximately eight years), depending on market volatility.

Debt Ratio

The debt ratio is a fundamental financial metric that measures the proportion of an agency's assets that are financed through debt, calculated by dividing total liabilities by total assets. This ratio reveals the extent to which a local government relies on borrowed funds versus owned resources, providing critical insights into its financial structure and overall fiscal health. For special districts, maintaining appropriate debt levels is essential as excessive debt can constrain future financial flexibility and potentially lead to fiscal stress or even bankruptcy.

Unlike the pension funded ratio, which specifically measures the percentage of pension liabilities covered by pension assets, the debt ratio offers a broader perspective on an agency's overall financial position by examining its entire liability structure relative to its asset base. The debt ratio serves as one of several critical indicators that collectively portray an agency's fiscal condition. The following aspects are typically considered when evaluating public agency financial health in relation to debt ratio:

1. Short-term Financial Stability

The debt ratio helps assess an agency's ability to meet immediate financial obligations by indicating the level of leverage in its capital structure. A lower debt ratio suggests greater financial flexibility and capacity to address short-term needs without additional borrowing.

2. Long-term Fiscal Sustainability

By examining the relationship between debt and assets, the ratio provides insights into an agency's long-term financial trajectory and its ability to sustain service levels while meeting

future obligations. Agencies with lower debt ratios generally have more capacity to invest in infrastructure and respond to emerging community needs.

3. Financial Flexibility and Resilience

The debt ratio directly impacts an agency's financial flexibility—its ability to respond to economic downturns, emergencies, or changing service demands. An agency with a high debt ratio has less "fiscal space" to maneuver during challenging times, as more of its revenue must be dedicated to debt service rather than operational needs or new initiatives.

As of June 30, 2024, the district had a debt ratio of less than 1%. This debt ratio is offered purely from the perspective of the inclusion of only traditional debt obligations, which, in the case of the district, is inclusive of a loan for Station 64, which is noted in the Management's Discussion and Analysis to be paid off in August, 2024, which would effectively render the district debt-free following the payoff. This ratio calculation is shown below:

Total Long-Term Liabilities Summary:

- Station 64 Note: \$163,962

Total Long-Term Liabilities: \$163,962

Total Assets (Primary Government): \$73,002,567⁶³

Debt-to-Assets Ratio: 0.23% (calculated as $\$163,962 \div \$73,002,567$)

While the district's debt ratio would increase substantially with the inclusion of its Net Pension Liability and OPEB, for special districts, rating agencies such as Moody's, Fitch, and Standard and Poor's all concur that, though bonded debt and retirement liabilities are evaluated together in the overall rating, they should remain separate sub-metrics for clarity and stability.

Additionally, the Government Finance Officers Association (GFOA) and industry standards suggest that annual debt service⁶⁴ should generally not exceed 7-10% of operating revenues⁶⁵. For California local governments, debt service as a percentage of General Fund revenues is a key metric, with the State Treasurer's Office reporting that the state's ratio was 3.71%⁶⁶ in FY 2022-23.

⁶³ While GASB prefers the calculation of debt ratio to be inclusive of total assets, the district's current assets, or assets that are more readily realized as liquid, total \$55,535,341.

⁶⁴ Debt service is the amount of interest and sinking fund payments due annually on long-term debt.

⁶⁵ [GFOA Publication, "How Much Debt is Too Much?"](#)

⁶⁶ [State of California ACFR 2023](#)

DETERMINATIONS

Service Review Determinations per Government Code Section 56430

As set forth in Section 56430(a) of the CKH Act, “In order to prepare and to update the SOI in accordance with Section 56425, the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the Commission. The Commission shall include in the area designated for a service review the county, the region, the sub-region, or any other geographic area as is appropriate for analysis of the service or services to be reviewed and shall prepare a written statement of its determinations with respect to each of the following.” Pursuant to Government Code Section 56430, the requisite CKH determinations for this municipal service review for the Novato Fire Protection District are presented below:

1) Growth and population projections for the affected area

- a. The Novato Fire Protection District serves an estimated population of 59,825 as of 2026, reflecting modest growth from 58,809 residents recorded in the 2010 Census. Annual population growth since 2010 has averaged approximately 0.11% per year, a rate roughly double Marin County's countywide average of 0.056% over the same period, reflecting slightly faster—though still modest—growth within the Novato area compared to the broader county.
- b. The majority of the lands within NFPD's boundary that are zoned for development are essentially built out; however, growth potential exists within both the incorporated and unincorporated portions of the district that have been rezoned for RHNA or upscaled for greater infill through State density bonuses. The County of Marin's 2023–2031 Housing Element has designated four development sites within the district's boundary—Atherton Corridor, Buck Center Vacant Property, Greenpoint Nursery, and Vacant Black Point—which, if developed, would create a projected 507 new units, with 109 meeting low- and very-low-income requirements. Additionally, the City of Novato's 6th Cycle Housing Element (2023–2031), adopted May 7, 2024, includes an RHNA allocation of 2,090 units. The City has identified seven development sites projected to yield 2,366 units, including the Fireman's Fund Campus, Valley Oaks North, Village at Novato, Hamilton Village, 3rd Street and Grant Avenue, Downtown Novato (4th and Grant), and additional units along 4th Street between 1st and 2nd Streets. Should all proposed units across both the unincorporated county sites and City of Novato sites be developed within the district's boundary, the total potential increase would be approximately 2,873 additional dwelling units. At average household size, this would represent a meaningful increase in population and service demand above current levels.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

- c. Marin LAFCo determines that NFPD can anticipate moderate population and housing growth over the next planning cycle, primarily driven by infill and mixed-use development within the City of Novato. While the district's current staffing, apparatus, and station configuration is sufficient to serve existing demand at high performance levels, the Commission notes that cumulative build-out of identified RHNA sites could incrementally increase emergency call volume, particularly in the central Novato corridors near Stations 61, 62, and 63. The district's ongoing Standards of Coverage analysis process and the associated capital planning capacity provide a sound framework for proactively responding to service demand increases resulting from anticipated growth.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

- a. Pursuant to Government Code Section 56033.5, disadvantaged unincorporated communities (DUCs) are inhabited territories containing 12 or more registered voters where the annual median household income (MHI) is less than 80 percent of the statewide annual MHI. According to the California Department of Housing and Community Development, the statewide MHI in California in 2025 is \$118,100, establishing the DUC threshold at \$94,480.
- b. The NFPD service area encompasses a diverse range of unincorporated communities, including Green Point, Black Point, Loma Verde, Indian Valley, and Bel Marin Keys, as well as the City of Novato. The estimated median household income for the overall NFPD service area is \$115,736, which exceeds the DUC income threshold of \$94,480. However, because the district's boundary encompasses multiple distinct unincorporated communities with varying socioeconomic profiles, LAFCo notes that individual census-tract level data may reflect income variation across the district's service area.
- c. Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the sphere of influence of the Novato Fire Protection District at this time, as confirmed by the most current available data.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

- a. The Novato Fire Protection District owns, operates, and maintains five fire stations (Stations 61–65) and one administrative building, providing fire suppression, rescue, Advanced Life Support (ALS) ground ambulance service, hazardous materials control, and fire prevention services across its 71-square-mile service area. The district employs 88 full-time personnel, comprising 67 emergency response personnel and 21 administrative staff. Daily minimum staffing is 20 personnel deployed across the five stations with assigned apparatus including engines, medic units, a truck company (Truck-

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

64), a water tender (Water Tender-61), and cross-staffed reserve engines at Stations 63 and 65. All emergency response personnel hold certification at either the EMT or EMT-paramedic level, and every engine company maintains at least one paramedic at all times.

- b. The district averaged 7,052 calls for service annually over the course of the study window, with approximately 68% of those calls constituting rescue or emergency medical incidents. Independent performance analysis by Citygate Associates through the district's 2025 Standards of Coverage Analysis found that all measured performance metrics either exceeded or fell within an acceptable variance of established standards. The primary performance benchmark—call-to-first-unit arrival at the 90th percentile—averaged 8:21 minutes over the study window, placing the district well within the best-practice goal of 7:30 to 8:30 minutes.

Unit Hour Utilization (UHU) data for the most recent available year (2023-24) confirms that no NFPD engine company approached the generally accepted 35–40% saturation threshold. Engine 61, the district's busiest unit, recorded a peak UHU of 17.06%, and Medic 61 had a peak UHU of 16.73%. The two primary medic units (Medic 61 and Medic 65) were simultaneously committed to incidents an average of just over twice per day, with the cross-staffed Medic 62 providing a reliable third-unit concurrent response capacity. These simultaneous commitment events averaged less than 20 minutes in duration.

- c. In September 2023, NFPD was awarded a Class 02/2x Public Protection Classification (PPC) rating by the Insurance Services Office (ISO). This split rating places NFPD in the top 3% of the approximately 49,000 fire agencies eligible for certification nationwide, reflecting exceptional performance in water supply, communications, fire prevention, and fire suppression capabilities. This classification has direct economic benefits to district residents and businesses through reduced property insurance premiums.
- d. The district is one of 17 member agencies of the Marin Wildfire Prevention Authority (MWPA), a joint powers authority created in 2020 and funded through a voter-approved parcel tax. The MWPA is responsible for planning, financing, implementing, and managing fire protection and prevention services across multiple Marin County jurisdictions, providing the district with a coordinated regional framework for addressing the wildland-urban interface fire risk present in portions of the district's boundary.
- e. Marin LAFCo determines that NFPD has the current capability, capacity, and physical infrastructure to adequately provide fire protection and emergency medical response services throughout its jurisdictional boundary. Response performance data, UHU metrics, ISO classification, and independent standards of coverage analysis all confirm

that the district is meeting or exceeding accepted industry benchmarks. No significant service deficiencies have been identified in the current study window. The district's operational model—five strategically located stations, paramedic-level engine staffing, ALS ambulance service, and robust mutual aid agreements—represents a comprehensive and well-designed service delivery system for the community's needs.

4) Financial ability of agencies to provide services

- a. NFPD has received clean, unqualified audit opinions for all audited fiscal years within the study window (FYE June 30, 2020, through FYE June 30, 2024). Each Annual Financial Report stated that the financial statements "present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District...in accordance with accounting principles generally accepted in the United States of America." No material weaknesses, significant deficiencies, or adverse findings were issued during this period.
- b. Over the five-year study window (FY 2019-20 through FY 2023-24), the district recorded a total revenue increase of approximately 36%, growing from \$33.6 million to \$45.6 million. This growth was driven primarily by a 20% increase in property tax revenues, substantially higher charges for service due to expanded ambulance billing, and the addition of Measure C (MWPA) revenue beginning in FY 2020-21. Tax revenues, including property tax and ERAF allocations, constitute approximately 75% of General Fund revenues. The district also levies a special tax, most recently updated in May 2025 to 11.6 cents per square foot for improved residential/rural/agricultural parcels and 17.4 cents per square foot for industrial/commercial parcels.
- c. The FY 2025-26 adopted operating budget is supported by projected revenues of \$43,946,654—approximately \$735 per capita—and budgeted expenditures of \$38,999,785, with personnel costs representing approximately 75% of total expenditures. The FY 2025-26 budgeted expenditure of \$43.1 million represents a 31% increase over the FY 2021-22 expenditure budget of \$32.9 million, reflecting primarily labor cost escalation consistent with regional public safety collective bargaining agreements.
- d. The district's General Fund total fund balance more than doubled during the study window, growing from \$26.2 million to \$54.4 million. The unassigned fund balance grew from \$9.1 million to \$22.3 million, equating to 62% of General Fund expenditures as of the most recent audited financial statements—well above the typical 25–50% policy target range for fire districts. The unrestricted net position on the government-wide Statement of Net Position grew from \$2.36 million in 2020 to \$41.4 million in 2024. The district averaged \$6,512,332 in annual operating surpluses over the study window, and the net position of the primary government grew from \$17.3 million to \$59.1 million.

- e. Marin LAFCo determines that the Novato Fire Protection District is in strong financial condition and has demonstrated the sustained ability to provide its authorized services on a fiscally sound basis. The district's robust reserve accumulation, consistent operating surpluses, declining traditional debt, and above-average pension funded ratio collectively reflect responsible fiscal stewardship. The district's pension and OPEB obligations represent the principal long-term fiscal liabilities; however, the improving funded trajectory for both obligations, the district's strong reserve position, and the availability of multiple dedicated revenue streams provide reasonable assurance that these obligations can be managed without compromising service delivery over the foreseeable planning horizon.

5) Status of and, opportunities for, shared facilities.

- a. The Novato Fire Protection District maintains several agreements and memoranda of understanding (MOUs) with other fire agencies in both Marin and Sonoma counties for mutual aid purposes. The district has automatic aid agreements with the Marinwood Community Services District, the Marin County Fire Department, the City of San Rafael Fire Department, and the City of Petaluma Fire Department. These agreements allow for seamless cross-boundary resource deployment in major incidents and are a standard and essential component of the Bay Area regional fire response network.
- b. The district does not have any standing contracts for the provision of services outside of its current jurisdictional boundaries, as confirmed pursuant to Government Code Sections 56133 and 56134. All existing MOUs and mutual aid agreements are reciprocal rather than contractual service provision arrangements, and thus do not constitute extraterritorial service contracts requiring LAFCo approval.
- c. The district's participation as one of 17 member agencies of the Marin Wildfire Prevention Authority (MWPA) represents the most significant shared-service and shared-facility arrangement in NFPD's operational landscape. The MWPA enables coordinated wildfire prevention programming, vegetation management, and community risk reduction activities across jurisdictional boundaries, leveraging economies of scale that would be unavailable to any single agency acting independently.
- d. One of the district's long-standing mutual aid partners is the Marinwood Community Services District (MCSD), which has an active power of fire protection and emergency medical services and provides a single-engine response company. For the better part of the past 50-years, MCSD has had a contractual agreement with the City of San Rafael for different levels of staffing assistance provided by the City, including (but not limited to) Fire Chief duties and administrative oversight. During this time, there have been multiple instances of discussion of the formal consolidation of MCSD's fire and emergency medical service powers to the City of San Rafael, but these discussions have never led to

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

actions beyond the standing agreement. During the course of the recently completed San Rafael Area Municipal Service Review, the desire for formal consolidation was reintroduced, but the leadership for the City of San Rafael clarified that it has no desire to pursue such an action and prefers to continue with the current arrangement.

As a small special district, the provision of fire protection and emergency medical services is becoming increasingly burdensome to MCSD, particularly in staffing recruitment and retention, and the district has expressed a sincere desire to explore other possible partnerships that might lead to formal consolidation of this service provision. During the course of the study window (2020-2025), approximately 10% of MCSD's responses to calls for service were within the jurisdictional boundary of the NFPD.

As staff from MCSD has expressed a willingness to explore this possibility further, Marin LAFCo would encourage NFPD and MCSD to engage in discussions to explore a joint feasibility study on the possible consolidation of MCSD's fire protection and emergency medical response services into NFPD in a similar manner to the current feasibility study that Marin LAFCo has helped facilitate between the City of Belvedere and the Tiburon Fire Protection District. Marin LAFCo staff would be open to aiding the facilitation of this process between NFPD and MCSD, should both parties be amenable to pursuing it.

- e. Marin LAFCo determines that NFPD's current mutual aid framework and MWPA membership represent meaningful and appropriate forms of inter-agency coordination and shared service delivery. The existing cooperative framework is well-established and appropriate to the district's service obligations and geographic position within the regional public safety landscape.

6) Accountability for community service needs, including governmental structure and operational efficiencies

- a. The Novato Fire Protection District is governed by a five-member Board of Directors elected through a district-based election system that divides the district into five geographic regions. Board members must reside in the region they represent and serve four-year terms. The Board meets regularly on the first Wednesday of each month at the district's headquarters at 95 Rowland Way, Novato (with certain 2026 meetings scheduled for the second Wednesday). Board compensation is set at \$200 per meeting. All five board seats are currently filled with directors whose terms are staggered between December 2026 and December 2028, providing governance continuity.
- b. The district-based election structure ensures geographic representation across NFPD's large and topographically diverse service area, which encompasses both urban Novato

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

and rural unincorporated communities with very different fire risk profiles. This governance design is well-suited to the district's service delivery obligations and community accountability mandate.

- c. A review of the district's website against the criteria of Senate Bill 929 and the Special District Leadership Foundation's District Transparency Certificate of Excellence yielded a score of 18 out of 20 required elements. The district meets all statutory requirements under SB 929. Two elements are currently incomplete: (1) staff contact information is not prominently available on the website; and (2) links to copies of LAFCo's service and sphere reviews are not posted. The district otherwise demonstrates a high level of online transparency, including posting of board member term limits, the SB 272 enterprise catalog, State Controller compensation and financial transaction report links, and searchable agendas and board packets.
- d. Marin LAFCo determines that NFPD is accountable to the community it serves and provides appropriate governance oversight for the services it delivers. The district's elected, geographically representative governance structure, professional full-time staffing, strong accountability record, and high website transparency score reflect a well-functioning public agency. The two incomplete website elements—staff contact information and LAFCo service review links—are minor and should be corrected promptly to achieve full compliance.

7) Any other matter related to effective or efficient service delivery

- a. The Novato Fire Protection District's FY 2025-26 budgeted personnel expenditure of \$31,893,969 represents a 14.3% increase over the prior year's estimated total and accounts for approximately 75% of all budgeted expenditures. The continued escalation of personnel costs is the most significant structural financial management challenge facing the district. While current revenue growth has been sufficient to maintain strong surpluses, the long-term sustainability of this cost trajectory warrants ongoing attention by the Board, particularly in light of future RHNA development and the possibility of increased service demand.
- b. The projected build-out of RHNA sites within the district, if fully realized, could yield approximately 2,873 new dwelling units, representing a meaningful potential increase in residential density within already active response corridors in central Novato. The district's engagement in a 2025 Standards of Coverage Analysis update positions NFPD well to proactively assess the implications of this growth on station siting, apparatus inventory, and staffing levels before demand materializes.
- c. Marin LAFCo determines that there are no additional governance or service delivery matters that would require Commission action at this time beyond those addressed in the preceding determinations. The district's high ISO classification, consistently strong

response performance, and fiscally sound operating model represent best practices in California fire protection district management. The Commission encourages the district to continue its proactive engagement in regional mutual aid coordination, MWPA programming, and standards of coverage planning to ensure that service levels remain commensurate with future community growth and evolving risk profiles.

Sphere of Influence Determinations per Government Code Section 56425

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the Commission shall develop and determine the sphere of influence of each local agency, as defined by Government Code section 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining the sphere of influence of each local agency, the Commission shall consider and prepare a written statement of its determinations with respect to the following:

1) Present and planned land uses in the area, including agricultural and open space lands

- a. Land use within the NFPD jurisdictional boundary is guided by several planning documents: the City of Novato's General Plan, the Marin Countywide Plan, the Black Point Community Plan, the Green Point Community Plan, the Indian Valley Specific Plan, and the Marin County Housing Element. Approximately 65% of the district's lands are designated as open space, agricultural, conservation, or parks. Multiple types of residential designations comprise approximately 20% of district lands, with the remaining area consisting of industrial/employment, public/community facilities, and commercial/mixed-use designations. This land use composition reflects the district's character as a primarily urbanized core surrounded by a substantial rural and open space periphery.
- b. While the unincorporated lands within NFPD's boundary that are zoned for development are essentially built out, meaningful residential development is anticipated through the Housing Element cycle. The County of Marin has designated four unincorporated sites within the boundary—Atherton Corridor, Buck Center Vacant Property, Greenpoint Nursery, and Vacant Black Point—for a projected 507 new units. The City of Novato's Housing Element identifies seven additional infill development sites with an anticipated 2,366 units. Taken together, total potential new units within NFPD's boundary number approximately 2,873 across the 2023–2031 planning cycle.
- c. The large proportion of open space, agricultural, and conservation-designated land within the district's SOI—approximately 65% of total land area—creates a significant wildland-urban interface (WUI) fire risk profile that is a permanent feature of the district's

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

service environment. This risk is addressed through both direct prevention and suppression capabilities and through the district's membership in the Marin Wildfire Prevention Authority.

d. Marin LAFCo determines that present and planned land uses within the NFPD sphere of influence are consistent with the district's current service capacity and do not necessitate any modification to the sphere boundary. The infill development anticipated through Housing Element implementation will generate incremental increases in fire and EMS service demand but is not expected to alter the fundamental character or geographic scope of the district's service obligations. The large proportion of open space and agricultural land within the sphere is appropriately served by the district's existing station configuration and wildfire prevention programs.

2) Present and probable need for public facilities and services in the area

a. The Novato Fire Protection District serves a large, geographically diverse population of approximately 59,825 residents with a full suite of fire suppression, rescue, ALS ambulance, hazardous materials, and fire prevention services. The present need for these services is well-established and continuous. Averaging over 7,000 calls for service annually—approximately 68% of which are emergency medical calls—the district demonstrates active and ongoing community reliance on its services.

b. The probable future need for public facilities and services in the area will be shaped by two primary factors: (1) incremental population growth driven by RHNA development within the incorporated and unincorporated areas of the district; and (2) intensifying wildland-urban interface fire risk associated with climate change and ongoing vegetation fuel accumulation in the significant open space areas within the district's boundary. Both trends point toward stable or increasing demand for the district's core services over the planning horizon.

c. The district's five-station configuration, daily 20-person minimum staffing, and ALS ambulance service represent the physical infrastructure platform needed to meet present service demand. The need for continued investment in apparatus replacement, station maintenance, and technology upgrades to sustain service capacity is ongoing and well-documented in the district's capital planning processes.

d. Marin LAFCo determines that there is a continuous, stable, and probably increasing need for the fire protection and emergency medical response services provided by NFPD within its existing sphere of influence. The district's infrastructure and staffing levels are presently adequate to meet this need, and the district's financial position provides the capacity to

respond proactively to increasing demand over the planning horizon. No expansion of the sphere boundary is needed to address anticipated service needs.

3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- a. NFPD's five fire stations and associated apparatus fleet provide comprehensive geographic coverage of the 71-square-mile service area. Response performance data confirms that the district is meeting established 90th-percentile benchmarks, with a study-window average call-to-first-unit arrival time of 8:21 minutes against a best-practice target of 7:30 to 8:30 minutes.
- b. Unit Hour Utilization metrics for all engine companies and medic units are well below the 35–40% saturation threshold, indicating that the district's current apparatus fleet and station configuration provide substantial available capacity relative to present call volumes. The cross-staffing protocol for Medic 62 and reserve engines at Stations 63 and 65 provides an effective surge capacity mechanism for concurrent incidents without requiring additional permanently staffed units.
- c. The district's ISO Class 02/2x rating—placing NFPD in the top 3% of eligible fire agencies nationwide—is an independent, third-party validation of the district's present service adequacy across water supply access, fire prevention programs, communications, and suppression capabilities
- d. The district's personnel and administrative infrastructure, including 88 FTE staff, supports effective service delivery, regulatory compliance, training program management, and fiscal oversight at a level commensurate with a district of this size and operational complexity.
- e. Marin LAFCo determines that NFPD has the present capacity to adequately provide fire protection and emergency medical response services throughout the existing sphere of influence. Response performance metrics, utilization data, and ISO classification collectively confirm that the district is not experiencing service deficiencies and has meaningful reserve capacity to absorb short-term demand increases. No changes to the district's service delivery model, governance structure, or sphere boundary are warranted to address capacity concerns at this time.

4) Existence of any social or economic communities of interest in the area, if the Commission determines that they are relevant to the agency.

- a. Marin LAFCo determines that the existing sphere of influence boundary appropriately encompasses all relevant communities within the NFPD service area. No social or economic communities of interest have been identified that would warrant modification of the current sphere boundary or that would present unmet service needs not addressed by the current governance and service delivery structure.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

5) Present and probable need for public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

- a. Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the NFPD sphere of influence with present or probable unmet needs for fire protection or emergency medical services. The district provides equitable service delivery to all communities within its boundary, including the unincorporated neighborhoods of Green Point, Black Point, Loma Verde, Indian Valley, and Bel Marin Keys, without requiring additional annexation, detachment, or governance restructuring to ensure adequate service access.

BEL MARIN KEYS COMMUNITY SERVICES DISTRICT

AGENCY AT A GLANCE

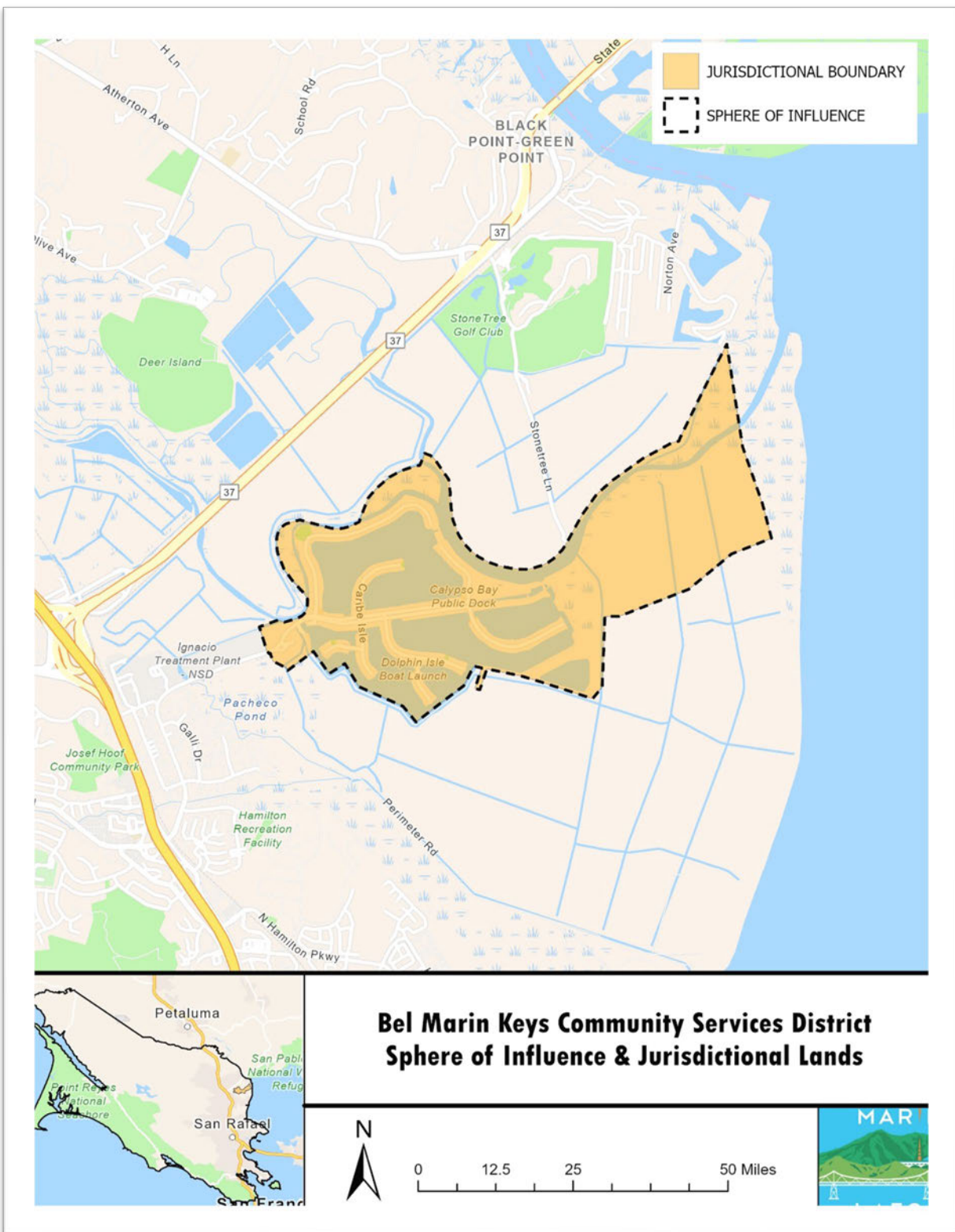
Agency Name	Bel Marin Keys Community Services District
Formation Date	June 26, 1961
Administrative Office Location	4 Montego Key, Novato, CA
Website	www.bmkcsd.us
District Manager	Lisa Lue
Employees	2.25 FTE
Public Meetings	The Bel Marin Keys Community Services District Board of Directors meets on the 3rd Thursday of each month at 7:30 p.m., with special meetings scheduled on an as-needed basis.
Governing Body	Five-member Board of Directors; each elected to a four-year term
Municipal Services Provided	Lagoon Maintenance (including marine infrastructure and dredging), Parks & Recreation (Open Space), Flood Protection, Street Lighting, and Landscape Maintenance
Jurisdictional Area Size	1.54 Square Miles
Population Estimate	1,564 ⁶⁷

⁶⁷ Estimate based upon American Community Survey 5-year estimates, released January 29, 2026, from Marin County Census Tract 1043. The total population for the tract is 1,681 and encompasses all of the district's jurisdictional boundary; however, the tract also encompasses a developed area of the City of Novato that is primarily corporate, retail, and industrial (no residential), running from the Arroyo San Jose Creek up to Bel Marin Keys Boulevard.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Figure 8 Bel Marin Keys CSD Sphere of Influence & Jurisdictional Lands



Agency Profile – Bel Marin Keys Community Services District

The Bel Marin Keys Community Services District (BMKCSD) is located in the north-eastern area of Marin County, along the northern Highway 101 corridor. The entirety of the district's jurisdictional lands and sphere of influence are situated within Marin County Supervisor District 5. The district's boundary is contiguous to the City of Novato to the north, and unincorporated lands to its south and east. BMKCSD is home to an estimated 1,564 residents. The district was formed as an independent special district organized pursuant to California Government Code Sections 61000-61934 on June 26, 1961, by Marin County Board of Supervisors resolution No. 6797.

Bel Marin Keys CSD's jurisdictional boundary encompasses approximately 990 acres (1.54 square miles), and the district's sphere of influence (SOI) aligns with the boundary and is fully coterminous. BMKCSD's sphere of influence was originally established by Marin LAFCo in 1982 and was most recently amended in 2020⁶⁸. The Table below presents a demographic and land-use profile of BMKCSD compared to Marin County as a whole.

Table 20 Demographic and Land Use Profile of BMKCSD Compared to Marin County

	BMKCSD	Marin County
Population as of 2010	1,530	252,409
Population as of 2026	1,564	254,550
Annual Pop. Growth Since 2010	0.14%	0.056%
Total Housing Units	764	113,062
Persons Per Housing Unit	2.05	2.25
Land Area (Square Miles)	1.54	520
Single-Family Units	764	80,639
Multi-Family Units	0	30,532
Mobile Homes	0	1,891
Persons Per Square Mile	1016	490
Median Household Income	\$167,039	\$142,785

⁶⁸ Marin LAFCo Resolution No. 20-15

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

CURRENT AND PROPOSED SPHERE OF INFLUENCE

Bel Marin Keys Community Service District's sphere of influence (SOI) is currently coterminous with its jurisdictional boundary. The SOI was originally established by Marin LAFCo in 1982 and was most recently updated in 2020⁶⁹. At this time, staff for the district have not provided any identified areas that they desire to add to the SOI; therefore, no areas specifically requested by the district are being studied for possible inclusion into the BMKCSD SOI, and Marin LAFCo staff recommend that the SOI be reaffirmed as it currently stands.

EXTRATERRITORIAL SERVICES

Government Code Sections 56133 and 56134 set forth LAFCo's out-of-agency services oversight role. At this time, the district has no standing contracts specifically for service provisions outside of its current boundaries.

GOVERNANCE AND STAFFING

The Bel Marin Keys Community Services District is governed by a five-member Board of Directors elected to four-year terms. The BMKCSD board receives \$100 compensation per meeting for its service. State Government Code section 61047 authorizes community services districts to compensate board members up to \$100 per meeting, with the possibility of increases under Water Code section 20201, which BMKCSD Board members are not eligible for. Regular meetings are typically held at 7:30 p.m. on the third Thursday of each month at the BMKCSD Community Center at 4 Montego Key, Novato.

Table 21 Bel Marin Keys CSD Board Members

Bel Marin Keys Community Services District Board Members		
President	Steve Nash	Term Exp. – December 2026
Director	Cheryl Furst	Term Exp. – December 2028
Vice President	Natalia Shorten	Term Exp. – December 2028
Director	Mercy Agnelopulos	Term Exp. – December 2028
Director	Vince Lattanzio	Term Exp. – December 2026

The Board of Directors appoints a District Manager to serve as the administrative head of the district, responsible for the day-to-day operations. The district has 2.25 FTE employees.

⁶⁹ Marin LAFCo Resolution No. 20-15

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

ACCOUNTABILITY

Senate Bill 929 was signed into law in September 2018 and requires all independent special districts to have and maintain a website by January 1, 2020. SB 929 identifies a number of components that must be found within an agency's website. Additionally, the Special District Leadership Foundation (SDLF), an independent, non-profit organization formed to promote good governance and best practices among California's special districts, has also outlined recommended website elements as part of its District Transparency Certificate of Excellence. This program was created in an effort to promote transparency in the operations and governance of special districts to the public and to provide special districts with an opportunity to showcase their efforts in transparency. Based on SB 929's criteria and the recommendations set by the SDLF, Marin LAFCo conducted a thorough review of the district's website. The table below summarizes staff's findings on whether the website meets the statutory requirements. At present, the district is missing links to the State Controller's webpages for board member and staff compensation, as well as to the district's reported financial report. The site also needs to add an enterprise catalog as required by SB 272. District staff have been made aware of these current omissions and are working to correct them. Over the better part of the last year, the district has been completely overhauling its online presence and is nearing the completion and launch of a whole new website.

Table 22 Summary of Website Compliance with SB 929 & SDLF Transparency Requirements

Website Components	Checkmark (Yes)
Required Items (SB 929 Criteria and SDLF Benchmarks)	
1. Names and Contact Information of Board Members	✓
2. Board Member Term Limits	
3. Names of Key Staff, Including General Manager/Director	✓
4. Contact Information for Staff	✓
5. Election/Appointment Procedure and Deadlines	✓
6. Board Meeting Schedule	✓
7. Mission Statement	✓
8. Description of District's Services/Functions and Service Area	✓
9. Authorizing Statute/Enabling Act	✓

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

10. Adopted District Budgets	✓
11. Financial Audits	✓
12. Archive of Board Meeting Agendas and Minutes	✓
13. Link to State Controller's Webpages for District's Reported Board Member and Staff Compensation	
14. Link to State Controller's Webpages for District's Reported Financial Transaction Report	
15. Reimbursement and Compensation Policy/ Annual Policies	✓
16. Home Page Link to Agendas/Board Packets	✓
17. SB 272 – Compliance of Enterprise Catalogs	
18. Machine Readable/Searchable Agendas	✓
19. Recipients of Grant Funding or Assistance	✓
20. Link or Copies of LAFcos' Service and Sphere Reviews	✓
TOTAL SCORE (out of a possible 20)	16

As of the writing of this study, all Form 700 financial disclosures are current for each required participant within the district. Additionally, all required participants within the district have current certifications for Assembly Bill 1234 (AB 1234)⁷⁰ and Assembly Bill 1661 (AB 1661)^{71, 72}

DISADVANTAGED UNINCORPORATED COMMUNITIES

In 2011, Senate Bill 244 (SB 244) made changes to the Cortese-Knox-Hertzberg (CKH) Act related to “disadvantaged unincorporated communities,” including the addition of SOI determination number five listed above in the Planning Responsibilities section. Disadvantaged unincorporated communities, or “DUCS,” are inhabited territories (containing 12 or more registered voters) where the annual median household income (MHI) is less than 80 percent of the statewide annual median household income.

⁷⁰ State-mandated ethics training for public officials.

⁷¹ State-mandated sexual harassment training.

⁷² The newly enacted SB 827 requires local agency officials to complete a new fiscal training, among other things, by January 1, 2028. While the district has been made aware of this updated requirement, this item has not been added to the scoresheet due to the significant amount of time remaining for it to be completed.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

CKH Act Section 56375(a)(8)(A) prohibits LAFCo from approving a city annexation of more than 10 acres if a DUC is contiguous to the annexation territory but not included in the proposal unless an application to annex the DUC has been filed with LAFCo⁷³. The legislative intent is to prohibit selective annexations by cities of tax-generating land uses while leaving out underserved, inhabited areas with infrastructure deficiencies and a lack of access to reliable potable water and wastewater services.

According to the California Department of Housing and Community Development, the median household income in California in 2025 is \$118,100, with 80% of that amount being \$94,480. According to the most current available data, there are no disadvantaged unincorporated communities within or contiguous to the sphere of influence of the Bel Marin Keys Community Services District at this time.

SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST IN THE AREA

A community of interest (COI) is a geographically contiguous population that shares common social, cultural, economic, or historical interests relevant to public policy and fair political representation. This concept is central to redistricting under California's FAIR MAPS Act and the State Constitution. Within the sphere of influence of the Bel Marin Keys Community Services District, there are no communities that Marin LAFCo deems to be a social and economic community of interest.

PRESENT AND PLANNED LAND USE

The Bel Marin Keys Community Services District's land use is guided by the Marin Countywide Plan and the Marin County Housing Element. The majority of the district's lands, approximately 45%, are designated as residential single-family, with approximately 35% of the district's lands zoned as waterways and open anchorage, 15% open space and agricultural, and the remaining areas as public facilities and parks.⁷⁴

The County of Marin's 2023-2031 Housing Element identifies the need for the development of 3,569 housing units in unincorporated Marin County to meet its Regional Housing Needs Allocation (RHNA) mandate from the Association of Bay Area Governments (ABAG), including 1,734 units for low and very-low-income households. Within the Housing Element, a number of sites have been identified with their planned unit counts for development. The site inventory strategy relies primarily on commercial property conversions and mixed-use development as opposed to greenfield development on vacant lots. The area within the jurisdictional boundary

⁷³ CKH Act Section 56375(a)(8)(B) does allow for exemptions for a DUC to be annexed.

⁷⁴ The Bel Marin Keys Industrial Parks, although frequently associated by name, are located within the City of Novato limits and are not within the jurisdiction or sphere of influence of BMKCSD.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

of BMKCSD is built out at this time, and no sites within or contiguous to the boundary were identified within the Housing Element as possible RHNA development.

SERVICES PROVIDED

In January of 2006, Senate Bill 135 (SB 135) took effect and revised state laws governing community services districts (CSD). SB 135 consolidated the provisions for CSDs into a list of 31 services and facilities, and changed the definition of latent powers. The old CSD Principal Act from 1955 required voter approval of latent powers and predated the statewide creation of LAFCo in 1963. With SB 135, all powers authorized for CSDs but not being exercised became latent powers, regardless of the initial formation petition. SB 135 redefined latent powers as those services and facilities authorized by the new CSD Principal Act that a CSD did not provide before January 1, 2006, as determined by LAFCo. Therefore, SB 135 effectively grandfathered in all services and facilities that CSDs provided before January 1, 2006.

Government Code § 56425 (i) provides that “When adopting, amending, or updating a sphere of influence for a special district, the commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts.” Government Code § 56050.5 defines a latent service or power as “those services, facilities, functions, or powers authorized by the principal act under which the district is formed, but that are not being exercised, as determined by the commission pursuant to subdivision (i) of Section 56425.” Therefore, once the Commission has established what services are being provided, all other services, functions, and powers become “latent services or powers” by operation of law.

The last time the Commission adopted an SOI and MSR update for the district in 2019, BMKCSD’s activated service powers included Lagoon Maintenance (including marine infrastructure and dredging), Parks & Recreation (Open Space), Flood Protection, Street Lighting, and Landscape Maintenance. Law enforcement, Animal control, solid waste/refuse, wastewater collection, wastewater treatment and disposal, water, housing, code enforcement, library, streets maintenance, stormwater drainage, and electricity/natural gas are primarily provided by other government agencies, contractors, or private entities. This section provides information on the services that the district is currently authorized to provide. The table below presents municipal services provided by the district and associated service providers within the Bel Marin Keys Community Services District.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Table 23 Municipal Services Provided by the District and Associated Service Providers in Bel Marin Keys CSD

Public Service	Responsible Agency Type	Service Provider
Law Enforcement	County	County of Marin
Fire Protection	Special District	NFPD
Emergency Medical	Special District	NFPD
Building/Planning	County	County of Marin
Housing	County	County of Marin
Code Enforcement	County	County of Marin
Animal Control	County	Marin Humane Society
Parks and Recreation	Special District	BMKCSD
Library	County	County of Marin
Landscape Maintenance	Special District	BMKCSD
Lighting	Special District	BMKCSD
Streets/Road Maintenance	County	County of Marin
Solid Waste	Special District	Novato Sanitary District
Stormwater Drainage	County	County of Marin
Water	Special District	North Marin Water District
Wastewater	Special District	Novato Sanitary District
Wastewater Treatment & Disposal	Special District	Novato Sanitary District

Lagoon Maintenance (Including Marin Infrastructure and Maintenance)

The primary service provision of BMKCSD is the maintenance of the community's lagoons, waterways, and the infrastructure supporting them. The lagoon system, spanning approximately 200 acres of man-made waterways, constitutes the aesthetic and functional heart of Bel Marin Keys. Maintenance of this system involves a complex intersection of civil engineering, biological monitoring, and regulatory compliance. The navigational locks and sluice gates represent the

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

most technically complex and expensive components of the district's assets. These systems are essential for regulating water levels within the lagoons, facilitating vessel passage to San Pablo Bay, and protecting the community from storm-driven tidal surges.

The district operates two primary locks⁷⁵ systems: the North Lock and the South Lock. Historically, previous funding measures (Measures E and F) were used to stabilize the South Lock using micro-piles and to install fish screens required by the National Oceanic and Atmospheric Administration (NOAA) to protect local aquatic species. A critical component added during that period was a stop gate at the South Lock, which allows the district to de-water the lock for maintenance without significantly impacting the lagoon's water levels.

In 2021, the district commissioned a Control System Upgrade Study from DST Controls, which provided a roadmap for modernizing the locks' electrical and mechanical systems over a 2-to-5-year period. The North Lock's electrical components, cathodic protection, and switch gears were identified as aging and in need of replacement. By late 2024, the district was forced to engage Rain for Rent for the temporary de-watering of the locks to facilitate emergency inspections and minor repairs, highlighting the fragile state of these systems.

In early 2023, a major engineering debate occurred regarding the North Lagoon sluice gate. Initial assessments suggested that replacing the gate with a modern motorized system would be prohibitively expensive and require years of environmental permitting. The district's Engineering Committee proposed a more practical alternative in the use of stoplogs. Stoplogs are essentially modular barriers that can be manually placed or removed to control water flow and depth. The Board eventually moved forward with the stoplog solution because it was classified as a "maintenance" activity rather than "new construction", which significantly reduced the regulatory burden. In July 2025, the district contracted a diving services agency to verify the precise measurements of the sluice gate structure to ensure that the custom-fabricated stoplogs would fit. This decision ultimately saved the district millions of dollars in potential capital costs while providing a structurally safe and flexible method for water level management.

Recognizing that aging marine infrastructure requires a more robust funding mechanism, the district placed Measure G on the March 5, 2024, ballot. The measure was successfully approved by voters, authorizing a 21-year annual parcel tax of \$1,800 per taxable parcel. This fiscal instrument is estimated to generate approximately \$1.26 million annually, with a 2.5% annual escalator, specifically dedicated to the maintenance, construction, and acquisition of infrastructure, most notably the community's locks and levees.

⁷⁵ A waterway lock is a watertight chamber with gates at both ends that acts as an elevator for boats, allowing them to move between different water levels on canals and rivers.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Dredging is a recurring necessity for Bel Marin Keys to prevent the lagoons and access channels from becoming unnavigable due to siltation. Maintaining the permitted design depth of the lagoons and designated sections of Novato Creek is essential for recreational boat navigation and effective water level control. The regulatory landscape for dredging in the San Francisco Bay is exceptionally stringent, managed by the Dredged Material Management Office (DMMO), which includes representatives from the U.S. Army Corps of Engineers, the Environmental Protection Agency (EPA), and the Regional Water Quality Control Board (RWQCB).

The most significant dredging event during the course of the study window occurred in late 2023. This project focused on the North Lagoon and its associated lock access points. The preparation for this project was extensive. In 2021, site de-vegetation began, and by early 2023, the district was finalizing permits that required a specialized Pond Turtle study conducted by WRA Environmental Consultants. The project faced a very narrow operational window – September 1 to November 30 – due to the environmental restrictions meant to protect nesting birds and migrating fish. Dixon Marine Services successfully completed the operation within this timeframe, however, the project was not without logistical adjustments. Change Order No. 1 eliminated the Novato Creek portion of the dredge, reducing the total contract from \$1,280,970 to \$1,063,328. This decision was made due to the district lacking a current permit for the creek, and chose to wait for a broader hydrological report to partner with other regional agencies.

The district's dredging philosophy has evolved to align with regional sediment management goals. The Long Term Management Strategy (LTMS) for the San Francisco Bay seeks to maximize the "beneficial reuse" of dredged material rather than disposing of it in the deep ocean or in-bay sites. In the context of the Bel Marin Keys Unit V expansion, dredged material is categorized into "cover" and "non-cover" sediment. Cover sediment is suitable for the top three feet of a newly restored marsh, as it is clean enough for ecological receptors to contact, while non-cover (foundation) sediment is suitable for deeper foundation layers three feet below the surface.

The ecological management of the Bel Marin Keys lagoons is a continuous process involving chemical treatment, mechanical aeration, and biological monitoring. The lagoons are susceptible to nutrient loading, which, combined with the warm climate, can lead to aggressive algae blooms and the growth of invasive vegetation like widgeon grass. The district maintains a partnership with LakeTech for routine water quality assessments and treatments. In 2024 and 2025, the community experienced earlier than expected algae blooms, forcing the district's Board to accelerate its treatment schedule. The district utilizes non-toxic treatments which are designed to break down organic matter and suppress algae without harming humans or wildlife. During the summer months, treatments occur monthly and continue through October to manage clarity and odor.

To reduce the reliance on chemical treatments, the district has invested in aeration and circulation systems. The South Lagoon has historically benefited from three diffuser systems



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

that maintain higher dissolved oxygen levels and clearer water. In 2023, the Board authorized a pilot program for the North Lagoon, drawing power from the Community Center to run a new aerator/diffuser system. Following the success of these trials, the district installed Kasco dock circulators on a trial basis in 2025. These units improved water movement at the shoreline and reduced stagnation, which is often the precursor to heavy algae growth. By January, 2026, the district had tasked LakeTech with a comprehensive mapping of the North Lagoon to determine the most effective locations for a permanent, expanded diffuser network.

Flood Protection

Bel Marin Keys is situated in a high-risk flood zone, protected by a network of levees that separate the community from the tidal influence of San Pablo Bay and the seasonal surges of Novato Creek. The district's actions in this sector include both local maintenance and participation in the massive Hamilton-Bel Marin Keys Unit V Wetland Restoration project.

BMKCSD is a primary stakeholder in the Bel Marin Keys Unit V expansion of the Hamilton Wetland Restoration Project, which is a significant undertaking in a joint effort between the California State Coastal Conservancy and the U.S. Army Corps of Engineers. The Unit V project covers approximately 1,600 acres and aims to restore tidal estuarine habitats, including salt marshes and mud flats. The restoration project anticipates using more than 17 million cubic yards of such material to raise subsided land to elevations capable of supporting tidal wetland vegetation. The BMKCSD's internal dredging projects contribute to this regional effort, turning maintenance liability into an environmental asset.

The restoration plan involves levee construction, sediment import, tidal connection, and infrastructure relocation. For the residents of Bel Marin Keys, this project provides a significant benefit by creating a vast buffer of tidal marshland that absorbs wave energy and reduces the flood risk to the community's primary levee system. For the Bel Marin Keys community, the most critical "action" within this project was the construction of a new, two-mile levee designed to safeguard residential areas from flooding and sea-level rise. Phase 1 of the BMK V project, which included the completion of this levee and a 45-acre seasonal wetland area, was finalized in late 2021. The levee, built with 1.4 million cubic yards of engineered fill, is estimated to have a 50-year service life given current sea-level rise projections. As of early 2026, the project is in Phase 2, focusing on tidal restoration and interim management.

The BMKCSD maintains responsibility for existing levee infrastructure not covered by the larger federal project. A significant ongoing action in late 2025 and 2026 has been the procurement of rip rap for South Levee protection. This involves the placement of large stones to armor the levee face against erosion and overflow. In February 2026, the district solicited competitive bids for this work, with estimates ranging from approximately \$242,000 to over \$500,000. The district is also currently negotiating with the State Coastal Conservancy regarding the transfer of

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

ownership of the South Levee to the BMKCSD. This transfer would consolidate local control over flood protection assets but also increase the district's long-term maintenance liabilities.

The district remains an active stakeholder in the management of Novato Creek. The Marin County Flood Control and Water Conservation District (Flood Zone 1) typically removes sediment from the creek every five years to maintain channel capacity. The most recent major sediment removal occurred between July and October 2020, with the sediment being beneficially reused for ecotone levees in the Deer Island Basin. While smaller-scale removals were evaluated and deemed unnecessary in 2023 and 2024, the Flood Control District is currently designing a full-scale sediment removal for 2026. The BMKCSD District Manager has consistently attended the Flood Zone 1 Advisory Board meetings—most recently on February 5, 2026—to ensure the community's interests are represented in these regional hydrologic projects.

Parks, Recreation, and Open Space Maintenance

The BMKCSD manages eight distinct parks—Montego, Caribe North, Hudson, Del Oro, Cavalla, Bahama, Sunset, and Softfall—serving as recreational hubs for the community. These facilities are primarily supported by Measure A, a county-wide sales tax for parks and open space. Over the course of the study window, the district has successfully deployed Measure A funds for a variety of localized upgrades. In 2025, the district completed a mulch application across multiple parks and maintained the outdoor workout stations at Sunset Park. The Sunset Park fitness stations, originally established in 2017, remain a focus of ongoing stewardship.

As of early 2026, the Measure A Committee has prioritized several new infrastructure initiatives:

1. **Bench Program:** Led by resident volunteers Candra Canning and Diann McKowen, this program seeks to replace aging benches with new, high-durability models. The BMKCSD is currently reviewing proposals for this program.
2. **Sidewalk Program:** This initiative targets tripping hazards and asphalt degradation within the park network. Recent actions included the mitigation of two hazards at Bahama East.
3. **Montego Park Enhancements:** Immediate actions approved in February 2026 include the replacement of a dead tree and the purchase of additional swing mats to create a safety platform for the hanging carousel.
4. **Community Garden and Nature Play:** These concepts have been integrated into the district's long-term park master plan for future development.

Recreational services also extend to the maintenance of community facilities. In 2025, the district completed repairs to the Community Center generator to ensure it remains functional as an emergency hub. Furthermore, the district upgraded the Wi-Fi and telephone infrastructure at the district office and Community Center to improve administrative efficiency. Community



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

safety actions have focused on traffic calming. The district has collaborated with the County DPW to narrow Bel Marin Keys Boulevard via painted striping to reduce speeding. The board is also evaluating the installation of road humps near Montego Park and relocated speed radar signs to better influence driver behavior.

FISCAL HEALTH

The sections that follow evaluate the district's fiscal health, inclusive of revenue sources and major expenditure categories.

Annual Audit Findings

Bel Marin Keys Community Services District is required to undergo an annual financial audit, with the results published in an Annual Financial Report, in which the auditors are required to issue a report of whether the financial statements of the district accurately present the financial position of the district. The Annual Financial Reports from the current study window range from Fiscal Year Ending (FYE) June 30, 2021, to FYE June 30, 2024. These reports did not present any findings and each stated, "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America."

Between 2024 and 2026, the district engaged in a major administrative undertaking in the remediation of backlogged financial audits. The District Manager performed extensive research into missing documents from FYs 2023 and 2024, using bank records to reconstruct the district's financial history for the auditor. As of February 2026, the FY 2022-23 and 2023-24 audits have been completed and approved. To ensure future consistency, the district has contracted with RBA Bookkeeping to prevent further knowledge gaps, and with O'Connor & Company CPA for the FY 2024-25 audit, with work scheduled to commence in April 2026.

The table below shows the actual historical General Fund revenues and expenditures from FY 2021-22 through FY 2023-24.

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Table 24 Historical General Fund Revenues and Expenditures by Fiscal Year

	FY 2021-22	FY 2022-23	FY 2023-24
Actual Revenues Governmental Funds			
Taxes	\$1,667,040	\$1,237,773	\$1,278,902
Investment Earnings	\$1,489	\$16,829	\$90,502
Charges for Services	\$6,750	\$20,191	\$17,702
Total Revenues	\$1,675,279	\$1,274,793	\$1,387,106
Actual Expenditures			
Salaries and Benefits	\$146,856	\$138,469	\$202,129
Services and Supplies	\$538,734	\$513,527	\$525,849
Capital Outlay	\$169,531	\$80,668	\$1,121,198
Debt Service	\$658,336	\$321,994	-
Total Expenditures	\$1,513,457	\$1,054,658	\$1,849,176
Surplus/(Deficit)	\$161,822	\$220,135	(\$462,070)

During the course of the study window, the district's governmental funds averaged approximately \$26,704 in excess expenditures over revenues (significantly driven by planned one-time capital outlay expenses), and the district's net position grew to \$8.08 million. The most significant anomaly during the review period was the sunseting of Measures E and F funds (as well as their capital debt service requirements) in 2023. While the large capital outlay expenditure in 2024 may seem anomalous in comparison to the prior two years, the final figure was actually \$396,302 less than what the district budgeted for the year, showing that the district had planned for significant capital expenditures during that year.

Operating Revenues

On average, during the course of the study window, tax revenues made up approximately 98% of General Fund revenues, inclusive of property tax and Educational Revenue Augmentation Fund (ERAF) tax, and Measures A, D, E, and F funds. In 2024, the voters of the district approved Measure G, which adds an additional \$1,800 per year parcel tax following the depletion of the bond measure funds from Measures E and F. While Measure D parcel taxes continue to provide funding, those funds are restricted to marine infrastructure maintenance, not improvements.



NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Measure G expands the option to cover that gap as the district estimates needing approximately \$31.5 million in infrastructure improvement projects over the next 20 years.

Operating Expenditures

The district's largest expenditure category is services and supplies, which includes costs associated with maintaining marine-based infrastructure, at approximately 41% of all budgeted expenditures⁷⁶. Having retired both of the large bonds the district was paying on, the district's personnel costs and capital outlay are the only other significant annual expenditures.

PERFORMANCE STANDARDS

Marin LAFCo utilized four different methodologies to evaluate the Bel Marin Keys Community Services District's fiscal performance. The four approaches to evaluating performance include a review of reserve fund balances, pensions/other post-employment benefits (OPEB), debt ratio, and evaluation of revenue and expenditure trends (seen above). The methodologies and findings are outlined below.

Reserve Fund Balance

The district maintains robust fund balances, primarily within its General Fund and special revenue funds. The unrestricted/unassigned balance in 2022 was \$1,294,554. By FYE 2024, the total governmental fund balance was \$3,443,478, of which \$2,543,969 was unassigned. This expansion in unrestricted cushion offers the district considerable flexibility to absorb unforeseen shocks. Many local governments set a policy target of 20–50% of annual operating expenditures; BMKCSD's actual ratio by that definition is well above typical minimums, indicating reserves sufficient for well over half a year (and likely close to a full year) of operations.

Pension and OPEB Obligations

Unlike many California public agencies, the district does not carry a massive unfunded liability for pensions or other post-employment benefits (OPEB). The district provides a SIMPLE IRA plan rather than a traditional defined benefit pension like CalPERS. As a SIMPLE IRA is a defined-contribution, it is effectively 100% funded by definition, so the district has no "unfunded" liability for future retirees beyond its annual contributions. In FY 2024, the district's contribution was \$2,217.

Debt Ratio

The debt ratio is a fundamental financial metric that measures the proportion of an agency's assets that are financed through debt, calculated by dividing total liabilities by total assets. This

⁷⁶ This annual percentage would be significantly higher if not for significant Capital Outlay costs in FY 2024 and high debt service payments in FY 2022 swaying the average percentages.

ratio reveals the extent to which a local government relies on borrowed funds versus owned resources, providing critical insights into its financial structure and overall fiscal health. For special districts, maintaining appropriate debt levels is essential as excessive debt can constrain future financial flexibility and potentially lead to fiscal stress or even bankruptcy.

Unlike the pension funded ratio, which specifically measures the percentage of pension liabilities covered by pension assets, the debt ratio offers a broader perspective on an agency's overall financial position by examining its entire liability structure relative to its asset base. The debt ratio serves as one of several critical indicators that collectively portray an agency's fiscal condition. The following aspects are typically considered when evaluating public agency financial health in relation to debt ratio:

1. Short-term Financial Stability

The debt ratio helps assess an agency's ability to meet immediate financial obligations by indicating the level of leverage in its capital structure. A lower debt ratio suggests greater financial flexibility and capacity to address short-term needs without additional borrowing.

2. Long-term Fiscal Sustainability

By examining the relationship between debt and assets, the ratio provides insights into an agency's long-term financial trajectory and its ability to sustain service levels while meeting future obligations. Agencies with lower debt ratios generally have more capacity to invest in infrastructure and respond to emerging community needs.

3. Financial Flexibility and Resilience

The debt ratio directly impacts an agency's financial flexibility—its ability to respond to economic downturns, emergencies, or changing service demands. An agency with a high debt ratio has less "fiscal space" to maneuver during challenging times, as more of its revenue must be dedicated to debt service rather than operational needs or new initiatives.

BMKCS D's debt ratio has moved from moderately leveraged but well-managed to effectively debt-free. As of June 30, 2024, the district had a debt ratio of less than 1%. In FY 2021, total liabilities were approximately \$1.09 million against \$6.47 million in assets (approximately 17% leverage, or 6:1 assets/liabilities). Most of that was the Bank of Marin Measure E/F loans plus a small PG&E streetlight loan. By FY 2022, total liabilities dropped to about \$368,000 versus \$6.42 million in assets (about 6% leverage) as they paid down roughly \$619,000 of principal that year alone. At the start of FY 2023, long-term obligations totaled approximately \$318,000. During the course of the year, they paid off 100% of that remaining principal, retiring the Measure E and F loans. At this stage, the district's liabilities are just routine payables and small compensated absences. As of FY 2024, the district remained debt-free with no long-term debt

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

line and only approximately \$37,000 of current liabilities against approximately \$8 million in assets.

DETERMINATIONS

Service Review Determinations per Government Code Section 56430

As set forth in Section 56430(a) of the CKH Act, “In order to prepare and to update the SOI in accordance with Section 56425, the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the Commission. The Commission shall include in the area designated for a service review the county, the region, the sub-region, or any other geographic area as is appropriate for analysis of the service or services to be reviewed and shall prepare a written statement of its determinations with respect to each of the following.” Pursuant to Government Code Section 56430, the requisite CKH determinations for this municipal service review for the Bel Marin Keys Community Services District are presented below:

1) Growth and population projections for the affected area

- a. The Bel Marin Keys Community Services District serves an estimated population of 1,564 as of 2026, reflecting modest growth from 1,530 residents recorded in the 2010 Census. Annual population growth since 2010 has averaged approximately 0.14%, a rate modestly above Marin County's countywide average of 0.056% over the same period.
- b. Marin LAFCo determines that, given the fully built-out condition of the district's service area and the absence of identified RHNA development sites within or immediately contiguous to the boundary, population growth within the district will remain minimal and incremental. The district's current service infrastructure and staffing levels are commensurate with the stable, low-growth demographic profile of the community. No significant expansion of services or infrastructure to accommodate new development demands is anticipated within the next five-year period.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

- a. Pursuant to Government Code Section 56033.5, disadvantaged unincorporated communities (DUCs) are inhabited territories containing 12 or more registered voters where the annual median household income (MHI) is less than 80 percent of the statewide annual MHI. According to the California Department of Housing and Community Development, the statewide MHI in California in 2025 is \$118,100, establishing the DUC threshold at \$94,480.
- b. The estimated median household income for the BMKCSD service area is \$167,039, which significantly exceeds both the statewide median household income of \$118,100

and the DUC income threshold of \$94,480. The district's MHI is also higher than the Marin County median household income of \$142,785.

- c. Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the sphere of influence of the Bel Marin Keys Community Services District at this time. This determination is consistent with the demographic and socioeconomic profile of the Bel Marin Keys community, which is an affluent residential waterfront enclave with high property values and household incomes well above state and county averages. No DUC-related infrastructure deficiencies have been identified within the study area.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

- a. Lagoon Maintenance (including marine infrastructure and dredging) | Bel Marin Keys CSD is authorized to provide lagoon maintenance service as it is described in Government Code section 61100(a). With the recent passage of Measure G specifically for marine infrastructure improvements, and the continuation of Measure D to help cover infrastructure maintenance, Marin LAFCo determines the district has the capacity to continue to provide this service at or above the current level for the foreseeable future.
- b. Parks and Recreation | Bel Marin Keys CSD is authorized to provide parks and recreation services as it is described in Government Code section 61100(e). Bel Marin Keys CSD manages eight small parks as well as the main community center. The recent (2022) extension of Measure A funding, which is the primary funding source for the district's parks and recreation activities, provides the district with the means to continue this service provision. Marin LAFCo determines that Bel Marin Keys CSD has the capability and capacity to continue providing parks and recreation services within its boundaries at the current service levels.
- c. Street Lighting | Bel Marin Keys CSD is authorized to provide street lighting service as it is described in Government Code section 61100(g). Marin LAFCo determines that Bel Marin Keys CSD has the capability and capacity to continue providing street lighting services within its boundaries at the current service levels.
- d. Landscape Maintenance | Bel Marin Keys CSD is authorized to provide landscape maintenance service as it is described in Government Code section 61100(g). The district has historically provided this service by way of contract with an outside agency. The district issued a request for qualifications (RFQ) for the service in May of 2025 for a new three-year service term. As of the writing of this study, the specific recipient of that updated contract has not been named in a subsequent public meeting of record. Marin

LAFCo determines that Bel Marin Keys CSD has the capability and capacity to continue providing landscape maintenance services within its boundaries at the current service levels.

- e. Flood Protection | Bel Marin Keys CSD is authorized to provide flood protection services as it is described in Government Code section 61100(g). Bel Marin Keys is situated in a high-risk flood zone, protected by a network of levees that separate the community from the tidal influence of San Pablo Bay and the seasonal surges of Novato Creek. The district's actions in this sector include local maintenance, collaboration with the Marin County Flood Control and Water Conservation District's Flood Zone 1, and participation in the massive Hamilton-Bel Marin Keys Unit V Wetland Restoration project. Marin LAFCo determines that Bel Marin Keys CSD has the capability and capacity to continue providing flood protection services within its boundaries at the current service levels.

4) Financial ability of agencies to provide services

- a. BMKCSO has received clean, unqualified audit opinions for all audited fiscal years within the study window (FYE June 30, 2021 through FYE June 30, 2024). Each Annual Financial Report stated that the financial statements "present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District...in accordance with accounting principles generally accepted in the United States of America." While the district experienced administrative delays in completing the FY 2022-23 and 2023-24 audits, both have now been completed and approved as of February 2026, and the district has taken corrective action by engaging RBA Bookkeeping for ongoing financial management and O'Connor & Company CPA for the FY 2024-25 audit.
- b. Tax revenues constitute approximately 98% of General Fund revenues, inclusive of property tax, ERAF allocations, and voter-approved parcel tax measures (Measures A, D, G). The district's revenue base is stable and anchored primarily in property values within a high-income community, providing strong ongoing financial predictability. The voter approval of Measure G in March 2024—a 21-year parcel tax of \$1,800 per taxable parcel generating approximately \$1.26 million annually with a 2.5% annual escalator—represents a significant proactive step to address the estimated \$31.5 million in long-term infrastructure improvement needs over the next 20 years.
- c. The district's total governmental fund balance grew to \$3,443,478 by FYE 2024, of which \$2,543,969 is unassigned. This level of unrestricted reserves significantly exceeds the standard public agency policy target of 20–50% of annual operating expenditures, indicating reserves sufficient for well over half a year—and likely approaching a full

year—of operations. This reserve position provides the district substantial capacity to absorb unforeseen financial shocks or emergency capital expenditures.

- d. Marin LAFCo determines that BMKCSD is in sound financial condition and has demonstrated the ability to provide its authorized services on a financially sustainable basis. The district's debt-free balance sheet, robust and growing unrestricted fund reserves, absence of pension liabilities, and a new dedicated infrastructure parcel tax collectively reflect strong fiscal management. The district has the financial capacity to meet its current operational obligations and to fund a multi-decade capital improvement program for its marine and flood protection infrastructure.

5) Status of and, opportunities for, shared facilities.

- a. The Bel Marin Keys Community Services District does not maintain any standing contracts for the provision of services outside its jurisdictional boundaries, and no other agencies have current agreements to provide services through BMKCSD. Government Code Sections 56133 and 56134 set forth LAFCo's oversight role for out-of-agency services, and the district is in compliance with these provisions.
- b. The district participates in meaningful regional collaboration with respect to its specialized services. BMKCSD's dredging program is coordinated with the Long Term Management Strategy (LTMS) for San Francisco Bay, with dredged material from the lagoons being categorized and beneficially reused as "cover" or "non-cover" sediment in the Bel Marin Keys Unit V wetland restoration project. This approach converts a recurring local maintenance obligation into a regional environmental asset and avoids deep-ocean disposal costs.
- c. The district actively participates in the Marin County Flood Control and Water Conservation District (Flood Zone 1) Advisory Board, coordinating on Novato Creek sediment management that has direct implications for BMKCSD's flood protection mission. This collaborative relationship avoids duplicative independent action and leverages the Flood Control District's technical and financial resources for shared hydrological benefit.
- d. Marin LAFCo determines that the distinction between BMKCSD services and those provided by other public agencies within the service area is clear and well-coordinated. The district's active participation in regional wetland restoration and creek management initiatives demonstrates a constructive approach to shared facilities and collaborative service delivery. No significant opportunities for facility sharing or consolidation have been identified that would meaningfully enhance service efficiency within the current study period.

6) Accountability for community service needs, including governmental structure and operational efficiencies

- a. Bel Marin Keys CSD is governed by a five-member Board of Directors that is elected to four-year terms. Regularly scheduled monthly Board meetings are held, and all meetings are open to the public and are publicly noticed a minimum of 72 hours prior to the meeting in accordance with the Brown Act.
- b. Bel Marin Keys CSD maintains an up-to-date website that contains district information, documents, and updates. The district has recently undertaken a complete overhaul of its website/online presence, and hopes to launch the updated website in the spring of 2026.
- c. Bel Marin Keys CSD has demonstrated accountability and transparency in its disclosure of information and cooperation during the process of this municipal service review. The district cooperated in a timely manner with all document requests and staff questions.
- d. Marin LAFCo determines that BMKCSD is accountable to its community and provides appropriate governance oversight for the services it delivers. The district's governing structure is appropriate for the scale and nature of its service obligations. The website deficiencies identified should be corrected promptly to achieve full compliance with state transparency requirements. Subject to those corrections, the district demonstrates a commitment to public accountability, open governance, and financial integrity that is consistent with the standards expected of an independent special district.

7) Any other matter related to effective or efficient service delivery

- a. BMKCSD provides a unique and highly specialized suite of services—namely the maintenance of a 200-acre man-made lagoon system and associated marine infrastructure—that has no equivalent in the broader regional governmental landscape. This specialized mission makes the district essentially irreplaceable as a standalone governance entity, as no adjacent agency possesses the technical expertise, jurisdictional standing, or appropriate governance structure to assume these responsibilities.
- b. The district's activated service powers are consistent with those established at the last Commission SOI and MSR update in 2019. No changes to the district's authorized service powers are proposed at this time. All services not listed above—including law enforcement, fire and emergency medical services, building and planning, water supply, wastewater, solid waste, and stormwater drainage—remain latent powers or are expressly provided by other agencies. During the course of this study, district staff expressed to Marin LAFCo that there has been a difference of opinion between the district and the County of Marin as to which agency bears responsibility for storm

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

drainage management within the district's jurisdictional boundary. As storm drainage is not now and has never been one of the service powers that Marin LAFCo has ever recognized as being active for the district, it cannot be bound to the provision of that service without formally requesting it to be activated by Marin LAFCo. As such, the duty of storm drainage service provision defaults to the County of Marin.

- c. The negotiation currently underway between the district and the State Coastal Conservancy regarding the potential transfer of ownership of the South Levee represents a significant structural matter for future governance efficiency. If completed, this transfer would consolidate flood protection asset ownership under BMKCSD, eliminating ambiguity about maintenance responsibility, but would correspondingly increase the district's long-term capital liability. Marin LAFCo recommends that this transfer be accompanied by a thorough fiscal analysis to ensure Measure G revenues and reserves are sufficient to fund both South Levee maintenance and the district's existing North Lock modernization program over the relevant planning horizon.
- d. Marin LAFCo determines that there are no additional governance or service delivery matters that would require Commission action at this time beyond those addressed in the preceding determinations. The district's operational model—combining a small permanent staff with specialized contractors operating under board direction—is well-suited to the technical demands and scale of its service portfolio.

Sphere of Influence Determinations per Government Code Section 56425

In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development of local governmental agencies to advantageously provide for the present and future needs of the county and its communities, the Commission shall develop and determine the sphere of influence of each local agency, as defined by Government Code section 56036, and enact policies designed to promote the logical and orderly development of areas within the sphere. In determining the sphere of influence of each local agency, the Commission shall consider and prepare a written statement of its determinations with respect to the following:

1) Present and planned land uses in the area, including agricultural and open space lands

- a. Land use within the BMKCSD jurisdictional boundary is governed by the Marin Countywide Plan and the Marin County Housing Element. Approximately 45% of district lands are designated residential single-family; approximately 35% are designated waterways and open anchorage; approximately 15% are designated open space and agricultural; and the remaining area is designated for public facilities and parks. This land use pattern reflects the district's character as a planned, water-oriented residential community. The district's land area is fully built out with respect to residential

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

development. The Marin County 2023–2031 Housing Element identified no RHNA development sites within or contiguous to the BMKCSD boundary.

- b. Marin LAFCo determines that present and planned land uses within the BMKCSD sphere of influence are stable and consistent with the district's current service capacity. The fully built-out, single-family residential and waterway character of the service area does not present land use pressures that would require expansion of the sphere of influence or changes to authorized services. The sphere of influence boundary is appropriate for the existing and planned land uses within the area.

2) Present and probable need for public facilities and services in the area

- a. The Bel Marin Keys community has a present and ongoing need for the specialized suite of services provided by BMKCSD, particularly lagoon maintenance, marine infrastructure management, and flood protection. These services are essential to the safety, habitability, and property value of all 764 residential parcels within the district, and no other governmental entity is positioned to provide them.
- b. The most pressing near-term service needs are concentrated in the district's marine infrastructure—specifically the modernization of the North Lock electrical and mechanical systems, ongoing dredging to maintain navigable depths, and the armoring of the South Levee with rip rap. These needs are anticipated in the district's capital planning and are being funded through Measure G.
- c. The probable long-term need for flood protection infrastructure maintenance is significant and will intensify as sea-level rise projections materialize over the 50-year service life of the new BMK Unit V levee completed in 2021. The district's engagement in the Hamilton–Bel Marin Keys Unit V Phase 2 tidal restoration work is expected to provide ongoing flood buffer benefits that reduce demand on the community's primary levee system.
- d. No new or expanded public facilities or services are needed beyond the district's current and authorized service portfolio to serve the existing fully built-out community. The need for public facilities and services within the sphere is well-matched to the district's current service capacity and financial resources.
- e. Marin LAFCo determines that there is a stable and ongoing need for the public facilities and services provided by BMKCSD within its existing sphere of influence. The district's services are uniquely suited to the needs of this waterfront community, and the service demand profile is expected to remain consistent with the current level of service delivery for

the foreseeable future, with incremental increases in capital infrastructure maintenance requirements as existing systems age.

3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

- a. BMKCSD's lagoon and marine infrastructure systems are functionally operational and providing essential services to the community. However, the North Lock's aging electrical components and the pending South Levee rip rap project represent known capacity constraints and deficiencies that require near-term capital investment. The district has proactively identified these needs, secured voter-approved dedicated funding through Measure G, and engaged qualified engineers and contractors to address them.
- b. The district's water quality management program for the lagoons is active and responsive. Recurring algae blooms in 2024 and 2025 prompted accelerated treatment schedules, and the district's investment in aeration and circulation infrastructure is reducing reliance on chemical interventions. The commissioning of a comprehensive North Lagoon diffuser network mapping study in January 2026 represents a forward-looking approach to long-term ecological service adequacy.
- c. Flood protection services are adequate for the present risk environment, bolstered significantly by the completion of the Phase 1 BMK Unit V levee in 2021. The district's continued engagement in Novato Creek sediment management and South Levee maintenance supports service adequacy. The district's ongoing negotiations regarding South Levee ownership transfer will determine the scope of future direct maintenance obligations.
- d. Parks, recreation, street lighting, and landscape maintenance services are presently adequate to meet community needs. Active capital improvement programs funded through Measure A ensure that aging park amenities are systematically maintained and upgraded.
- e. Marin LAFCo determines that BMKCSD has the present capacity to adequately provide its authorized services within the existing sphere of influence. While certain marine infrastructure components are aging, the district has demonstrated the fiscal means, technical expertise, and operational planning needed to address these deficiencies in a timely manner. No service gaps exist that would warrant immediate structural changes to the district's governance or service delivery model.

4) Existence of any social or economic communities of interest in the area, if the Commission determines that they are relevant to the agency.

- a. Marin LAFCo determines that there are no social or economic communities of interest within or contiguous to the BMKCSD sphere of influence that are relevant to the

NOVATO AREA

MSR & SPHERE OF INFLUENCE STUDY

Commission's sphere of influence determination at this time. The existing sphere of influence boundary appropriately reflects the unified, self-contained nature of the Bel Marin Keys residential community.

5) Present and probable need for public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

a. Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the BMKCSD sphere of influence, and therefore, no present or probable need for DUC-targeted public facilities or services exists within the sphere. This determination is consistent with the high median household income and fully served, incorporated-adjacent character of the Bel Marin Keys community.

Novato Area Draft MSR Comments Received and Responses

Date	Name	Title	Affiliation	Comment	Responses
30-Mar-26	Erik Brown	Deputy General Manager	NSD	Pg. 75-76: Language edit surrounding OPEB funding.	Updates made to document.
				Pg. 83: Remove 6) b. relating to NFPD	Updates made to document.
9-Apr-26	Barbara Coler	Commission Chair	LAFCo	With the removal of the more robust historical sections on all agencies, provide link to older MSRs that contain this information for anyone who wants additional historical context.	Link added to the "Overview" section found on page 11.
14-May-26	P+A1	Assistant City Manager	City of Novato	General Comment #1: Several sections of the MSR would benefit from further coordination with City staff to ensure accuracy, consistency with adopted City policies and plans, and current information regarding land use, housing, growth management, and sphere boundary considerations.	Marin LAFCo staff make a concerted effort to always make the MSR process as open and collaborative as possible with every agency that is reviewed, as evidenced by comments from agencies in the past. From the very first preliminary meeting that we hold with each agency prior to beginning each MSR, staff explicitly state our desire for there to be no surprises during the process and to make every effort to be open and communicative throughout. While Marin LAFCo staff appreciates the verbalization from City staff expressing the desire for "further coordination", Marin LAFCo staff feels compelled to point out that while most agencies take between 30-45 days to respond, it took City staff 114 days to respond to the preliminary questionnaire they were given after the initial meeting was held, which consisted of four high-level questions and ten specific data point requests. Additionally, City staff were provided with an administrative draft of their Agency Profile (as is the courtesy extended to every agency that is reviewed in an effort to ensure the highest possible level of statistical accuracy) and were given nearly four weeks to review the draft and submit any critical feedback or questions to Marin LAFCo staff prior to the release of the full public draft. City staff chose not to respond to the administrative draft in any fashion.
				General Comment #2: Throughout the MSR, tables, figures, etc. should identify source material, particularly for demographic, financial, housing, zoning, or land use data.	Marin LAFCo staff are always welcoming of any constructive criticism that might lend itself to improving the manner in which we continue to produce these studies, and will endeavor to bolster the source citations that we provide in our documents moving forward. While numerous citations are provided throughout the document (including within the City's Agency Profile section), for the time being, staff have added the 4 citations to each of the relevant tables within the City's agency profile that they identified as being of added significance.
				General Comment #3: The cover image and other graphics should reflect actual locations in Novato, to the extent possible.	As the study encompasses the greater Novato region, and not solely the City of Novato, the intention of the cover illustration was to present the general character of the area as a whole, as opposed to a single specific location. Marin LAFCo staff believes the image that is currently included accomplishes this goal with the loose representation of Mount Burdell behind the rural/suburban streetscape that one might experience throughout this area.

Section Comments #1 - Sphere of Influence/Urban Growth Boundary: "The MSR states that the City's Urban Growth Boundary (UGB) is coterminous with the City limits. This is inaccurate. Although the UGB was coterminous with the City's urban limit line when initially adopted in 1997, the UGB has since been amended to include the following areas, which are outside City limits. As a result, there are locations where the UGB extends beyond City limits. The City recommends that Marin LAFCo coordinate with City staff to obtain updated mapping and boundary information to accurately reflect the relationship between the city limits and the UGB. All references to the UGB and associated sphere recommendations in the MSR should be revised in accordance with the above.	Marin LAFCo staff strives to ensure that information provided in any public document is accurate, and, in line with this directive, specifically requested a GIS shapefile from City staff of the most current iteration of the UGB. LAFCo Staff used the shapefile provided by City staff in order to compare it against the current shapefile of the City's jurisdictional boundary. The two boundaries appeared to be fully coterminous upon the initial inspection. Upon receiving the City's comments, Marin LAFCo staff reexamined the shapefiles and found two small single-parcel variances in the separate boundaries. Neither of these parcels, however, were near or of any relation to the four areas specified by the City. Marin LAFCo staff has requested that City staff review the two shapefiles in order for both agencies to be able to provide a clear and accurate picture of the two boundaries. Any mentions of the jurisdictional boundary and UGB being coterminous within the document have been edited, and the sphere recommendations have been changed to amending the sphere to be coterminous with just the UGB, as opposed to aligning with both the UGB and the jurisdictional boundary. As of the release of this meeting packet (June 5, 2026), Marin LAFCo staff continues to coordinate with City of Novato staff to identify any mapping adjustments that might be required moving forward to either boundary.
Section Comments #2 - Proposed Sphere of Influence Reduction: "The MSR should observe the effect of shrinking the City's sphere of influence with respect to single district annexations and application of LAFCo's dual annexation policy. The proposed sphere change effectively removes the City from having an advisory role in single district annexations and eliminates the potential for dual annexation."	Marin LAFCo staff understands the concerns raised by the City of Novato on this matter. Applications that have come before LAFCo in these areas, at least since the current staff has been working here, have been met with letters from the City stating they cannot provide services to the parcel because it is outside the Urban Growth Boundary (UGB). This has shown the inability of the dual annexation policy to work outside of the current UGB, which is in part why staff is recommending changing the SOI to the UGB. LAFCo staff does want to point out that it has sent applications to the City when the property in question is within one of the LAFCo-recognized unincorporated islands but outside of the City's SOI, and has no plans to change this practice, so we will continue to do so even if the SOI is reduced to cover just the areas in the UGB.
Section Comments #3 - Present and Planned Land Use Section: The "Present and Planned Land Use" section starting on page 25 should be revised. As drafted, the section confuses zoning and land use terminology, contains inaccuracies regarding the Housing Element, and should be updated to reflect current information regarding land use and housing. The MSR should consistently distinguish between General Plan land use designations, zoning districts, Planned District (PD) zoning, and overlay districts. Several portions of the MSR use these terms interchangeably, creating potential confusion regarding the City's land use framework.	This section has been revised to clarify and use consistently the City of Novato's land use terminology. In Novato, General Plan land use designations are established in the City's General Plan and shown on the General Plan Land Use Map. These designations express the policy level intent for the type and intensity of development (for example, various residential, commercial, industrial, mixed use, and open space categories). In contrast, zoning districts, including the Planned District (PD) zoning classification and applicable overlay districts, are regulatory tools in the zoning ordinance that implement the General Plan by establishing parcel level development standards and allowable uses. Within this framework, Planned District (PD) is properly understood as a zoning district, not a General Plan land use designation. PD zoning is applied to properties that carry one of the City's General Plan land use designations, and is used to allow master planned or highly tailored development subject to adoption of a Master Plan and Precise Development Plan. References in the earlier version of this MSR text to "Planned District" as a land use designation have therefore been edited to clarify as referring to areas of the City that are designated PD. Even with this clarification, the distribution of PD zoning across Novato remains a notable feature of the City's land use implementation. The City is one of 5 municipalities in Marin County that utilizes the PD designation, and, amongst those 5, the City utilizes this designation 3 times more than the next highest usage rate (City of San Rafael, 16.5% of total lands). A substantial share of the City's land area (approximately 46%) is regulated through the PD zoning district rather than a conventional "by right" zoning. This reliance on PD zoning means that, for many sites, the details of allowed development are determined through project or area-specific planning actions under PD rather than being fully specified in the base zoning standards. From a service and governance perspective, this has implications for the predictability of future development patterns, the timing and certainty of housing production, and the City's administrative workload, because significant development potential may depend on future discretionary approvals under PD zoning. This reflects the City's unique development history as a city built primarily through large-scale master planned subdivisions rather than parcel-by-parcel conventional zoning.

					With respect to the Housing Element, this MSR uses the corrected terminology described above and updates references to reflect the current Housing Element and associated General Plan and zoning actions. Where the Housing Element or its implementation relies on sites designated PD to meet housing needs, this MSR notes that those sites’ development capacity is influenced not only by their General Plan land use designation but also by the presence of PD zoning and any required subsequent planning approvals. The MSR’s analysis and findings focus on how this structure of designations, zoning districts, PD zoning, and overlays affects the City’s ability to accommodate planned growth and deliver municipal services efficiently.
				Section Comments #4 - Technical, Data, and Formatting Corrections: The City requests a comprehensive review of the City of Novato portion of the MSR to ensure consistency and accuracy throughout the document, including: verification of narrative statements referencing staffing, demographics, housing, finances, operations, and planning information with current data; inclusion of source citations where feasible; indentification of underlying data sources for tables and figures; consistency in terminology and formatting; accuracy of table and figure references; and correction of typographical and formatting issues throughout the document.	Marin LAFCo staff has reviewed the page-specific comments that City staff have provided and, outside of comments requesting sourcing for data in certain tables, references to the possible confusion surrounding the references to Planned District, and the discrepancy surrounding the UGB and jurisdictional boundary, the City offers no specific areas that it wishes to see edited. Marin LAFCo staff have worked to make corrections to specific instances that are cited by City staff.

Staff currently working on			
Possible Consolidation of Ross Valley Sanitary District (RVSD), Sanitary District 2 (SD2), San Rafael Sanitation District. (SRSD) into one district	Jason	LAFCo has mentioned in previous MSR that the three members of the Central Marin Sanitary Agency (CMSA) should consolidate into one larger agency. Last year, the staff of the three agencies started discussing what that could look like, asking LAFCo staff some questions. This year, LAFCo staff were asked to join a meeting on this. The conclusion of that meeting is that staff for each agency will take to their respective agency boards in April a resolution in support of such a concept.	All agencies involved have passed resolutions requesting LAFCo take a lead role in the possible consolidation. Staff is currently working with the agencies to create a shared cost agreement and understanding of responsibilities. Staff is looking to bring to the Commission at a future meeting items for its review and approval.
Novato Area MSR	Jeren	Novato Area Municipal Service Review	Public comment closed on the draft on May 15th, and the final draft is being presented at today's meeting.
	Jeren	BMKCSD website requirements follow up.	Staff at BMKCSD have made assurances to LAFCo staff that upon the launch of the district's updated website, all missing state requirements will be taken care of. Marin LAFCo staff will make periodic checks for this update until resolved.
Countywide Fire Study	Claire	Perform a phased review of fire services in Marin County.	The Marin County Fire Services draft has been updated to incorporate commissioner comments and additions. It was presented on today's agenda and has been released for public comment.
Parcel Boundary Adjustment Tracking	Jeren	In collaboration with the GIS team for the County of Marin, staff is working to track each of the adjustments to parcel boundaries within the County over the course of the next year that impact the boundaries of agencies that Marin LAFCo oversees in order to both confirm that the impacted agencies are aware as well as to garner a better understand of how prevalent these occurrences	Project is ongoing and is updated on a monthly basis.
Split Parcel Project	Jeren/Claire	Following the completion of the GIS topology project, the County GIS staff provided LAFCo staff with 104 instances of split parcels along boundaries of agencies that Marin LAFCo oversees. Staff will now work with the agencies to ensure boundaries are corrected or confirm that they are correct as currently shown.	This project has a lower priority and will be worked on as time permits.
Property Tax Review For Special Districts	Jason/Claire	This is a low-level item for staff to work on. Currently, when parcels are annexed into a district, they get zero of the current ad valorem, so staff will research if there are options, without changing the Master Tax Exchange Agreement, for the district to get additional revenue to cover the cost of service that they get from current parcels from the 1% ad valorem.	This has been a low priority item. Staff will work to complete once fire study is done.
Boundary Fixes	Jason/Claire	Staff has been worked with SD2 earlier this year on a boundary clean-up and presentation to the Marin Sanitary District Association (MSDA) on May 19th around cleaning up shared boundaries of districts along with any internal boundary discrepancies.	Recently, SRSD reached out expressing interest in participating in a boundary clean-up. Staff has met with SRSD reviewed initial steps as well as located parcels needing to be addressed, parcels already formally annexed but not reflected, as well as pulled and reviewed their foreign parcel list. Staff will update this workplan as the process progresses.

Digital Library	Claire	Streamline launched an automatic remediation “plug-in” that we have opted into as we move away from Equidox and manual remediation.	Our website is now compliant with existing web documents. The initial archival upload phase for applications has been completed. Applications from 2023 dating back to 2000 are now on the website.
Strawberry Recreation District (SRD) Reorganization of Dredging Services	Jason	Staff identified in Tiburon Peninsula MSR that SRD has dredging services that are an activity that State Government Code does not explicitly give to a recreation district. SRD and the County, with LAFCo help, are working to see if a County Service Area (CSA) can be created to cover those services.	Staff has meet with the district and volunteer leaders who work on the dredging issue. Since the County has said they have no interest in creating a new CSA they are looking at various independent district options. Staff has provided them a couple of options to look at and the volunteers are reviewing those options to see what makes the most sense for them.
Tiburon Fire Protection District (TFPD) OSA with Belvedere	Jason	As identified in the Tiburon Peninsula MSR, the City of Belvedere currently has an OSA with the TFPD to cover services. In the MSR staff suggests that TFPD boundaries should be extended to cover Belvedere.	Some issues have arisen as Citygate has been doing its review. The report itself has been put on hold as all sides review items to see if a possible annexation is possible.
Las Gallinas Valley Sanitary District (LGVSD) OSA Review	Jason/Jeren	As identified in the Central Marin Wastewater MSR, LGVSD staff has informed LAFCo staff of service being provided to parcels outside of the District's boundary. The District claims to have outside service agreements with the parcel owners, however, at this time LAFCo has no official record of the agreements and needs to collect further information and documentation	Staff has contacted LGVSD staff regarding the necessitated information/documentation and is waiting on a response.
San Quentin Village Sewer Maintenance District (SQVSMD) consolidation with RVSD	Jason/Claire	Based on the Central Marin Wastewater MSR, work with district staff on the possibility of consolidating services with RVSD.	On April 22, 2026 RVSD board authorized staff to resume discussions with the County and LAFCo on this item.
Items being monitored by LAFCo staff but not currently working on or Items waiting for something else to occur first			
North Marin Water District (NMWD) OSA Review	Jason	NMWD, back in the late 1970s through the 1980s, requested and received approval for Out of Service Agreements for several parcels in Sonoma County that were too far removed from the NMWD boundary to be annexed into the district, so LAFCo gave approval for OSAs to NMWD to service the properties since the main water line that brings water to the district passed by these parcels. Since then, the City of Petaluma water system has expanded and is now near some of these parcels. NMWD and Marin LAFCo want to see if, given the expansion of the Petaluma system since these approvals were given, it makes more sense now for the City to take on some of these customers.	Staff and NMWD have met last year with the City of Petaluma staff. In January, staff reached back out to the City, which requested more time to review the Urban Growth Boundary issues and whether they can serve any of the parcels in question.
Ross Valley Fire	Jason	As identified in the Upper Ross Valley MSR currently fire services are provided by a JPA in the region. There is a desire to see if there is a different model that would work for the area.	Staff presented at the November meeting of the fire board. Staff will assist as requested in the future.
Flood Zone 10	Jason	When doing the West Marin MSR it was noted that FZ10 was created to deal with an event that occurred in the area. It was given a pot of funds that are mostly spent. As noted in the MSR the zone does not have a funding source so the Flood District, with help form its CAB, should determine if there is work that the local community is willing to fund.	While not needing LAFCo approval the County Flood District has started the process to dissolve Zone 10 (West Marin) as was recommended by LAFCo as one option in our West Marin MSR.

Flood Zone 3	Jason	As noted in Golden Gate MSR there are some issues within the FZ. While not directly LAFCo related staff may be needed to help be a neutral advisor on dealing with these issues.	Staff will monitor this issue as it moves through review process and will assist as requested.
Marin RCD boundary	Jason	As noted in West Marin MSR LAFCo suggested to look at their current boundaries and make some adjustments.	MRCD is currently working on a 5 year plan. Once they have completed that 5 work plan will revisit this item.
Stinson Beach Fire boundary	Jason	As noted in West Marin MSR LAFCo suggested to look at their current boundaries and make some adjustments.	Currently working on others items, they will revisit this once other items are completed and they have time to review.
Dillon Beach Sewer	Jason	Staff has been invited by both the County and NMWD to advise on the possible creation of a new sewer system for the residents of Dillon Beach Village which would require annexation of the area into NMWD	Early planning meetings are occurring and staff is attending as needed. Receiving additional analysis during multi-regional MSR.
San Rafael Sanitary District	Jason	SRSD is currently looking at other staffing models that would have them possibly lead to another agency overseeing its day to day operations with a possible long term goal of consolidation of itself with another agency.	Staff attended the July CMSA meeting to address an interest by one of its members agency on LAFCo ability to do review of staffing issues. Staff will attend any future meeting as requested by our member agencies.
Items that had been worked on where staff has stopped work because they are not likely to happen at this time.			
Paradise Drive	n/a	As identified in the Tiburon Peninsula MSR, Paradise Drive goes through areas that are both incorporated and unincorporated as multiple unincorporated islands exist along it. The road itself does not reflect the parcels around it as far as which jurisdiction it is in.	Not currently working on
San Rafael Area Fire Working group	n/a	Based on San Rafael Area MSR the concept of merging fire services was mentioned. This working group will determine if it is possible and in the best interest of the public and all agencies providing services.	Not currently working on
Angel Island Fire Service	n/a	There are two different, but similar, issues around fire services. One is, while Angel Island falls into CSA 31 service area, Tiburon FPD actually provides those services but does not get reimbursed for those services. Second is the Town of Tiburon pays to the State Parks an annual fee to cover fire protection cost but the Town offers no fire protection services.	Not currently working on
Unincorporated Islands	n/a	Work to remove unincorporated islands throughout Marin County	Not currently working on
Future Shared Staffing between the 4 single-service SASM districts	n/a	Facilitate shared services discussions amongst the 4 single-service SASM special districts in preparation for possible future opportunities when current management level staff members depart.	Not currently working on
Items Completed			
OSA Confirmation between Tamalpais Community Service District (TCSD), Homestead Valley Sanitary District (HVSD), and Almonte Sanitary District (ASD)	Jeren/Jason	Work with TCSD to retrieve necessary documentation on parcels within its district receiving service from HVSD and Almonte showing the needed criteria for exemption from an outside service agreement.	TCSD has submitted the needed information and based on LAFCo Policy 4.9 (B) the Executive Officer has determined this item falls under 56133(e) which allows for this OSA to occur.

MARIN LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 26-02

ADOPTION OF THE NOVATO AREA MUNICIPAL SERVICE REVIEW AND WRITTEN STATEMENT OF DETERMINATIONS

WHEREAS the Marin Local Agency Formation Commission, hereinafter referred to as the “Commission”, is a political subdivision of the State of California with regulatory and planning responsibilities to produce orderly growth and development under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS the Commission is responsible under Government Code Section 56430 to regularly prepare studies to independently assess the availability, performance, and need of governmental services to inform its regulatory and other planning activities; and

WHEREAS part of such reviews, LAFCos must compile and evaluate service-related information and make written determinations regarding infrastructure needs or deficiencies, growth and population projections for the affected area, financing constraints and opportunities for shared facilities, government structure options, including advantages and disadvantages of consolidation or reorganization of service providers, evaluation of management efficiencies, and local accountability and governance; and

WHEREAS a written report on the municipal service review was presented to the Commission at a public hearing on Thursday, April 9, 2026, in a manner provided by law; and

WHEREAS Marin LAFCo issued a Draft Service Review on Friday, March 27, 2026, which included a public hearing, and a Final Service Review on Thursday, June 11, 2026, which also included a public hearing; and

WHEREAS as part of the Novato Area Municipal Service Review, the Commission is required pursuant to Government Code Section 56430(a) to make a statement of written determinations with regard to certain factors.

NOW, THEREFORE, the Marin Local Agency Formation Commission **DOES HEREBY RESOLVE, DETERMINE, AND ORDER**, based upon the information contained in the written report, correspondence from affected agencies, and information received during the public hearings, as follows:

1. The Commission determines this municipal service review is a project under the California Environmental Quality Act, but qualifies for an exemption from further action as an informational document consistent with State CEQA Guidelines Section 15306, Class 6.
2. The Commission adopts the municipal service review and the statement of written determinations generated from the information presented in the written report on the municipal service review as set forth in Exhibit “A”.
3. The Commission refers the public to the report on the municipal service review for additional details and important context, including – but not limited to – documenting each agency’s active and latent service powers.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission, on June 11, 2026, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Barbara Coler, Chair
Marin LAFCo

ATTEST:

APPROVED AS TO FORM:

Jason Fried, LAFCo Executive Officer

Malathy Subramanian, LAFCo Counsel

Attachments to Resolution No. 26-02

- 1) Exhibit "A"

**EXHIBIT A
NOVATO AREA MUNICIPAL SERVICE REVIEW**

**MUNICIPAL SERVICE REVIEW DETERMINATIONS
GOVERNMENT CODE SECTION 56430**

1. Growth and population projections for the affected area.

a) The City of Novato has an estimated 2025 population of 51,690 residents and is Marin County's second-largest city. Between 2010 and 2025, Novato experienced a total estimated population decrease of approximately 0.4 percent, with the annual growth rate over that period calculated at about negative 0.03 percent. The California Department of Finance Growth Forecast anticipates that Novato's population will continue to contract modestly, with a projected decline of approximately 2.7 percent over the next 20 years; Department of Finance projections show Novato's population decreasing to 50,465 by 2035 and 50,480 by 2045, mirroring the Countywide annual growth rate of negative 0.24 percent from 2025 to 2035 and negative 0.12 percent from 2025 to 2045.

b) The Novato Fire Protection District (NFPD) serves an estimated 59,825 residents as of 2026, based on the best available demographic data compiled for the MSR. Since 2010, NFPD's population has increased from 58,809 to 59,825, reflecting an annual growth rate of approximately 0.11 percent, which exceeds Marin County's overall annual growth rate of about 0.056 percent over the same period. The district includes both the incorporated City of Novato and surrounding unincorporated communities, and its service population is expected to remain relatively stable over the report horizon, with only modest changes associated with infill and limited greenfield development within its largely built-out service area.

c) The Novato Sanitary District (NSD) and Bel Marin Keys Community Services District (BMKCSD) both serve areas that are largely developed under existing zoning and general plan designations, particularly within the Highway 101 corridor and the Bel Marin Keys planned community. Within the NSD sphere of influence, Marin County's Housing Element identifies two large parcels (APNs 125-180-85 and 125-180-79), totaling approximately 233.8 acres, as a potential Regional Housing Needs Allocation (RHNA) site capable of accommodating 249 above-moderate income units, which would generate incremental but manageable increases in service demand if developed. BMKCSD's residential area is substantially built out, with approximately 700 housing units and limited opportunities for additional greenfield development, suggesting only minor population changes over the timeframe of this MSR.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

a) Marin LAFCo identifies disadvantaged unincorporated communities (DUCs) using 2019–2023 American Community Survey data, designating as disadvantaged any

unincorporated area with a median household income less than 80 percent of the statewide median, calculated for this MSR as less than 76,417 dollars. Applying this methodology, Marin LAFCo designated DUCs Countywide and reviewed their relationship to the spheres of influence of the City of Novato, NSD, NFPD, and BMKCSD.

b) Within or contiguous to the spheres of influence of the Novato-area agencies studied in this MSR, Marin LAFCo determines that there are no disadvantaged unincorporated communities with identified unmet municipal service needs related to the service functions reviewed in this report. The unincorporated communities surrounding Novato—including Loma Verde, Indian Valley, Black Point, Green Point, and Bel Marin Keys—are characterized by relatively high median household incomes and do not meet the statutory thresholds for disadvantaged status under Government Code Section 56033.5 and Water Code Section 79505.5(a).

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

- a) a) The City of Novato provides a wide range of municipal services—law enforcement, building and planning, code enforcement, parks and recreation, landscape maintenance, streets/road maintenance, and stormwater drainage—to a largely urbanized jurisdiction of approximately 17,850 acres (28 square miles), with 21,756 housing units and a population density of about 1,846 persons per square mile. The MSR finds that Novato’s police, public works, and parks and recreation services are adequately staffed and resourced at present levels; police staffing remains stable at approximately 78 full-time equivalent (FTE) positions, the City’s infrastructure net position has returned to a positive trajectory after pandemic-era budget reductions, and the Parks, Recreation and Community Services (PRCS) Department operates near full cost recovery, with a modest General Fund subsidy as of FY 2025. The primary infrastructure adequacy concern for the City is deferred maintenance of roads, storm drains, and public facilities that accumulated when the City under-invested relative to depreciation during FY 2021–2022, but Novato has resumed a positive capital investment trajectory beginning in FY 2023 and is supplementing core funding with Measure M revenues for street and weed abatement programs.

b) NSD owns and operates the Novato Treatment Plant (NTP) and a collection system serving the City of Novato and surrounding unincorporated areas, with design capacity sufficient to meet current and reasonably foreseeable flows. Plant design criteria, influent flows, and 2024 performance data show that the NTP is operating within its permitted capacity and meeting effluent limits, while the collection system and pump stations are being maintained and upgraded pursuant to an adopted capital improvement program. Marin LAFCo determines that NSD has adequate present capacity and planned capital investments to continue providing wastewater collection, treatment, and disposal services throughout its service area, including potential future development at the identified RHNA site within its proposed expanded SOI.

c) NFPD provides structural fire protection and emergency medical response across approximately 45,440 acres (71 square miles), including the entire City of Novato and substantial unincorporated territory, operating from multiple stations with an 88-FTE

workforce. The district's facilities, apparatus, and staffing levels are adequate to maintain current service levels, and NFPD participates in automatic and mutual aid arrangements with neighboring agencies, supporting effective regional emergency response.

d) BMKCSD provides a limited suite of services within the Bel Marin Keys community, including parks, recreation, and lagoon/levee-related functions, in coordination with other providers for storm drainage and related infrastructure. The MSR notes that the district's facilities and staffing are sufficient to maintain current service levels; however, it recommends that BMKCSD coordinate more closely with the County of Marin regarding storm drainage responsibilities to avoid confusion over this critical function.

4. Financial ability of agencies to provide services.

a) The City of Novato is a municipality with a General Fund heavily weighted toward public safety, with police services representing a substantial share of expenditures and fire services provided under contract by NFPD. Over the five-year study window, Novato's General Fund revenues exceeded expenditures in all years except during the early pandemic period, and the City has restored structural balance and rebuilt reserves, while also implementing fiscally conservative policies such as rules for the use of one-time revenues and surplus. The City's primary long-term challenges are rising public safety costs and pension liabilities; however, Novato has made progress in reducing its net pension liability and unfunded accrued liability and continues to follow Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP) best practices.

b) NSD's financial position is stable, with sewer service charges and other revenues sufficient to cover operating costs, debt service, and planned capital improvements. Historical financial data demonstrate that NSD's General Fund and enterprise operations consistently generate revenues that meet or exceed expenditures, and the district maintains healthy reserves to address unanticipated needs and future regulatory requirements. Marin LAFCo determines that NSD has the financial capacity to continue providing wastewater services at current levels while implementing its capital improvement program and accommodating incremental growth within its service area and sphere of influence.

c) NFPD's finances are supported primarily by property tax revenues and special assessments within its large service area, and the district has demonstrated the ability to fund ongoing operations, capital replacement, and pension obligations. Historical General Fund revenue and expenditure trends show that the district operates within its means, with reserves and long-term planning sufficient to manage volatility in revenue and rising personnel costs. Marin LAFCo finds that NFPD is financially capable of sustaining current fire protection and emergency medical services for its existing population and modest future growth anticipated in the Novato area.

d) BMKCSD maintains a relatively small but stable financial base, relying on property-related revenues and assessments within a largely built-out residential community. The district's historical financial statements show that revenues have generally outpaced or matched expenditures, allowing BMKCSD to maintain core facilities and services while building fund balances to address future capital needs. Marin LAFCo determines that BMKCSD has adequate financial capacity to continue providing its authorized services at existing levels, contingent upon maintaining sound financial management practices and

continuing to comply with State transparency requirements.

5. Status of, and opportunities for, shared facilities.

a) The Novato area agencies participate in multiple shared service and facility arrangements that improve cost efficiency and service effectiveness. The City of Novato maintains numerous contracts and memoranda of understanding (MOUs) with neighboring agencies, but does not currently operate any out-of-agency service agreements requiring LAFCo approval under Government Code Sections 56133 or 56134. Marin LAFCo recommends that the City proactively explore additional shared services agreements with large-scale municipal service providers within its jurisdiction (for example, in administrative support functions) to address long-standing staffing challenges and improve resilience.

b) NSD's wastewater services are coordinated regionally through regulatory frameworks and interagency collaboration, and its treatment plant and collection system provide regionalized service to both the City and unincorporated areas. The MSR recommends adjusting NSD's sphere of influence to remove overlap with Las Gallinas Valley Sanitary District and to include the identified RHNA housing site, which will clarify long-term service responsibilities and promote efficient infrastructure planning..

c) NFPD's participation in automatic and mutual aid systems with neighboring fire agencies is a central example of shared emergency response capacity in the Novato area. Marin LAFCo recommends that NFPD and the Marinwood Community Services District consider a joint feasibility study regarding the potential consolidation of Marinwood's fire and emergency medical services into NFPD, which could further leverage shared facilities, training, and administrative capacity.

d) BMKCSD collaborates informally with county and regional entities for storm drainage and flood-related functions, but the MSR highlights the need for clearer role definition. Marin LAFCo recommends that BMKCSD work directly with the County of Marin to clarify responsibilities for storm drainage services within the district, which would enhance coordination, avoid duplication, and ensure critical infrastructure is managed effectively.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

a) The City of Novato operates under a council–manager form of government with five district-based councilmembers elected to staggered four-year terms, in compliance with the California Voting Rights Act and local districting requirements. The City holds regularly scheduled City Council meetings on the second and fourth Tuesdays of each month at 6:00 p.m., noticed and conducted consistent with the Brown Act. Novato maintains an up-to-date and robust website that includes contact information, council records, budgets, audits, compensation reports, and other key documents; all required Form 700 filings and AB 1234/AB 1661 training certifications are current, and the City complies with SB 272 and, while not directly applicable, SB 929, as well as AB 1637.

b) NSD is governed by an elected board that meets regularly in publicly noticed meetings,

and the district maintains a website that provides board agendas, minutes, financial information, and policy documents. The MSR evaluates NSD's website for compliance with SB 929 and the Special District Leadership Foundation's transparency requirements, finding high levels of compliance and recommending only minor enhancements where applicable. NSD cooperated fully with LAFCo's data requests and interviews, demonstrating a commitment to transparency and accountability.

c) NFPD is governed by a five-member elected Board of Directors, each serving a four-year term, with regular meetings held on the first Wednesday of each month at 10:00 a.m. The district maintains an accessible website that provides board materials, budgets, policies, and operational information, and has generally met State transparency and governance standards evaluated in this MSR. NFPD's organizational structure and operational practices, including participation in regional mutual aid, support efficient service delivery across its large and diverse service area.

d) BMKCSD is governed by an elected board and holds regular, publicly noticed meetings, with information available through its website and other communication channels. The MSR notes certain website compliance issues with legally required postings and recommends that BMKCSD notify Marin LAFCo upon launching its updated website so that LAFCo staff can confirm that missing items have been corrected. Overall, BMKCSD demonstrated cooperation during the MSR process, and Marin LAFCo finds that the district can meet community service needs effectively, provided it completes identified transparency improvements.

Any other matter related to effective or efficient service delivery, as required by commission policy

a) Marin LAFCo recommends that NFPD and Marinwood Community Services District engage in discussions regarding a potential joint feasibility study focused on consolidating Marinwood's fire and emergency medical services into NFPD. This exploration is driven by regional service patterns and the potential for operational efficiencies, improved staffing resilience, and more consistent service delivery across the northern Highway 101 corridor.

b) Marin LAFCo recommends amending NSD's sphere of influence to remove an area along the southern boundary that overlaps the jurisdictional lands of Las Gallinas Valley Sanitary District and to include two RHNA-designated parcels (APNs 125-180-85 and 125-180-79) that are currently outside both NSD's SOI and jurisdiction but contiguous to each. These changes will reduce overlap and clarify long-term service responsibility, while ensuring that potential future development on the identified RHNA site is logically aligned with NSD's wastewater service infrastructure.

c) Marin LAFCo recommends that the City of Novato's sphere of influence be amended to be coterminous with its voter-approved urban growth boundary (UGB), which is in place through at least 2042. Aligning the SOI with the UGB ensures consistency between State law's definition of a sphere, Marin LAFCo policies recognizing UGBs, and the City's own growth limits, thereby discouraging urban sprawl and ensuring efficient municipal service provision.

d) Marin LAFCo recommends that BMKCSD promptly inform LAFCo upon completion of

its website update and work directly with the County of Marin to clarify storm drainage responsibilities within its boundary. These actions will enhance transparency, clarify service accountability for critical drainage infrastructure, and support more efficient and coordinated service delivery in the Bel Marin Keys community.

MARIN LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 26-03

RESOLUTION AMENDING THE SPHERE OF INFLUENCE OF THE CITY OF NOVATO AND MAKING WRITTEN DETERMINATIONS

WHEREAS upon determination and adoption of a sphere of influence, the Marin Local Agency Formation Commission is required to periodically review and update adopted spheres of influence for each city and special district not less than once every five years, as necessary, within Marin County under Government Code Section 56425 (g); and

WHEREAS the Deputy Executive Officer has conducted a review of the adopted sphere of influence of local government agencies providing municipal services, prepared a summary, *Novato Area Municipal Service Review*, including his recommendations thereon, the summary having been presented to and considered by this Commission; and

WHEREAS a public hearing by this Commission was held on the *Novato Area Municipal Service Review* and this Sphere of Influence Update, and staff's recommendations contained in that report on Thursday, June 11, 2026, and at the hearing, this Commission heard and received all oral and written testimony, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report.

NOW, THEREFORE, based upon the information contained in the Executive Officer's report, correspondence from affected agencies, and information received during the public hearings, the Marin Local Agency Formation Commission **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. The sphere of influence of the City of Novato is hereby amended as shown on Exhibit B attached hereto and incorporated herein by reference, and the Commission makes the written determinations pursuant to Government Code section 56425(e) as provided for in Exhibit A attached hereto and incorporated herein by reference. All currently active powers for the City are listed within the *Novato Area Municipal Service Review* within the City's agency profile section.

Section 2. Pursuant to Section 15061(b)(3) of the State CEQA Guidelines, the Commission finds that this review and amendment of the sphere of influence of the City of Novato is exempt from the provisions of the California Environmental Quality Act because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Section 3. The Executive Officer is hereby directed to mail copies of this resolution to affected local government agencies in the Novato Area Municipal Service Review area.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission, on June 11, 2026, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Barbara Coler, Chair
Marin LAFCo

ATTEST:

APPROVED AS TO FORM:

Jason Fried, LAFCo Executive Officer

Malathy Subramanian, LAFCo Counsel

Attachments to Resolution No. 26-03

- a) Exhibit A - Determinations
- b) Exhibit B - Map

EXHIBIT A

CITY OF NOVATO SPHERE OF INFLUENCE DETERMINATIONS

GOVERNMENT CODE SECTION 56425

- 1) The present and planned land uses in the area, including agricultural and open-space lands.
 - Land use within the City of Novato is guided by General Plan 2035, which emphasizes managed growth, protection of environmental and open space resources, and preservation of Novato's small-town character while accommodating needed housing, jobs, and transportation improvements. Nearly half of the City's zoned area is classified in the Planned District (PD) zoning district, at 49.05% of jurisdictional land area (7,878 acres), followed by Open Space and Restricted Open Space combined at approximately 24.45% (3,923 acres), Low Density Residential in its various subcategories at approximately 13.5%, and Community Facilities at 4.13%. Open Space/Parkland/Conservation designations collectively account for approximately 27.2% (4,372 acres) of the City's land, reflecting a strong commitment to natural lands preservation within the urban boundary.
 - The City's current SOI is primarily coterminous with its jurisdictional boundary, with the addition of four unincorporated areas: Loma Verde, Vineyard Road, North St. Vincent's, and Atherton Avenue/Rush Creek. The unincorporated communities of Loma Verde and Indian Valley are characterized by single-family residential uses. Loma Verde is completely surrounded by the City and within the City's SOI; Indian Valley comprises approximately 630 acres of low-density single-family housing with parcel sizes ranging from 1 to nearly 45 acres, plus equestrian, orchard, and livestock uses. Black Point and Green Point are rural-residential communities at the Marin/Sonoma County line, bounded by San Pablo Bay, the Petaluma River, and the City's northeast jurisdictional limits, and are characterized by Agricultural Limited and Open Area zoning and a stated community preference for preserving their rural, non-urban character.
 - The City's voter-approved Urban Growth Boundary, in effect through at least 2042, is the controlling land use policy instrument that defines the probable physical boundary of the City's future service area. Under the CKH Act, the SOI is the legal and planning expression of where a city is expected to grow and deliver services. Where a city has adopted an urban growth boundary restricting expansion beyond the existing city limit, the probable future boundary and service area defaults to the existing city boundary itself. A SOI that extends beyond the UGB would be inconsistent with state law's definition of a sphere, with Marin LAFCo's policy recognizing UGBs, and with the City's own voter-enacted growth limits.
 - Marin LAFCo determines that present and planned land uses within and contiguous to the City's current sphere of influence support the amendment of the City's SOI to be coterminous with the City's UGB. The planned land uses within the current non-coterminous portions of the SOI (Loma Verde, Vineyard Road, North St. Vincent's, and Atherton Avenue/Rush Creek) are not scheduled for annexation into the City, the communities themselves have expressed opposition to annexation, and the UGB prevents any expansion-based annexation without a separate voter-approved UGB amendment. Retaining these areas in the SOI would be inconsistent with the legal and policy framework governing SOI determinations for cities with in-place urban growth boundaries.
- 2) The present and probable need for public facilities and services in the area.
 - The City of Novato directly provides law enforcement, building and planning, code enforcement, parks and recreation, landscape maintenance, streets and road maintenance, and stormwater drainage services to its 51,690 residents within the 28-square-mile jurisdictional boundary. The present need for these services is continuous, essential, and appropriately met by the City's existing organizational structure and departmental resources.

- Within the current SOI areas beyond the City's jurisdictional boundary—Loma Verde, Vineyard Road, North St. Vincent's, and Atherton Avenue/Rush Creek—residents currently receive City services on a de facto basis (particularly emergency response) without formal service agreements or the benefit of City fiscal resources derived from those areas. However, none of these communities have expressed a desire for annexation, and no formal annexation proceedings are pending or anticipated. The probable need for extended City services in these areas is therefore based on a continuation of the existing informal first-responder role rather than any planned annexation.
 - The City's RHNA pipeline projects 2,627 units of new housing capacity within the existing city limits, all of which will be served by the City's existing infrastructure and service systems. No new territory outside the current city limits is required to accommodate the Housing Element build-out. The public facilities and services needed to support RHNA development are extensions or upgrades of existing systems within the established urban boundary..
 - Marin LAFCo determines that there is a stable and ongoing present need for the City of Novato's public facilities and services throughout the jurisdictional boundary, and that the probable future need for City services does not extend beyond the UGB. The City's RHNA capacity exceeds its state-mandated allocation by 537 units within the existing boundary, confirming that all foreseeable service demand growth can be accommodated within the current jurisdictional footprint.
- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- As established in MSR Determination 3, the City's police, public works, and parks and recreation services are adequately staffed and resourced at present levels, with clear improvement trajectories driven by Measure M funding, SAFE Team deployment, and the Parks Master Plan. Police staffing remains stable at 78 FTE, infrastructure reinvestment has returned to a positive trajectory (net infrastructure assets grew from \$83.75M to \$88.6M in FY 2025), and the PRCS Department operates at near-full cost recovery with a net General Fund cost of only \$164,079 in FY 2025.
 - The City's primary infrastructure adequacy concern is deferred maintenance of roads, storm drains, and public facilities accumulated during the pandemic-era budget reductions of FY 2021 and FY 2022, when the City under-invested relative to depreciation by a combined \$5.2 million. The Public Works department's return to a positive capital investment trajectory beginning in FY 2023, augmented by Measure M-funded weed abatement and street maintenance in FY 2025, represents the appropriate and necessary corrective action. Full quantification of the remaining deferred maintenance backlog and a dedicated remediation schedule would further strengthen the City's capital planning framework.
 - Marin LAFCo determines that the City of Novato has sufficient present capacity to provide its authorized services throughout the jurisdictional boundary. Deferred maintenance accumulated during the pandemic-era budget contraction represents the primary known infrastructure adequacy concern, and the City's capital investment trajectory as of FY 2025 is moving in the correct direction. The Commission will monitor continued progress in reducing the deferred maintenance backlog, particularly for streets, in future MSR evaluations.
- 4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the district.
- A community of interest (COI) is a geographically contiguous population that shares common social, cultural, economic, or historical interests relevant to public policy and fair political representation. Within and contiguous to the sphere of influence of the City of Novato, Marin LAFCo has identified several unincorporated communities that constitute social and/or economic communities of interest. These communities are classified as unincorporated islands—areas substantially surrounded by the City that in

many cases can only be accessed via the City's streets—creating governance and service delivery conditions that are directly relevant to this SOI determination.

- The identified communities of interest are:

Loma Verde: A primarily single-family residential neighborhood completely surrounded by the City and within the City's SOI, also within the boundaries of Marin County Service Area 1. Residents have previously expressed opposition to annexation into the City. The area has no official neighborhood group.

Indian Valley: Comprising approximately 630 acres of low-density residential uses with parcel sizes ranging from 1 to nearly 45 acres, plus equestrian, agricultural, and open space uses. The Indian Valley Association has previously expressed opposition to annexation.

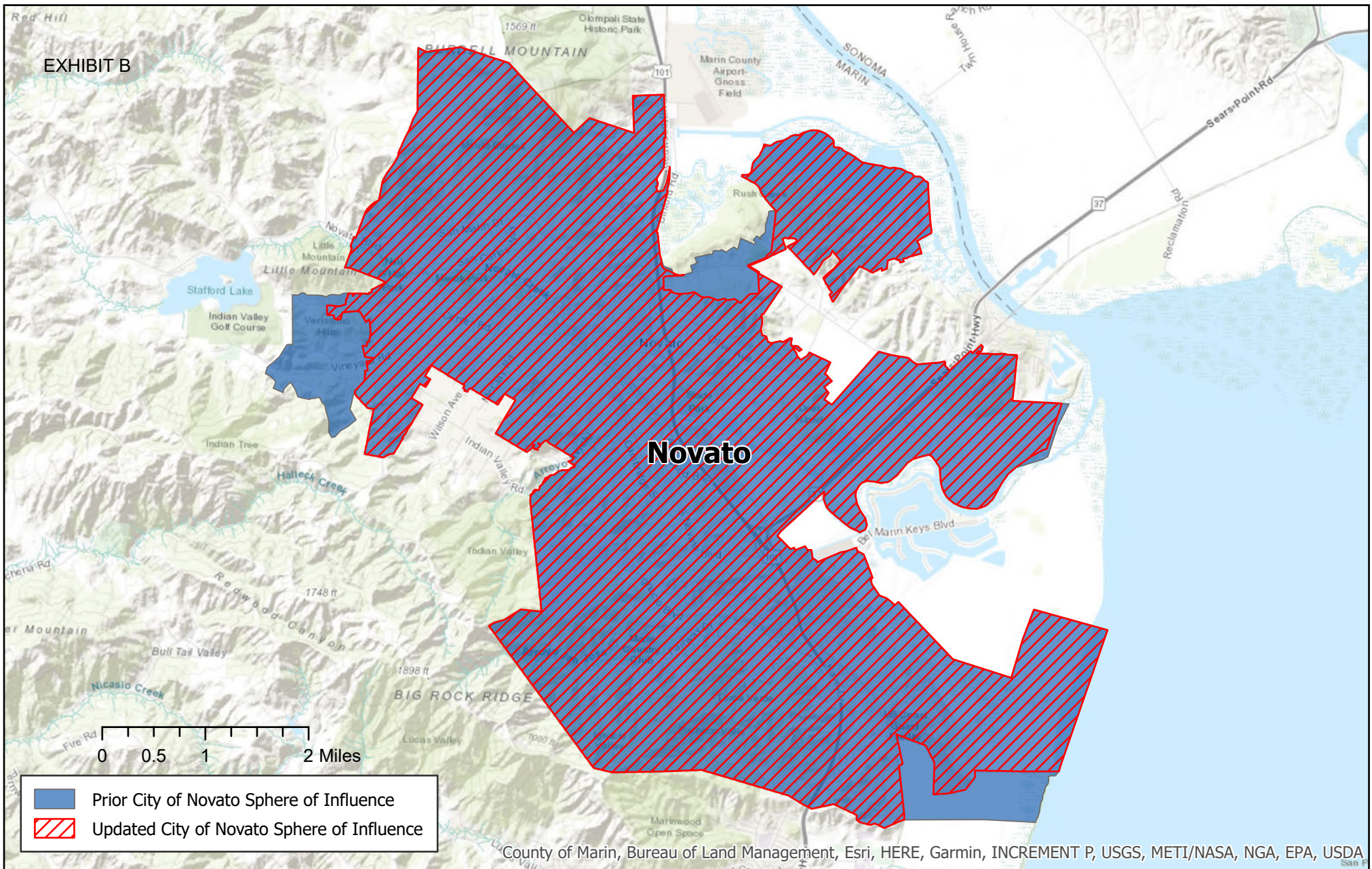
Black Point: A rural-residential community at the Marin/Sonoma County line, within the Novato Sanitary District SOI but not receiving NSD wastewater service, relying instead on on-site wastewater treatment systems. The Black Point Improvement Club has previously expressed opposition to annexation.

Green Point: Adjacent to Black Point, with large residential lots interspersed with agriculture and open space, historically retaining a rural character without urban services or amenities. Represented in part by the Black Point Improvement Club, which has previously expressed opposition to annexation.

Bel Marin Keys: Located in the southeast Novato region between Highways 37 and 101, covering approximately one square mile with an estimated 700 housing units, primarily served by the Bel Marin Keys Community Services District (BMKCSD). Excluded from the City's SOI by Marin LAFCo since 1982, the BMKCSD Board of Directors has previously informed Marin LAFCo that the community does not wish to be annexed into the City.

- Marin LAFCo's Unincorporated Island policy encourages annexation of islands to cities where supported by the island community, to reduce governance inefficiencies and provide more orderly local government boundaries. However, Marin LAFCo will not proceed with an island annexation where the affected community has voiced opposition. All five communities identified above have expressed such opposition.
 - Additionally, any annexation of areas outside the UGB would require a City voter-approved UGB amendment—a prerequisite that effectively forecloses annexation of Black Point, Green Point, and any other areas external to the jurisdictional boundary, absent a separate public vote.
 - Marin LAFCo determines that the unincorporated communities of Loma Verde, Indian Valley, Black Point, Green Point, and Bel Marin Keys constitute social and/or economic communities of interest within or contiguous to the City of Novato's SOI. These communities are relevant to the SOI determination because their residents interact daily with City infrastructure, depend on City emergency response as de facto first responders, and maintain distinct community identities. However, as all communities have, at one point or another, expressed opposition to annexation, and the UGB restricts expansion beyond the current city limits through 2042, no annexation proceedings are appropriate at this time. The Commission affirms its Unincorporated Island policy and will continue to facilitate dialogue with these communities as part of future MSR and SOI reviews.
- 5) For an update of a sphere of influence for a district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.
- Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the City of Novato's sphere of influence with present or probable unmet needs

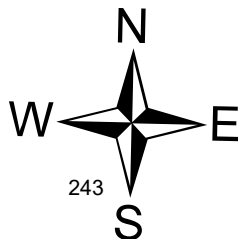
for public facilities or services at this time. The Commission will revisit this determination in future MSR cycles as demographic conditions evolve.



Date: 5/4/2026



UPDATED CITY OF NOVATO SPHERE OF INFLUENCE



MARIN LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 26-04

RESOLUTION AMENDING THE SPHERE OF INFLUENCE OF THE NOVATO SANITARY DISTRICT AND MAKING WRITTEN DETERMINATIONS

WHEREAS upon determination and adoption of a sphere of influence, the Marin Local Agency Formation Commission is required to periodically review and update adopted spheres of influence for each city and special district not less than once every five years, as necessary, within Marin County under Government Code Section 56425 (g); and

WHEREAS the Deputy Executive Officer has conducted a review of the adopted sphere of influence of local government agencies, prepared a summary, *Novato Area Municipal Service Review*, including his recommendations thereon, the summary having been presented to and considered by this Commission; and

WHEREAS a public hearing by this Commission was held on the *Novato Area Municipal Service Review* and this Sphere of Influence Update, and staff's recommendations contained in that report on Thursday, June 11, 2026, and at the hearing, this Commission heard and received all oral and written testimony, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report.

NOW, THEREFORE, based upon the information contained in the Executive Officer's report, correspondence from affected agencies and information received during the public hearings, the Marin Local Agency Formation Commission **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. The sphere of influence of the Novato Sanitary District is hereby amended as shown on Exhibit B attached hereto and incorporated herein by reference, and the Commission makes the written determinations pursuant to Government Code section 56425(e) as provided for in Exhibit A attached hereto and incorporated herein by reference. All currently active powers for the District are listed within the *Novato Area Municipal Service Review* within the District's agency profile section.

Section 2. Pursuant to Section 15061(b)(3) of the State CEQA Guidelines, the Commission finds that this review and amendment of the sphere of influence of the Novato Sanitary District is exempt from the provisions of the California Environmental Quality Act because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Section 3. The Executive Officer is hereby directed to mail copies of this resolution to affected local government agencies in the *Novato Area Municipal Service* area.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission, on June 11, 2026, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Barbara Coler, Chair
Marin LAFCo

ATTEST:

APPROVED AS TO FORM:

Jason Fried, LAFCo Executive Officer

Malathy Subramanian, LAFCo Counsel

Attachments to Resolution No. 26-04

- a) Exhibit A - Determinations
- b) Exhibit B - Map

EXHIBIT A

NOVATO SANITARY DISTRICT SPHERE OF INFLUENCE DETERMINATIONS

GOVERNMENT CODE SECTION 56425

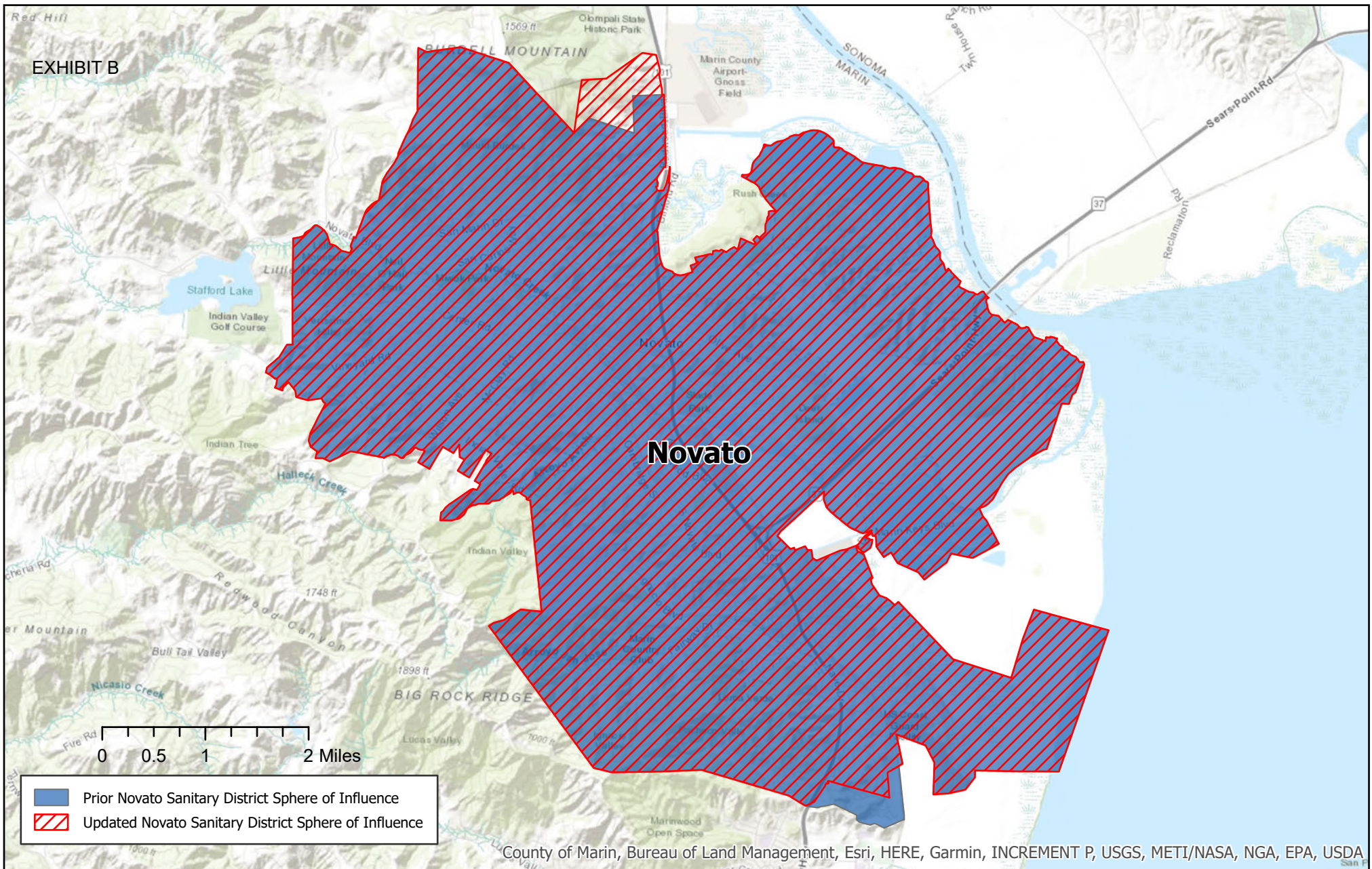
- 1) The present and planned land uses in the area, including agricultural and open-space lands.
 - Land use within the NSD jurisdictional boundary and SOI is primarily governed by the City of Novato's General Plan and the Marin Countywide Plan. Approximately 45% of the district's lands are designated as Planned District. Multiple residential designations comprise approximately 20% of the district's lands, with industrial/employment, public/community facilities, and commercial/mixed-use designations comprising the remainder. The SOI includes the unincorporated neighborhoods of Indian Valley, Black Point, Green Point, and the area surrounding the U.S. Coast Guard facility, which are characterized by lower-density residential and agricultural land uses.
 - While the unincorporated land within NSD's jurisdictional boundary that is zoned for development is essentially built out, the district's SOI encompasses active RHNA development potential. Marin County has identified four unincorporated development sites—three within the SOI (Atherton Corridor, Buck Center Vacant Property, and Greenpoint Nursery) and one outside but contiguous to the SOI (Vacant Black Point)—projected to yield 507 new units collectively. The City of Novato's 6th Cycle Housing Element projects 2,366 units across seven infill sites within the district's jurisdiction. Additionally, the two parcels (APNs 125-180-85 and 125-180-79, totaling approximately 233.8 acres) proposed for SOI inclusion have been designated for up to 249 above-moderate-income housing units, and their designation as RHNA sites provides land use justification for the recommended SOI expansion.
 - The SOI area also encompasses agricultural and open space lands within Indian Valley, Black Point, Green Point, and Vacant Black Point that currently do not require wastewater services. These areas are not anticipated to convert to urban uses within the current planning cycle except as specifically identified in Housing Element site inventories.
 - Marin LAFCo determines that present and planned land uses within and contiguous to the NSD sphere of influence support the specific SOI modifications recommended by staff in this study; namely, the removal of the southern overlap with Las Gallinas Valley Sanitary District and the inclusion of APNs 125-180-85 and 125-180-79. The planned land uses on the two proposed addition parcels are directly relevant to NSD's future service provision and provide clear justification for the SOI amendment.
- 2) The present and probable need for public facilities and services in the area.
 - The Novato Sanitary District's jurisdictional boundary encompasses 20,138 service connections and serves an estimated 55,690 residents with wastewater collection, treatment, disposal, recycled water, and solid waste services. The present need for these services is continuous, essential to public health and environmental protection, and non-discretionary. No alternative service providers are available or appropriate to serve the established residential and commercial areas within the district's boundary.
 - The probable future need for wastewater services in the SOI is linked primarily to Housing Element development. The three SOI-area RHNA sites (Atherton Corridor, Buck Center Vacant Property, and Greenpoint Nursery) could generate up to 507 new service connections if fully developed, all of which would require connection to the NSD collection system and treatment at the NTP. The two parcels proposed for SOI inclusion represent an additional probable future need for wastewater services of up to 249 units.
 - Unincorporated communities currently within the SOI but outside the jurisdictional boundary—including portions of Indian Valley, Black Point, and Green Point—utilize on-site wastewater systems (septic) at

present. The absence of centralized wastewater service in these areas is consistent with their current land use densities.

- Marin LAFCo determines that there is a stable and ongoing present need for the public facilities and services provided by NSD within its jurisdictional boundary, and a probable future need for those services on the identified RHNA development sites within and contiguous to the SOI. The NTP's substantial available capacity and the district's strong CIP program ensure that NSD is operationally and financially positioned to meet this probable future demand.
- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- The Novato Treatment Plant operates at an average daily flow of 5.31 MGD against a design capacity of 7.0 MGD ADWF, leaving approximately 1.69 MGD (24%) of treatment capacity available for future growth. Peak wet weather capacity is 30.7 MGD maximum-day and 47.0 MGD for 1-to-3-hour peaks; in 2024, the plant reached a maximum-day peak of 30.05 MGD—essentially at maximum-day design capacity—and a 1-to-3-hour peak of 46.7 MGD, near the design peak wet weather limit. This data indicates that while dry-weather treatment capacity is adequate for near-term growth, wet-weather peak conveyance and treatment capacity warrant continued monitoring and planning, particularly in the context of aging collection system infrastructure and potential climate-related increases in wet-weather infiltration and inflow (I/I).
 - The collection system's 240 miles of sewers and 39 pump stations are maintained under an active CMMS-supported program, with CCTV inspection, smart sewer access cover monitoring, and an ongoing pump station rehabilitation capital program. The 26 SSOs recorded over the study window (totaling 46,347 gallons) reflect a well-managed system, with the district's proactive maintenance and lateral incentive programs designed to minimize future events.
 - The NTP's 12-consecutive-year NPDES compliance record, NACWA Platinum 12 Peak Performance Award, and current 2025 SSMP triennial audit confirm that the district's wastewater treatment and collection operations are meeting all regulatory requirements at or above mandated standards.
 - Recycled water production at approximately 500 million gallons per year—representing nearly 40% of dry weather flow—demonstrates that the district's tertiary treatment and reclamation infrastructure is functioning effectively and contributing meaningfully to regional water supply sustainability.
 - Marin LAFCo determines that NSD has the present capacity to adequately provide its authorized services throughout the existing sphere of influence. The NTP's available dry weather treatment capacity and the district's active CIP provide a sound foundation for accommodating near-term growth. The Commission notes that wet weather peak flow performance warrants continued attention in the district's long-term capital planning, particularly as the collection system ages and climate variability potentially intensifies winter storm events. No service deficiencies requiring immediate structural intervention have been identified.
- 4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the district.
- Marin LAFCo determines that the existing and proposed amended sphere of influence boundary appropriately encompasses all relevant communities within the NSD service area and probable future service area. No social or economic communities of interest have been identified that would warrant modification of the sphere boundary beyond the specific amendments recommended by staff based on land use and jurisdictional considerations described herein.
- 5) For an update of a sphere of influence for a district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged

unincorporated communities within the existing sphere of influence.

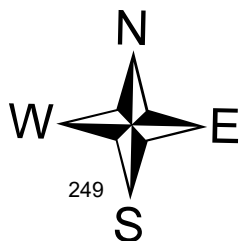
- Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the NSD sphere of influence with present or probable unmet needs for wastewater facilities or services. The absence of DUCs within the sphere is consistent with the socioeconomic profile of the surrounding communities. The Commission will revisit this determination in future MSR cycles as development activity occurs in the SOI's unincorporated communities.



Date: 5/4/2026



UPDATED NOVATO SANITARY DISTRICT SPHERE OF INFLUENCE



MARIN LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 26-05

RESOLUTION REAFFIRMING THE SPHERE OF INFLUENCE OF THE NOVATO FIRE PROTECTION DISTRICT AND MAKING WRITTEN DETERMINATIONS

WHEREAS upon determination and adoption of a sphere of influence, the Marin Local Agency Formation Commission is required to periodically review and update adopted spheres of influence for each city and special district not less than once every five years, as necessary, within Marin County under Government Code Section 56425 (g); and

WHEREAS the Deputy Executive Officer has conducted a review of the adopted sphere of influence of local government agencies, prepared a summary, *Novato Area Municipal Service Review*, including his recommendations thereon, the summary having been presented to and considered by this Commission; and

WHEREAS a public hearing by this Commission was held on the *Novato Area Municipal Service Review* and this Sphere of Influence Update, and staff's recommendations contained in that report on Thursday, June 11, 2026, and at the hearing, this Commission heard and received all oral and written testimony, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report.

NOW, THEREFORE, based upon the information contained in the Executive Officer's report, correspondence from affected agencies and information received during the public hearings, the Marin Local Agency Formation Commission **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. The sphere of influence of the Novato Fire Protection District is hereby reaffirmed as shown on Exhibit B attached hereto and incorporated herein by reference, and the Commission makes the written determinations pursuant to Government Code section 56425(e) as provided for in Exhibit A attached hereto and incorporated herein by reference. All currently active powers for the District are listed within the *Novato Area Municipal Service Review* within the District's agency profile section.

Section 2. Pursuant to Section 15061(b)(3) of the State CEQA Guidelines, the Commission finds that this review and reaffirming of the sphere of influence of the Novato Fire Protection District is exempt from the provisions of the California Environmental Quality Act because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Section 3. The Executive Officer is hereby directed to mail copies of this resolution to affected local government agencies in the *Novato Area Municipal Service* area.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission, on June 11, 2026, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Barbara Coler, Chair
Marin LAFCo

ATTEST:

APPROVED AS TO FORM:

Jason Fried, LAFCo Executive Officer

Malathy Subramanian, LAFCo Counsel

Attachments to Resolution No. 26-05

- a) Exhibit A - Determinations
- b) Exhibit B - Map

EXHIBIT A

NOVATO FIRE PROTECTION DISTRICT SPHERE OF INFLUENCE DETERMINATIONS

GOVERNMENT CODE SECTION 56425

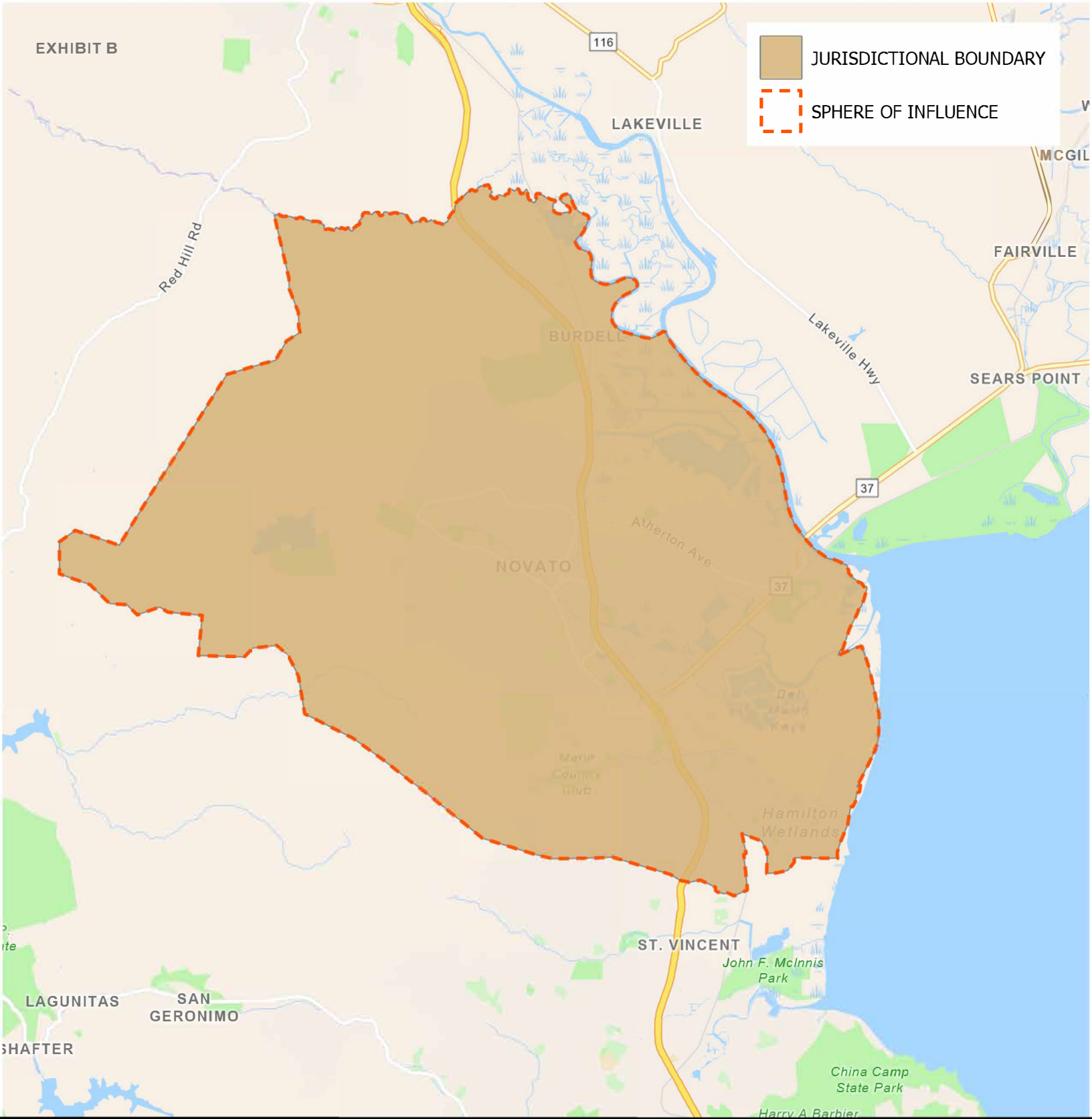
- 1) The present and planned land uses in the area, including agricultural and open-space lands.
 - Land use within the NFPD jurisdictional boundary is guided by several planning documents: the City of Novato's General Plan, the Marin Countywide Plan, the Black Point Community Plan, the Green Point Community Plan, the Indian Valley Specific Plan, and the Marin County Housing Element. Approximately 65% of the district's lands are designated as open space, agricultural, conservation, or parks. Multiple types of residential designations comprise approximately 20% of district lands, with the remaining area consisting of industrial/employment, public/community facilities, and commercial/mixed-use designations. This land use composition reflects the district's character as a primarily urbanized core surrounded by a substantial rural and open space periphery.
 - While the unincorporated lands within NFPD's boundary that are zoned for development are essentially built out, meaningful residential development is anticipated through the Housing Element cycle. The County of Marin has designated four unincorporated sites within the boundary—Atherton Corridor, Buck Center Vacant Property, Greenpoint Nursery, and Vacant Black Point—for a projected 507 new units. The City of Novato's Housing Element identifies seven additional infill development sites with an anticipated 2,366 units. Taken together, total potential new units within NFPD's boundary number approximately 2,873 across the 2023–2031 planning cycle.
 - The large proportion of open space, agricultural, and conservation-designated land within the district's SOI—approximately 65% of total land area—creates a significant wildland-urban interface (WUI) fire risk profile that is a permanent feature of the district's service environment. This risk is addressed through both direct prevention and suppression capabilities and through the district's membership in the Marin Wildfire Prevention Authority.
 - Marin LAFCo determines that present and planned land uses within the NFPD sphere of influence are consistent with the district's current service capacity and do not necessitate any modification to the sphere boundary. The infill development anticipated through Housing Element implementation will generate incremental increases in fire and EMS service demand but is not expected to alter the fundamental character or geographic scope of the district's service obligations. The large proportion of open space and agricultural land within the sphere is appropriately served by the district's existing station configuration and wildfire prevention programs.
- 2) The present and probable need for public facilities and services in the area.
 - The Novato Fire Protection District serves a large, geographically diverse population of approximately 59,825 residents with a full suite of fire suppression, rescue, ALS ambulance, hazardous materials, and fire prevention services. The present need for these services is well-established and continuous. Averaging over 7,000 calls for service annually—approximately 68% of which are emergency medical calls—the district demonstrates active and ongoing community reliance on its services.
 - The probable future need for public facilities and services in the area will be shaped by two primary factors: (1) incremental population growth driven by RHNA development within the incorporated and unincorporated areas of the district; and (2) intensifying wildland-urban interface fire risk associated with climate change and ongoing vegetation fuel accumulation in the significant open space areas within the district's boundary. Both trends point toward stable or increasing demand for the district's core services over the planning horizon.

- The district's five-station configuration, daily 20-person minimum staffing, and ALS ambulance service represent the physical infrastructure platform needed to meet present service demand. The need for continued investment in apparatus replacement, station maintenance, and technology upgrades to sustain service capacity is ongoing and well-documented in the district's capital planning processes.
 - Marin LAFCo determines that there is a continuous, stable, and probably increasing need for the fire protection and emergency medical response services provided by NFPD within its existing sphere of influence. The district's infrastructure and staffing levels are presently adequate to meet this need, and the district's financial position provides the capacity to respond proactively to increasing demand over the planning horizon. No expansion of the sphere boundary is needed to address anticipated service needs.
- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- NFPD's five fire stations and associated apparatus fleet provide comprehensive geographic coverage of the 71-square-mile service area. Response performance data confirms that the district is meeting established 90th-percentile benchmarks, with a study-window average call-to-first-unit arrival time of 8:21 minutes against a best-practice target of 7:30 to 8:30 minutes.
 - Unit Hour Utilization metrics for all engine companies and medic units are well below the 35–40% saturation threshold, indicating that the district's current apparatus fleet and station configuration provide substantial available capacity relative to present call volumes. The cross-staffing protocol for Medic 62 and reserve engines at Stations 63 and 65 provides an effective surge capacity mechanism for concurrent incidents without requiring additional permanently staffed units.
 - The district's ISO Class 02/2x rating—placing NFPD in the top 3% of eligible fire agencies nationwide—is an independent, third-party validation of the district's present service adequacy across water supply access, fire prevention programs, communications, and suppression capabilities.
 - The district's personnel and administrative infrastructure, including 88 FTE staff, supports effective service delivery, regulatory compliance, training program management, and fiscal oversight at a level commensurate with a district of this size and operational complexity.
 - Marin LAFCo determines that NFPD has the present capacity to adequately provide fire protection and emergency medical response services throughout the existing sphere of influence. Response performance metrics, utilization data, and ISO classification collectively confirm that the district is not experiencing service deficiencies and has meaningful reserve capacity to absorb short-term demand increases. No changes to the district's service delivery model, governance structure, or sphere boundary are warranted to address capacity concerns at this time.
- 4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the district.
- Marin LAFCo determines that the existing sphere of influence boundary appropriately encompasses all relevant communities within the NFPD service area. No social or economic communities of interest have been identified that would warrant modification of the current sphere boundary or that would present unmet service needs not addressed by the current governance and service delivery structure.
- 5) For an update of a sphere of influence for a district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.
- Marin LAFCo determines that there are no disadvantaged unincorporated communities within

or contiguous to the NFPD sphere of influence with present or probable unmet needs for fire protection or emergency medical services. The district provides equitable service delivery to all communities within its boundary, including the unincorporated neighborhoods of Green Point, Black Point, Loma Verde, Indian Valley, and Bel Marin Keys, without requiring additional annexation, detachment, or governance restructuring to ensure adequate service access.

 JURISDICTIONAL BOUNDARY

 SPHERE OF INFLUENCE



Novato Fire Protection District Sphere of Influence & Jurisdictional Lands



MARIN LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 26-06

RESOLUTION REAFFIRMING THE SPHERE OF INFLUENCE OF THE BEL MARIN KEYS COMMUNITY SERVICES DISTRICT AND MAKING WRITTEN DETERMINATIONS

WHEREAS upon determination and adoption of a sphere of influence, the Marin Local Agency Formation Commission is required to periodically review and update adopted spheres of influence for each city and special district not less than once every five years, as necessary, within Marin County under Government Code Section 56425 (g); and

WHEREAS the Deputy Executive Officer has conducted a review of the adopted sphere of influence of local government agencies, prepared a summary, *Novato Area Municipal Service Review*, including his recommendations thereon, the summary having been presented to and considered by this Commission; and

WHEREAS a public hearing by this Commission was held on the *Novato Area Municipal Service Review* and this Sphere of Influence Update, and staff's recommendations contained in that report on Thursday, June 11, 2026, and at the hearing, this Commission heard and received all oral and written testimony, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the proposal and the Executive Officer's report.

NOW, THEREFORE, based upon the information contained in the Executive Officer's report, correspondence from affected agencies and information received during the public hearings, the Marin Local Agency Formation Commission **DOES HEREBY RESOLVE, DETERMINE AND ORDER** as follows:

Section 1. The sphere of influence of the Bel Marin Keys Community Services District is hereby reaffirmed as shown on Exhibit B attached hereto and incorporated herein by reference, and the Commission makes the written determinations pursuant to Government Code section 56425(e) as provided for in Exhibit A attached hereto and incorporated herein by reference. All currently active powers for the District are listed within the *Novato Area Municipal Service Review* within the District's agency profile section.

Section 2. Pursuant to Section 15061(b)(3) of the State CEQA Guidelines, the Commission finds that this review and reaffirming of the sphere of influence of the Bel Marin Keys Community Services District is exempt from the provisions of the California Environmental Quality Act because it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

Section 3. The Executive Officer is hereby directed to mail copies of this resolution to affected local government agencies in the *Novato Area Municipal Service* area.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission, on June 11, 2026, by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

Barbara Coler, Chair
Marin LAFCo

ATTEST:

APPROVED AS TO FORM:

Jason Fried, LAFCo Executive Officer

Malathy Subramanian, LAFCo Counsel

Attachments to Resolution No. 26-06

- a) Exhibit A - Determinations
- b) Exhibit B - Map

EXHIBIT A

BEL MARIN KEYS COMMUNITY SERVICES DISTRICT SPHERE OF INFLUENCE DETERMINATIONS

GOVERNMENT CODE SECTION 56425

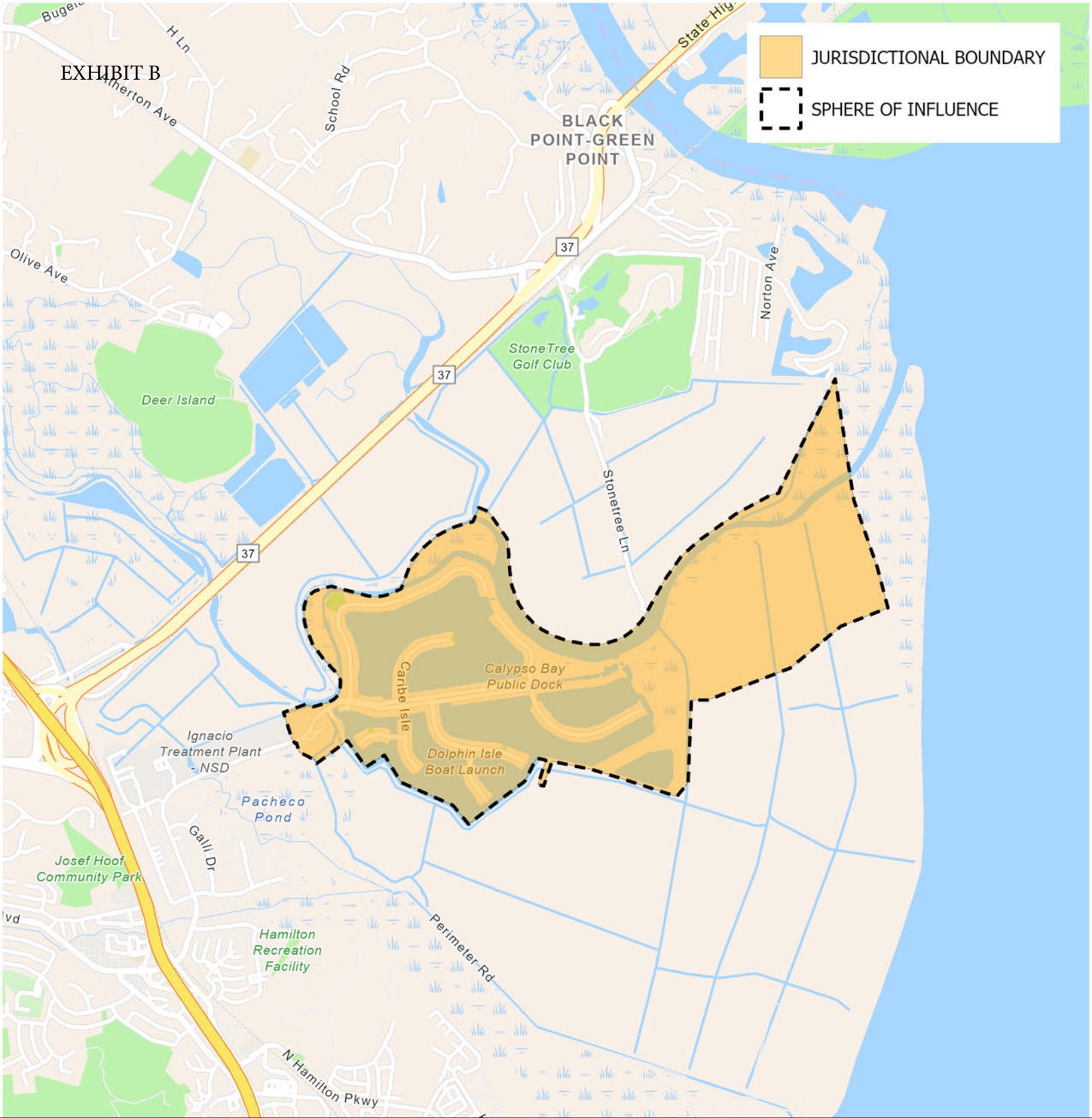
- 1) The present and planned land uses in the area, including agricultural and open-space lands.
 - Land use within the BMKCSD jurisdictional boundary is governed by the Marin Countywide Plan and the Marin County Housing Element. Approximately 45% of district lands are designated residential single-family; approximately 35% are designated waterways and open anchorage; approximately 15% are designated open space and agricultural; and the remaining area is designated for public facilities and parks. This land use pattern reflects the district's character as a planned, water-oriented residential community. The district's land area is fully built out with respect to residential development. The Marin County 2023–2031 Housing Element identified no RHNA development sites within or contiguous to the BMKCSD boundary.

Marin LAFCo determines that present and planned land uses within the BMKCSD sphere of influence are stable and consistent with the district's current service capacity. The fully built-out, single-family residential and waterway character of the service area does not present land use pressures that would require expansion of the sphere of influence or changes to authorized services. The sphere of influence boundary is appropriate for the existing and planned land uses within the area.

- 2) The present and probable need for public facilities and services in the area.
 - The Bel Marin Keys community has a present and ongoing need for the specialized suite of services provided by BMKCSD, particularly lagoon maintenance, marine infrastructure management, and flood protection. These services are essential to the safety, habitability, and property value of all 764 residential parcels within the district, and no other governmental entity is positioned to provide them.
 - The most pressing near-term service needs are concentrated in the district's marine infrastructure—specifically the modernization of the North Lock electrical and mechanical systems, ongoing dredging to maintain navigable depths, and the armoring of the South Levee with rip rap. These needs are anticipated in the district's capital planning and are being funded through Measure G.
 - The probable long-term need for flood protection infrastructure maintenance is significant and will intensify as sea-level rise projections materialize over the 50-year service life of the new BMK Unit V levee completed in 2021. The district's engagement in the Hamilton–Bel Marin Keys Unit V Phase 2 tidal restoration work is expected to provide ongoing flood buffer benefits that reduce demand on the community's primary levee system.
 - No new or expanded public facilities or services are needed beyond the district's current and authorized service portfolio to serve the existing fully built-out community. The need for public facilities and services within the sphere is well-matched to the district's current service capacity and financial resources.
 - Marin LAFCo determines that there is a stable and ongoing need for the public facilities and services provided by BMKCSD within its existing sphere of influence. The district's services are uniquely suited to the needs of this waterfront community, and the service demand profile is expected to remain consistent with the current level of service delivery for the foreseeable future, with incremental increases in capital infrastructure maintenance requirements as existing systems age.
- 3) The present capacity of public facilities and adequacy of public services that the agency provides or is

authorized to provide.

- BMKCSD's lagoon and marine infrastructure systems are functionally operational and providing essential services to the community. However, the North Lock's aging electrical components and the pending South Levee rip rap project represent known capacity constraints and deficiencies that require near-term capital investment. The district has proactively identified these needs, secured voter-approved dedicated funding through Measure G, and engaged qualified engineers and contractors to address them.
 - The district's water quality management program for the lagoons is active and responsive. Recurring algae blooms in 2024 and 2025 prompted accelerated treatment schedules, and the district's investment in aeration and circulation infrastructure is reducing reliance on chemical interventions. The commissioning of a comprehensive North Lagoon diffuser network mapping study in January 2026 represents a forward-looking approach to long-term ecological service adequacy.
 - Flood protection services are adequate for the present risk environment, bolstered significantly by the completion of the Phase 1 BMK Unit V levee in 2021. The district's continued engagement in Novato Creek sediment management and South Levee maintenance supports service adequacy. The district's ongoing negotiations regarding South Levee ownership transfer will determine the scope of future direct maintenance obligations.
 - Parks, recreation, street lighting, and landscape maintenance services are presently adequate to meet community needs. Active capital improvement programs funded through Measure A ensure that aging park amenities are systematically maintained and upgraded.
 - Marin LAFCo determines that BMKCSD has the present capacity to adequately provide its authorized services within the existing sphere of influence. While certain marine infrastructure components are aging, the district has demonstrated the fiscal means, technical expertise, and operational planning needed to address these deficiencies in a timely manner. No service gaps exist that would warrant immediate structural changes to the district's governance or service delivery model.
- 4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the district.
- Marin LAFCo determines that there are no social or economic communities of interest within or contiguous to the BMKCSD sphere of influence that are relevant to the Commission's sphere of influence determination at this time. The existing sphere of influence boundary appropriately reflects the unified, self-contained nature of the Bel Marin Keys residential community.
- 5) For an update of a sphere of influence for a district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, that occurs on or after July 1, 2012, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.
- Marin LAFCo determines that there are no disadvantaged unincorporated communities within or contiguous to the BMKCSD sphere of influence, and therefore no present or probable need for DUC-targeted public facilities or services exists within the sphere. This determination is consistent with the high median household income and fully served, incorporated-adjacent character of the Bel Marin Keys community.



Bel Marin Keys Community Services District Sphere of Influence & Jurisdictional Lands



0 12.5 25 50 Miles





CITY OF NOVATO
CALIFORNIA

922 Machin Avenue | Novato, CA 94945
Phone: 415.899.8900 | Fax: 415.899.8213 | novato.org

DATE: May 14, 2026

TO: Jeren Batchelder-Seibel, Deputy Executive Officer, Marin Local Agency Formation Commission (LAFCo)

FROM: Bill Rose, Assistant City Manager

SUBJECT: Marin LAFCo – Draft Novato Area Municipal Service Review & Sphere of Influence Study (March 2026)

The following comments consolidate feedback provided by City of Novato departments and staff regarding the Draft Novato Area Municipal Service Review & Sphere of Influence Study prepared by Marin LAFCo (MSR). Please see Attachment A for specific in-line comments on the MSR.

General Comments

1. Several sections of the MSR would benefit from further coordination with City staff to ensure accuracy, consistency with adopted City policies and plans, and current information regarding land use, housing, growth management, and sphere boundary considerations.
2. Throughout the MSR, tables, figures, etc. should identify source material, particularly for demographic, financial, housing, zoning, or land use data.
3. The cover image and other graphics should reflect actual locations in Novato, to the extent possible.

City of Novato Section Comments

Sphere of Influence / Urban Growth Boundary

The MSR states that the City's Urban Growth Boundary (UGB) is coterminous with the City limits. This is inaccurate. Although the UGB was coterminous with the City's urban limit line when initially adopted in 1997, the UGB has since been amended to include the following areas which are outside City limits:

- A portion of the Marin Valley Mobile County Club, a City owned affordable senior mobile home park (1999);
- Lands of Lock-Hodge (2000);
- Novato Heights – 8 residential parcels (2002); and
- Lands of the House of Daniels (2002).

As a result, there are locations where the UGB extends beyond the City limits. The City recommends that Marin LAFCo coordinate with City staff to obtain updated mapping and boundary information to accurately reflect the relationship between the City limits and the UGB.

More information can also be found on the City's Urban Growth Boundary webpage and White Paper: <https://www.novato.gov/government/community-development/general-plan-2035/white-paper-topics/urban-growth-boundary>.

All references to the UGB and associated sphere recommendations in the MSR should be revised in accordance with the above.

Proposed Sphere of Influence Reduction

The MSR should observe the effect of shrinking the City's sphere of influence with respect to single district annexations and application of LAFCo's dual annexation policy. The proposed sphere change effectively removes the City from having an advisory role in single district annexations and eliminates the potential for dual annexation.

Present and Planned Land Use Section

The "Present and Planned Land Use" section starting on page 25 should be revised. As drafted, the section confuses zoning and land use terminology, contains inaccuracies regarding the Housing Element, and should be updated to reflect current information regarding land use and housing.

The MSR should consistently distinguish between:

- General Plan land use designations;
- zoning districts;
- Planned District (PD) zoning; and
- overlay districts.

Several portions of the MSR use these terms interchangeably, creating potential confusion regarding the City's land use framework.

Technical, Data, and Formatting Corrections

The City requests a comprehensive review of the City of Novato portion of the MSR to ensure consistency and accuracy throughout the document, including:

- verification of narrative statements referencing staffing, demographics, housing, finances, operations, and planning information with current data;
- inclusion of source citations where feasible;
- identification of underlying data sources for tables and figures;
- consistency in terminology and formatting;
- accuracy of table and figure references; and
- correction of typographical and formatting issues throughout the document.

Attachments:

- A. Novato Area MSR Public Draft – Novato Staff Comments



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Item No. 6 (Public Hearing)

TO: Local Agency Formation Commission

FROM: Jason Fried, Executive Officer

SUBJECT: Report on Annual Workforce Vacancy in Compliance with Assembly Bill 2561

SUMMARY

The Marin LAFCo will consider an annual workforce vacancy report addressing position vacancies at Marin LAFCo as of May 2026. This is a requirement tied to the passage of Assembly Bill (AB) 2561, signed into law in September 2024, requiring local public agencies to publicly address the status of all agency vacancies, recruitment, and retention efforts. This hearing must take place prior to final budget adoption. For agencies with vacancies exceeding 20% of authorized full-time positions, additional disclosures may be required during the discussion.

DISCUSSION

This item is for Marin LAFCo to receive and file the Annual Workforce Vacancy Report, as required under AB 2561. Key details follow:

Status of Vacancies – Marin LAFCo is currently authorized and budgeted for three full-time positions, including one Executive Officer, one Deputy Executive Officer (DEO), and one Jr. Analyst/Clerk. All authorized positions are budgeted and filled with no current vacancies.

Hiring Obstacles - AB 2561 requires agencies to identify any necessary changes to policies, procedures, and recruitment activities that may lead to hiring obstacles. Staff have identified no necessary changes that may present obstacles in the hiring process.

Recruitment and Retention Efforts - LAFCo's current staff has remained relatively stable in recent years. Nevertheless, attracting qualified and experienced candidates in a competitive labor market has been a challenge in the past. While LAFCo offers a comprehensive benefits package, many prospective applicants primarily focus on base salaries. To remain competitive in support of retention and in maintaining the team currently in place, the proposed budget does have a salary adjustment for the DEO position, and the Clerk/Jr. Analyst position is getting a COLA increase.

Under AB 2561, no action is required for this report.



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Item No. 7 (Public Hearing)

TO: Local Agency Formation Commission

FROM: Jason Fried, Executive Officer

SUBJECT: Adoption of Final Operating Budget for Fiscal Year 2026-2027

Background

State Government Code section 56381 states that all LAFCos need to approve a proposed budget by May 1st and a final budget by June 15th of each year. The attached budget being presented today is the final budget that will fulfill the June 15th deadline.

At the April LAFCo meeting, the Commission approved moving a proposed budget to member agencies for comment. Staff sent the proposed budget to all dues-paying member agencies of LAFCo. As of the writing of this memo, staff have received no written or verbal comments on the budget itself, only questions on how much an individual agency will pay. Should any comments come in prior to the meeting, staff will present them to the Commission.

At the last Budget Committee meeting on March 16, 2026, the Committee instructed staff and the Chair of the Committee to meet and review any changes needed. If the changes were small in nature, then the Committee would yield to the Chair to decide whether the changes should be made and present that to the Commission with no further need for the Committee to meet. The Chair and staff went over the changes, all of which the Chair felt met the Committee's requirement to not call another committee meeting, and he gave his approval to move the final draft budget to the Commission.

The items highlighted in yellow in the attached chart are the changes made from what was in the draft budget and what is being presented today. Those changes were made because staff reviews are completed, so we were able to lower salaries and MCERA costs to better reflect what staff salaries will be for next year. These are the only changes in the expenditure side. As was discussed at our April Commission meeting; to balance next year's budget, we will be using a little bit of our general fund reserve due to the lower than normal amount of applications, and we are building up our legal fund reserve. This has led to a lower than previous years' carry forward balance. In the draft budget, we used about \$27,000 from the general fund reserve, and in the final budget, we will use just over \$19,000 of the fund. Between all these changes, we have been able to reduce our agency contribution request by \$2,000 from the draft budget to the final draft budget. This means from the current FY to next FY, we will be asking for a 5.94% increase instead of 6.23% in the draft budget. Normally, this would have been a little lower, but given we are using reserves to balance next year's budget, the decrease is less.

Staff Recommendation for Action

Staff Recommendation – Approve the attached final draft budget with any needed adjustments.

Alternate Option - Do not make a decision today and give instructions to staff on how to proceed.

Attachment:

1. Budget Chart for FY 26-27

Line Items	Final FY 26-27	Draft FY 26-27	Final FY 25-26	% Change FY 25-26 to FY Draft 26-27
Expense				
5110110 · Salary	\$443,500.00	\$445,000.00	\$419,000.00	5.52%
5130120 · Benefits	\$42,000.00	\$42,000.00	\$39,250.00	6.55%
5130500 · Pension	\$55,000.00	\$55,500.00	\$52,000.00	5.45%
5130525 · Retiree Health	\$6,000.00	\$6,000.00	\$6,000.00	0.00%
05 · Commissioner Per Diems	\$9,000.00	\$9,000.00	\$9,000.00	0.00%
10 · Conferences	\$12,000.00	\$12,000.00	\$10,000.00	16.67%
15 · General Insurance	\$8,500.00	\$8,500.00	\$7,500.00	11.76%
20 · IT & Communications Services	\$27,000.00	\$27,000.00	\$26,000.00	3.70%
25 · Legal Services	\$34,000.00	\$34,000.00	\$35,000.00	-2.94%
30 · Memberships & Dues	\$8,500.00	\$8,500.00	\$8,500.00	0.00%
35 · Misc Services	\$4,250.00	\$4,250.00	\$3,500.00	17.65%
40 · Office Equipment Purchases	\$4,139.00	\$4,139.00	\$4,139.00	0.00%
45 · Office Lease/Rent	\$39,900.00	\$39,900.00	\$38,364.00	3.85%
50 · Office Supplies and Postage	\$3,500.00	\$3,500.00	\$3,500.00	0.00%
55 · Professional Services	\$40,000.00	\$40,000.00	\$36,500.00	8.75%
60 · Publications/Notices	\$1,500.00	\$1,500.00	\$1,500.00	0.00%
70 · Training	\$1,700.00	\$1,700.00	\$1,700.00	0.00%
75 · Travel	\$3,500.00	\$3,500.00	\$3,500.00	0.00%
Total Expense	\$743,989.00	\$745,989.00	\$704,953.00	5.25%
Income				
Carry Forward Balance	\$87,360.91	\$87,360.91	\$87,360.91	0.00%
4710510 · Agency Contributions	\$656,628.09	\$658,628.09	\$617,592.09	5.94%
Total Income	\$743,989.00	\$745,989.00	\$704,953.00	
	Amount	Notes		
General Reserve Fund	\$166,662.34	25% of total expenses - Almost fully funded		
Consultant Reserve Fund	\$50,000	Per Marin LAFCo policy 3.10(B)(ix) - fully funded		
Office Equipment Replacement Fund	\$11,063	Prior FY unspent funds from line item 40, not to exceed \$20,000 (through FYE 25)		
Legal Reserve Fund	\$15,476	Prior FY unspent funds from line item 25, not to exceed \$50,000 (through FYE 25)		



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Item No. 8 (Business)

TO: Local Agency Formation Commission

FROM: Jason Fried, Executive Officer

SUBJECT: Election of Chair and Vice Chair

Background

Marin LAFCo's policy 3.5 directs the election of Chair and Vice Chair to one-year terms at the first regular meeting in or immediately following May of each year.

The Chair shall also serve as the immediate supervisor to the Executive Officer and is responsible for making committee appointments. The Vice-Chair shall have all the powers and duties of the Chair during the Chair's absence or inability to act. Both the Chair and Vice Chair can sign checks and have access to our bank accounts.

The Commission has established a term limit of three years for the Chair position. This limit is intended to promote leadership rotation and support continuity in governance while maintaining institutional knowledge.

The voting members retain full discretion in proceeding with the selection process as collectively deemed appropriate, and compliant with the Brown Act.

Staff does not take a position on this subject and leaves it to the discretion of the Commission to decide.

Staff Recommendation for Action

1. Option 1 – Elect by a majority of voting members (a) Chair and (b) Vice-Chair to one-year terms commencing immediately.
2. Alternate Option – Continue consideration of this item to a future meeting and give staff any needed instructions or further action.



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Item No. 9 (Business)

TO: Local Agency Formation Commission

FROM: Claire Devereux, Clerk/Policy Analyst
Jason Fried, Executive Officer

SUBJECT: Review and Discussion of the Draft Marin County Fire Services Special Study

Background

Government Code §56378 authorizes LAFCo to initiate special studies to examine service delivery and governance alternatives. Pursuant to this authority, Marin LAFCo prepared a Special Study on Fire and Emergency Services in Marin County.

The study evaluates service delivery, operational efficiency, financial sustainability, and governance structures across Marin County's fire agencies and identifies opportunities for improved coordination. As previously presented, the study includes a countywide overview, organizational profiles, service demand analysis, financial assessment, governance considerations, and preliminary recommendations.

The draft study has since been updated to incorporate Commissioner comments and additions, was presented to the Commission, and has been released for public comment. Comments received so far have all been clerical staffing and administrative updates.

Summary of Commissioner Feedback and Work Completed

At the December 2025 Commission Meeting, several key themes emerged to guide revisions to the draft study. These included strengthening the front-end of the report through an executive summary, refining financial risk language to ensure neutrality and appropriate context; adding stronger synthesis ("so what") to complement existing analysis; including a Marin Wildfire Prevention Authority (MWPA) overview; providing an expansion/high-level EMS/paramedic context section with appropriate jurisdictional limitations; and maintaining a neutral, non-directive tone, particularly regarding consolidation or governance changes.

The study is currently in the public comment phase. Following the close of public comment, staff will:

- Review and incorporate public and agency feedback
- Finalize revisions to the executive summary, visuals, and synthesis sections
- Refine the conclusion and considerations framework
- Return to the Commission with a final draft for consideration and potential adoption

Public Comment closes on June 15, 2026, at 5 p.m.

Administrative Office
Jason Fried, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E: staff@marinlafco.org
www.marinlafco.org

Dennis Rodoni, Vice-Chair
County of Marin

Eric Lucan, Regular
County of Marin
Stephanie Moulton-Peters, Alternate
County of Marin

Barbara Coler, Chair
Town of Fairfax

Steve Burdo, Regular
Town of San Anselmo
Rachel Farac, Alternate
City of Novato

Lew Kiou, Regular
Almonte Valley Sanitary District

Craig Murray, Regular
Las Gallinas Valley Sanitary District
Cathryn Hilliard, Alternate
Southern Marin Fire Protection District

Larry Chu, Regular
Public Member

Roger Smith, Alternate
Public Member

Staff Recommendation for Action

No formal action is needed for this item at this time. Still, discussion and general direction on any desired changes should be given, and this item should be continued to the next meeting for final approval.

Attachment

1. Marin County Fire Services Study Draft
2. Track Change Matrix



MARIN COUNTY FIRE SERVICES STUDY



**Public Draft
April 2026
Prepared by Marin LAFCo**



Table of Contents

2.0	Preface.....	4
3.0	Introduction.....	5
4.0	Executive Summary	8
5.0	Recommendations.....	11
6.0	Marin County Fire and Emergency Response	17
7.0	Bolinas Fire Protection District	32
8.0	Central Marin Fire Department.....	41
9.0	Inverness Public Utility District.....	51
10.0	Kentfield Fire Protection District.....	59
11.0	Marin County Fire and CSA No. 31	67
12.0	Marinwood Community Services District	79
13.0	Ross Valley Fire Department.....	87
14.0	San Rafael Fire Department.....	95
15.0	Southern Marin Fire Protection District	104
16.0	Stinson Beach Fire Protection District.....	114
17.0	Tiburon Fire Protection District.....	123
18.0	Novato Fire Protection District.....	131
19.0	Volunteer And Private Fire Departments	142
20.0	Conclusion	146

Table of Figures

Figure 1: Marin County Fire Service Providers.....	9
Figure 2: OEM Countywide Call Data	27
Figure 3: MWPA Committee Structure	28
Figure 4: FY 22'-23' MWPA Budget Summary.....	29
Figure 5: MWPA Five Operational Areas	30
Figure 6: Bolinas Fire Protection District Jurisdictional Boundary and Sphere of Influence	33
Figure 7: Bolinas Land Use Map	34
Figure 8: Bolinas Fire Protection District Incident Type Report.....	35
Figure 9: Bolinas Fire Protection District Financial Audit Summary	39
Figure 10: Map of CMFD Boundaries.....	43
Figure 11: CMFD Organizational Chart	44
Figure 12: CMFD Breakdown of Revenues, Expenditures, and Change in Funds	48
Figure 13: Inverness Public Utility District Jurisdictional Boundary and Sphere of Influence ...	53
Figure 14: Inverness Land Use Policy Map.....	54
Figure 15: Inverness PUD Audited Summary	57
Figure 16: Kentfield Fire Protection CSD Boundary and SOI	60
Figure 17: Marin County Fire Department Service Area	71
Figure 18: Marin County Fire Stations	73
Figure 19: Marin County Fire Organization Chart	75
Figure 20: Marinwood CSD Boundary	80
Figure 21: Marinwood CSD Organization Chart.....	83
Figure 22: Ross Valley Fire Department Boundary	88
Figure 23: Ross Valley Fire Department Revenues and Expenditures for FY 2021-2022.....	93
Figure 24: San Rafael Fire Department District Boundary	97
Figure 25: San Rafael Organization Chart.....	101
Figure 26: SMFPD Jurisdictional Boundary and Sphere of Influence	106
Figure 27: Southern Marin Fire Protection District Call Frequency by Type	107
Figure 28: Southern Marin Fire Protection District Station Geography.....	110
Figure 29: SFMPD Long-Term Debt Liability	112
Figure 30: Stinson Beach Fire Protection District Boundary and Sphere of Influence	116
Figure 31: Stinson Beach Land Use Policy Map	117
Figure 32: Stinson Beach Fire Protection District Board of Directors	119
Figure 33: Tiburon Fire Protection District Boundaries and Sphere of Influence.....	125
Figure 34: Tiburon Fire Protection District General Revenues by Source	129
Figure 35: NFPD District Boundary and Sphere of Influence.....	132
Figure 36: NFPD Total Incidents by Station: YTD Comparison	134
Figure 37: NFPD 2024 Incidents by Type.....	134
Figure 38: NFPD Fiscal Year '22 Statement of Revenues and Expenditures	139

2.0 PREFACE

This Fire Study Special Review documents and analyzes services provided by local fire agencies that provide fire services throughout Marin County. Specifically, it evaluates the adequacy and efficiency of local government structure and boundaries within the county. It provides a basis for boundary planning decisions by the Marin Local Agency Formation Commission (LAFCo).

2.1 CONTEXT

Marin LAFCo has prepared this special study under its authority granted by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000, et seq.). Unlike municipal service reviews, special studies are discretionary and allow LAFCo to examine specific governance, service delivery, or boundary issues. This special study evaluates fire protection and emergency response services provided by cities, the County, and special districts whose boundaries and governance are subject to LAFCo. The analysis and recommendations included are intended to provide data, context, and options to support efficient and effective service delivery while promoting the orderly development of communities and the preservation of open space and agricultural lands.

2.2 COMMISSIONERS, STAFF AND SPECIAL STUDY PREPARERS

Commissioners

Barbara Coler – Chair	City	Town of Fairfax
Dennis Rodoni – Vice Chair	County	District 4 Supervisor
Eric Lucan	County	District 5 Supervisor
Larry Chu	Public	Commission
Lew Kious	Special District	Almonte Sanitary District
Craig Murray	Special District	Las Gallinas Valley Sanitary District
Steve Burdo	City	Town of San Anselmo
Roger Smith	Public Alternate	Commission
Cathryn Hilliard	Special District Alternate	Southern Marin Fire Protection District
Rachel Farac	City Alternate	City of Novato
Stephanie Moulton-Peters	County Alternate	District 3 Supervisor

Staff and Special Study Preparers

Jason Fried	Executive Officer
Jeren Batchelder-Seibel	Deputy Executive Officer
Claire Devereux	Junior Policy Analyst

3.0 INTRODUCTION

3.1 ROLES AND RESPONSIBILITIES OF MARIN LAFCO

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are political subdivisions of the State of California responsible for providing regional growth management oversight in all 58 counties. LAFCOs' authority is currently codified under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH"), which specifies regulatory and planning powers delegated by the Legislature to coordinate and oversee the establishment, expansion, and organization of cities and special districts, as well as their municipal service areas.

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

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

LAFCo decisions are legislative in nature and not subject to an outside appeal process. LAFCOs also have broad powers with respect to conditioning regulatory and planning approvals, so long as they do not establish terms that directly control land uses, densities, or subdivision requirements.

Regulatory Responsibilities

LAFCOs' principal regulatory responsibility involves approving or disapproving of all jurisdictional changes involving the establishment, expansion, and reorganization of cities and most special districts.¹ More recently, LAFCOs have been tasked with overseeing the approval process for cities and districts to provide new or extended services beyond their jurisdictional boundaries through existing services. LAFCOs generally exercise their regulatory authority in response to applications submitted by the affected agencies, landowners, or registered voters.

Recent CKH amendments, however, now authorize and encourage LAFCOs to initiate on their own jurisdictional changes to form, consolidate, and dissolve special districts consistent with

¹ CKH defines "special district" to mean any agency of the State formed pursuant to general law or special act for the local performance of governmental or proprietary functions within limited boundaries. All special districts in California are subject to LAFCo with the following exceptions: school districts; community college districts; assessment districts; improvement districts; community facilities districts; transportation districts; and air pollution control districts.

current and future community needs. LAFCo regulatory powers are described in Table 3-1 below.

Table 3-1: LAFCo's Regulatory Powers

Regulatory Powers Granted by Government Code (G.C.) Section 56301	
• City Incorporations / Disincorporation	• City and District Annexations
• District Formations / Dissolutions	• City and District Detachments
• City and District Consolidations	• Merge/Establish Subsidiary Districts
• City and District Outside Service Extensions	• District Service Activations / Divestitures

Planning Responsibilities

LAFCos inform their regulatory actions through two central planning responsibilities: (a) making sphere of influence (“sphere”) determinations and (b) preparing municipal service reviews. Sphere determinations have been a core planning function of LAFCos since 1971 and effectively serve as the Legislature’s version of “urban growth boundaries” with regard to cumulatively delineating the appropriate interface between urban and non-urban uses within each county. Municipal service reviews, in contrast, are a relatively new planning responsibility enacted as part of CKH and are intended to inform, among other activities, sphere determinations.

3.2 SPECIAL STUDIES

Special studies are an important tool available to LAFCos to evaluate particular issues, trends, or circumstances affecting local governance within a defined geographic area. Unlike municipal service reviews, which are mandated by statute and tied to sphere of influence determinations, special studies are discretionary analyses undertaken by LAFCos to provide additional context, information, or recommendations on specific matters.

Special studies may address topics such as the fiscal sustainability of an agency, service delivery alternatives, boundary considerations, or other governance-related challenges. They can focus on a single agency, a type of service, or a broader regional concern. A special study aims to provide LAFCos, local agencies, and the public with valuable data and analysis to inform decision-making and foster the orderly and efficient development of communities.

While not governed by the same statutory requirements as municipal service reviews, special studies may draw on similar information sources and analytical approaches. They also have the potential to inform subsequent LAFCo actions, including but not limited to consolidations, dissolutions, annexations, or boundary adjustments. Each special study culminates in written findings that reflect LAFCo’s independent research and analysis of the issues at hand.

3.3 MARIN LAFCO COMPOSITION

Marin LAFCo is governed by a 7-member board comprised of two county supervisors, two city council members, two independent special district members, and one representative of the

general public. Each group also gets to appoint one “alternate” member. Each member must exercise their independent judgment, separate from their appointing group, on behalf of the interests of all residents, landowners, and the public. Marin LAFCo is independent of local government and employs its own staff. Marin LAFCo’s current commission membership is provided above in Table 3-2.

Marin LAFCo offices are located at 1401 Los Gamos Drive, Suite 220, in San Rafael. Information on Marin LAFCo’s functions and activities, including reorganization applications, are available by calling (415) 448-5877 by e-mail to staff@marinlafco.org or by visiting www.marinlafco.org.

Table 3-2: Marin LAFCo Commission Membership

Name	Position	Agency Affiliation
Barbara Coler, Chair	City	<i>Town of Fairfax</i>
Dennis Rodoni, Vice-Chair	County	<i>District 4 Supervisor</i>
Craig Murray	Special District	<i>Las Gallinas Valley Sanitary District</i>
Eric Lucan	County	<i>District 5 Supervisor</i>
Larry Chu	Public	<i>Commission</i>
Lew Kious	Special District	<i>Almonte Sanitary District</i>
Steve Burdo	City	<i>Town of San Anselmo</i>
Cathryn Hilliard	Special District Alternate	<i>Southern Marin Fire Protection District</i>
Rachel Farac	City Alternate	<i>City of Novato</i>
Roger Smith	Public Alternate	<i>Commission</i>
Stephanie Moulton-Peters	County Alternate	<i>District 3 Supervisor</i>

4.0 EXECUTIVE SUMMARY

4.1 SCOPE AND INTENT

The Marin County Fire Services Study is an updated compilation of past Marin LAFCo regional Municipal Service Reviews (MSR) of local fire agencies in Marin County. It synthesizes new findings and previous discoveries from the most recent round of MSRs conducted from 2018 to 2025, providing a comprehensive overview of fire services. It also provides a compilation of past recommendations and their current status. This study provides a countywide lens of fire services for the use of fire agencies, elected officials, policymakers, and the public. This countywide snapshot helps examine operational integration, governance structures, and systemwide trends across all providers. This study aims to identify structural patterns and long-term considerations that support informed decision-making. This report does not mandate consolidation, rank, or prioritize agencies, nor does it prejudge future LAFCo actions.

This study was undertaken to show the detailed response in Marin County as well as the segmented delivery structure that has continued to evolve over the years through the evaluation of service delivery models such as consolidations, districts, departments, and JPA's. At present, service provision in the county relies heavily on mutual aid agreements amongst the multiple agencies providing fire services to mitigate any gaps in coverage. Most recently, action was taken to consolidate the Southern Marin Fire and Mill Valley Fire departments to increase efficiency and sustainability in service response in the Southern Marin region. The study will serve as a guide to the Commission, informing it of boundary changes, organizational changes within agencies over the past five years, and the provision of fire services throughout the county. Furthermore, to continue conversations regarding ongoing questions about efficiency, sustainability, and coordination.

4.2 JURISDICTIONAL AGENCIES AND AUTHORITIES

This report focuses on eight independent special districts, two joint powers authorities (JPA), 1 city-run department, and 1 county-run fire department. Additionally, Marin County has three volunteer departments and one private department. These are listed below and shown in Figure 1. Throughout the county, there are approximately 553 full-time employees, not including part-time, seasonal, and volunteer, working across 12 fire agencies. These agencies operate from 36 strategically located fire stations throughout the county to reduce response times.

Fire Service provisions in the county comprise several different service models, including city departments, fire districts, Joint Power Agreements (JPA's), and shared services contracts. JPAs offer the opportunity for two or more governing bodies to come together for service delivery, enabling interagency and regional coordination. However, this service model involves a more complex governance structure and a reliance on member agency commitment to ensure the longevity and financial stability of the agreement. An Independent District is its own government entity with defined boundaries. Although at times this may lead to service fragmentation through defined district boundaries, especially when several service providers exist, Districts have their own direct revenue, governance, and public oversight. City departments operate within municipal governance structures and are typically funded through city revenues, aligning fire services with broader municipal service delivery. Shared services contracts allow agencies to consolidate

functions such as administration, command, or operations while retaining independent governance.

Figure 1: Marin County Fire Service Providers



4.3 KEY THEMES AND TAKEAWAYS

Throughout this study and the past MSR cycle, many key themes arose regarding fire services through the analysis of Marin County’s fire departments and districts. Marin’s fire system functions operationally as a coordinated network, but governance and administrative capacity vary significantly by agency size. Fire response in the county is supported through mutual aid to assist in response in a county with several service providers with defined jurisdictional boundaries. On an operational and administrative level, some key takeaways from this report are:

- Operational strength due to mutual aid
- Existing foundation for enhanced shared services or future structural efficiencies
- Smaller agencies face disproportionate administrative burdens
- Administrative demands are primarily shaped by structural factors and agency scale, rather than response capability.

Long-term financial and organizational sustainability is a key factor in the stability and adaptability of future service delivery in the County. At present service delivery in the county is financially stable through a combination of local revenues, regional funding mechanisms, and cooperative agreements. The system does not face extreme fiscal stress, but long-term sustainability pressures are real, contributing to the following takeaways:

- No widespread immediate fiscal distress

- Structural differences in governance and organizational design between districts and JPAs, that could shape collaborations or potential consolidation.
- Sustainability as a standing question, not a short-term alarm

Structural change in Marin has historically occurred incrementally and through relationship-building between LAFCo and agencies. One example being the Southern Marin Fire consolidation with Mill Valley. Shared services are a practical first step with JPA's and consolidations as long-term options. Marin LAFCo's involvement in the future evolution of fire systems will be built around collaboration with districts and departments. It is Marin LAFCo's goal to function as a facilitator, not a mandating body, with change being locally driven and with governance continuity maintained.

4.4 PLANS, POLICIES, STUDIES

Key references and information sources for this fire services special study were gathered for each of the twelve fire agencies considered. References utilized in this study include published reports; review of agency files and databases (agendas, budgets, contracts, audits, staffing and training records, service call data, etc.); Fire Master Plans; Capital Improvement Plans; incident response data; insurance and risk rating reports (e.g., ISO evaluations); and state and regional agency information (permits, regulations, funding, and compliance reviews). Additionally, the staff contacted each agency to request comments and reviews.

4.5 AGENCY AND PUBLIC PARTICIPATION

Within the approved scope of work, this study has been prepared with an emphasis on soliciting outside public review and comment as well as multiple opportunities for input from the affected agencies. This included information requests sent to individual agencies, draft agency profiles sent to agencies, meetings requested by an agency, and a review of the draft report before Commission action.

This Special Study is posted on the Commission's website (www.marinlafco.org). It may also be reviewed at the LAFCo office located at 1401 Los Gamos Drive, Suite 220, in San Rafael during open hours.

5.0 RECOMMENDATIONS

From October 2019 to April 2026, Marin LAFCo completed a full round of MSRs that covered all fire departments in the various reports. This section is a reiteration of recommendations made in those MSRs, along with a status update. In addition, we have added 2 recommendations based on either updates to what has occurred since the last MSR was done for that agency or based on the full review of all agencies together in this report.

1. Angel Island:
 - a. Representatives from Marin LAFCo, Marin County Fire Department (on behalf of County Service Area #31), the Town of Tiburon, the Tiburon Fire Protection District, California State Parks, and the California Department of Forestry and Fire Protection (CAL FIRE) should convene to explore the current status and future possibilities of the organization and efficiencies of fire protection services for Angel Island State Park, as well as the consideration of the detachment of the area from Marin County Service Area #31 and/or the Town of Tiburon. (Recommended Multi-Regional MSR Aug. 2024)
 - b. Though currently outside of the Tiburon Fire Protection District's jurisdictional boundary, TFPD consistently finds itself handling initial response duties for both fire and medical calls on Angel Island. With no stationed equipment or facility on the island, the opportunity presents itself for both/either CSA 31 and/or the Town of Tiburon to erect a structure in order to store necessary emergency response equipment that can be accessed by the responding agency. (Recommended Tiburon Peninsula MSR June 2020)

Status of this item – While a few meetings have occurred to discuss this matter, more work is still needed.

2. Full consolidation of the Mill Valley Fire Department into the Southern Marin Fire Protection District. With the December 2022 approval by LAFCo of the consolidation of the SMFPD and Mill Valley Fire Departments, no other specific opportunities for shared facilities that would prove advantageous to both participating parties were identified in the course of this study. (Recommended Golden Gate MSR April 2023)

Status of item – This has been completed and fully resolved.

3. County Service Area 28, in collaboration with the Stinson Beach Fire Protection District, should explore future funding options as well as current operational constraints that would allow the seasonal emergency medical response unit that is staffed during the summer months to have permanent year-round staffing. (Recommended West Marin MSR June 2022)

Status of Item – The west Marin Chiefs have been working to create a year-round ambulance model by 2030. SBFPD is creating a dedicated ambulance bay and two dorm rooms to accommodate this activity.

4. Ross Valley Fire accountability for community service needs, including governmental structure and operational efficiencies:

In the time allotted prior to the sunseting of the current Memorandum of Understanding between the Ross Valley Fire Department and the County of Marin in 2023, a group should be formed between Marin LAFCo and each of the member agencies comprising the Ross Valley Fire Department to explore the possibility of creating a new independent or dependent single fire services district for the Upper Ross Valley region. In addition, representatives from Kentfield Fire Protection District, as well as the Central Marin Fire Department, should be included in this working group in an effort to also explore the creation of a single fire district for the entirety of the Ross Valley. This new district may also assume responsibility for paramedic services. From a high level, the immediately apparent advantages of this action are as follows:

- a. Service Level, Operations, or Efficiency: Increased organizational scale may allow reductions in management costs, greater efficiency in overtime control, unified training, and reduction in equipment and procedural redundancies. Additionally, a reduced reliance on mutual aid.
- b. Cost Savings: Reduced personnel costs (chief officers); elimination of redundant purchases for apparatus, reduced maintenance of reserve equipment, building space, training facilities, and other supplies. Also, an opportunity for unified information management services.
- c. Political Accountability: Direct representation, election of district members (independent district only). The district board may be expanded to include board members of predecessor agencies. Consolidations would require voter approval unless there is unanimous consent of the consolidating boards.

Some of the obstacles that present themselves from an initial analysis include:

- a. Cost Savings: Requires permanent transfer of property tax revenues from cities to the new district. Financial equity may be difficult for all agencies involved. It may require new special tax measures in some areas. Possible aggregate increases in the cost of employee benefits.
- b. Political Accountability: Complex implementation likely to require a step-by-step consolidation process. Loss of ability to weigh competing service priorities in multipurpose agencies (i.e., cities).

While a special study on this particular endeavor is warranted, if not necessitated, preliminary dialogue between the proposed agencies and Marin LAFCo to begin vetting some of the high-level issues is encouraged as soon as possible. (Recommended Upper Ross Valley Region MSR October 2020)

Status of Item – In November 2025, LAFCo staff made a presentation on the differences between a JPA and district model for fire services. At this time, no Ross Valley Fire JPA member agency has committed to changing the current model. Neither Kentfield nor Central Marin Fire has expressed interest in moving forward with the consolidation of fire departments. Should the member agencies wish to move forward with this in the future, LAFCo staff will be available to assist.

5. The Central Marin Fire Department, as well as the Kentfield Fire Protection District, should be included in a group formed by Marin LAFCo to explore the possibility of creating a new independent or dependent single fire services district for the area. If, in

the course of these exploratory discussions, it is deemed that CMFD and KFPD have identified too many significant hurdles to continue the possibility of inclusion in the consolidation, a separate group should be formed between Marin LAFCo and CMFD to explore the possibility of the creation of a single district for fire services in the Twin Cities region. From a high level, the immediately apparent advantages of this action are as follows:

- a. Service Level, Operations, or Efficiency: Increased organizational scale may allow reductions in management costs, greater efficiency in overtime control, unified training, and reduction in equipment and procedural redundancies. Additionally, a reduced reliance on mutual aid.
- b. Cost Savings: Reduced personnel costs (chief officers); elimination of redundant purchases for apparatus, reduced maintenance of reserve equipment, building space, training facilities, and other supplies. Also, the opportunity for unified information management services.
- c. Political Accountability: Direct representation, election of district members (independent district only). The district board may be expanded to include board members of predecessor agencies. Consolidations would require voter approval unless there is unanimous consent of the consolidating boards.

Some of the obstacles that present themselves from an initial analysis include:

- a. Cost Savings: Requires permanent transfer of property tax revenues from cities to the new district. Financial equity may be difficult to attain for all involved agencies. It may require new special tax measures in some areas. Possible aggregate increases in the cost of employee benefits.
- b. Political Accountability: Complex implementation likely to require a step-by-step consolidation process. Loss of ability to weigh competing service priorities in multipurpose agencies (i.e., cities).
- c. Agency Type: With a mix of joint powers authorities and independent special districts, in the event that negotiations were able to overcome the political obstacles standing in the way of a unified agency, the difference in financing mechanisms between the agency types will present significant challenges. While a special study on this particular endeavor is warranted, if not necessitated, preliminary dialogue between the proposed agencies and Marin LAFCo to begin vetting some of the high-level issues is encouraged as soon as possible.

(Recommended Twin Cities MSR June 2021)

Status of Item – As of 2021, neither city has shown a desire to change the current model. Should that change, LAFCo staff is willing to assist if they want to create a different model for this fire agency.

6. Tiburon Fire Protection District and the City of Belvedere may consider formal annexation of the City of Belvedere into the District. At this time, the City contracts with the District for both fire and emergency medical response services. With no foreseeable plans for the City to create those municipal services of its own, annexation would allow the residents of Belvedere to vote for representation on the District's Board of Directors.

A group should be formed by LAFCo to help determine what is in the best interest of both the City and District, along with the general public. (Recommended Tiburon Peninsula MSR June 2020)

Status of Item – In 2024, TFPD, City of Belvedere, and LAFCo started a process to study and determine the possibility of the City being annexed by TFPD. This process is currently ongoing.

7. San Rafael Area Fire Services

a. Regional Collaboration and Sustainable Fire Services

Marin County operates no fire stations in the San Rafael region and contracts with other local fire service providers to meet the service needs of the unincorporated neighborhoods within CSAs No. 13 and No. 19. They contract for CSA No. 13 service with Marinwood CSD and for CSA No. 19 service directly with the City of San Rafael. San Rafael's service partnerships with fire-service providing agencies in the unincorporated San Rafael region designate the city department to be the primary responder both within the city limits and in all areas of CSA No. 19. Additionally, Marinwood CSD (and therefore also CSA No. 13) shares San Rafael's Fire Chief and utilizes city administrative capacity, training, supplies, and response support.

With the San Rafael Fire Chief serving as the de facto chief for all four service jurisdictions, the City of San Rafael, in many ways, is functionally the fire service provider for the entire study area. Such an arrangement allows for continuous service throughout the study area in the near future; however, continued sustainability should be addressed through regional collaboration and consideration of long-term agency reorganization options. Substantial planning activity should occur at both the individual agency level and through regional collaboration of all fire-service providing agencies in the study area. A regional fire-services group could be established with representation from each agency, other local stakeholders, and local decision-makers to lead this process.

It would be beneficial to further study whether a structural reorganization of the fire service providers into a single agency would improve the sustainability and efficiency of fire services to the entire region. Such a reorganization could be achieved through the formation of a singular regional fire agency. A singular regional fire providing agency, through a merger or a new district formation, would provide a singular fire service organization providing ensured long-term cohesiveness of services to the entire region. Additionally, this would reduce the strain of providing a complex and increasingly more costly service to smaller agencies, such as Marinwood CSD.

b. Sustainability of Contractual Agreements

Historically, Marinwood CSD's fire service agreements with other local agencies have constituted a significant portion of their fire service revenue. Both the contract with CSA No. 13 and the contract with the City of San Rafael have relatively short-term termination periods. CSA No. 13 is subject to renewal annually, and San Rafael's may be terminated

with a 90-day notice. While both contracts could ostensibly be continued indefinitely, should either be terminated, Marinwood CSD would have very little lead time as a government agency to establish other service options. Staffing, budget, and service ability would potentially be challenging, as was historically the case and documented in the 2006 San Rafael Regional MSR. In addition to engaging in strategic and long-term planning activities, the District may consider extending the notice of termination time period for its contracts to provide it with more time to react and plan for significant changes to its budget and service ability.

c. Fire Contracts Outside Agency Boundaries

Effective January 1, 2016, G.C. Section 56134 requires that LAFCo approve fire protection contracts or agreements for the exercise of new or extended fire protection services outside a public agency's jurisdictional boundaries. Marin LAFCo has defined that such a contract is eligible for Commission review and approval if it:

- Transfers responsibility for providing services in more than 25 percent of the area within the jurisdictional boundaries of any public agency affected by the contract or agreement; or
- Changes the employment status of more than 25 percent of the employees of any public agency affected by the contract or agreement; or
- A contract or agreement for fire protection services outside a public agency's jurisdictional boundaries that, in combination with other contracts or agreements, would produce the results described in either threshold (a) or (b) above.

Contracts or agreements for fire protection services entered into before December 31, 2015, or recipients of LAFCo approval after December 31, 2015, do not require separate LAFCo approval due to renewals or renegotiated terms, so long as they do not constitute a new 25 percent change in service area or employment status per the above conditions. Except for the specific situations exempted by G.C. Section 56134, a public agency may provide new or extended services pursuant to a fire protection contract that meets the above-defined thresholds only if it first requests and receives written approval from the Commission.

Marinwood CSD, the City of San Rafael, Marin County, and any other fire-service provider in the region that enters into a contract to provide fire-services beyond its jurisdictional boundaries should consult with the Marin LAFCo Executive Officer to determine whether any current fire protection contracts or agreements are subject to Commission review and approval, if they have not done so already. (Recommended San Rafael Area MSR Oct. 2019)

Status of Item – After the release of the 2019 MSR, several meetings were held regarding the possible consolidation of services into a single fire department. Unfortunately, not all parties were interested in continuing this discussion, so work stopped. Earlier this year, San Rafael and Marinwood began discussing a new agreement that would further tie the two fire departments together to address staffing issues. In 2025, Marinwood CSD and the City of San Rafael had talks about new agreements for sharing staff. After discussions were had, San Rafael expressed that they are not interested in pursuing consolidation at

this time but are open to exploring alternate staffing models within the current agreement structure.

8. Marin LAFCo recommends that the Novato Fire Protection District and the Marinwood Community Services District engage in discussions to determine each agency's willingness to enter into a joint feasibility study to explore the possibility of consolidating Marinwood Community Services District's fire and emergency medical services provision into the Novato Fire Protection District (Recommended Novato Area MSR June 2026)

9. Shared Services Between Agencies

Outside of emergency response and field operations, fire departments face the same administrative issues as any other agency. However, some of those administrative services have unique aspects that differ from those of non-emergency services, making it challenging to recruit new hires and experienced staff. Additionally, smaller agencies may not have enough work for a full-time employee, leading to the hiring of employees who divide their time among multiple responsibilities/roles. LAFCo would recommend that fire agencies begin discussing what a shared administrative system may look like. This system may not be implemented right away, but could be slowly transitioned into as current staff retire or move on to other opportunities. (New Recommendation)

10. Stinson Beach Fire House

Since the last MSR for the Stinson Beach Fire Protection District was completed in June 2022, the agency has undergone a transition as it brings on more full-time fire personnel. This transition has created the need for a new firehouse that can facilitate a hybrid department with both volunteers and full-time staff. As remarked in the SBFPD section and discussed during meetings with the District, additional funding opportunities may need to be explored to support the development of a new facility. Given that they have a larger number of seasonal and tourist visitors compared to year-round residents, they may need to look to Federal, State, or private funding sources to ensure they can provide proper services year-round. (New Recommendation)

6.0 MARIN COUNTY FIRE AND EMERGENCY RESPONSE

6.1 OVERVIEW

In Marin County, California, fire service providers include a network of twelve agencies that work collaboratively to ensure community safety and effective fire response. These agencies encompass municipal, special district, and volunteer firefighters, all dedicated to protecting lives, property, and natural resources from the threats of fire and other emergencies. The fire service providers operate from a total of 38 fire stations across the county. Their responsibilities extend beyond fire suppression to include fire prevention education, emergency medical services, and community outreach initiatives.

The following section provides a broad overview of the county's fire services. For a more in-depth analysis, please refer to the individual profiles, which are an updated compilation of Municipal Service Reviews completed in the past five years.

6.2 MARIN COUNTY FIRE HISTORY

1800s-1900

In the late 1800s and early 1900s, fire services in Marin County existed as needed, distinct from today's official jurisdictional boundaries and officialized special districts. Some departments were operated by railroad companies, some by army bases, some by cities, and some by citizens. Many departments had niche purposes geared towards fighting structure fires or wildfires, but not both. The majority of departments created before 1910 were volunteers and were operated by volunteer citizens who raised funds through dances, card games, cake sales, and other methods. The first paid firefighter in Marin County was not hired until 1907 by the Mill Valley Fire Department. Even then, for decades, the paid staff consisted primarily of chiefs, with maybe one or two paid firefighters. The remaining firefighters were volunteers staffed through their respective fire districts.

With so few people living in the County, large, incorporated fire departments were unnecessary and would have been frivolous given the circumstances. The demands of the fire department also did not necessitate highly trained individuals, and they failed to justify a paid staff. It was a time before the specialized demands of the modern fire apparatus, and extensive training for firefighters was not essential to their job performance. Chemical carts, tanks, and wagons that horses or men drew were the most common in Marin in the early days of many FDs.

1900s-1930

Throughout the 1900s, the most common impetus for creating fire departments in the County was other tragic events that highlighted the importance of having an emergency response agency

within a certain community. Many Fires occurred in this time period including the 1923 Ignacio fire burning around 50,000 acres, the 1929 Mill Valley Fire that destroyed over 100 homes, the 1919 Sausalito/Mill Valley Fires and later on the 1936 Bolinas Ridge Fire which burned 4,000 acres. Departments such as the Olema Volunteer Fire Department (VFD) and Forest Knolls VFD² were created in the wake of destructive structure fires in neighboring areas or wildfires like the 1923 Northern California fires. For other departments like Homestead Valley VFD and Sausalito Fire Department, it was more personal, a “not again situation,” where a house or community of houses was lost unnecessarily to a fire that got out of control and wasn’t responded to adequately or efficiently enough because of a lack of response capacity in the immediate area³⁴. One major event that significantly influenced the formation and growth of several fire departments was the Great San Francisco Earthquake of 1906. The earthquake devastated San Francisco, causing widespread destruction and displacement. As many residents fled the city, Marin County experienced a substantial population increase, which in turn drove the need for expanded fire protection and emergency services in the area.

1930s-1960s

The most significant change in Marin County occurred with the completion of the Golden Gate Bridge in 1937. The development of the bridge significantly improved access to the area and triggered a sharp rise in the county’s population⁵. This population increase brought greater responsibilities for fire departments, expanding their focus from just structural and wildfire incidents to the inclusion of emergency response and fire prevention. As the scope of fire department duties broadened, roles within these departments became more specialized.

In 1941, the Marin County Fire Department was founded to better coordinate fire protection across the growing region⁶. That same year, World War II caused a population surge in Marin County. The establishment of shipyards along the southeastern coast attracted large numbers of workers, fueling a population boom and increasing emergency service calls. These conditions also led to the creation of the Marinship Fire Department and the expansion of the Sausalito Fire Department⁷.

The wartime atmosphere heightened concerns about safety, as fears of air raids and other attacks prompted the formation or growth of several local fire departments, including the Alto Fire Department and, to some extent, the Marin City Volunteer Fire Department. During this period, fire departments developed response plans specifically for air raids and other wartime threats.

² “Forest Knolls VFD,” *Marin County Fire History*, <https://www.marinfirehistory.org/forest-knolls-vfd.html>.

³ “Homestead Valley VFD.” *Marin County Fire History*. <https://www.marinfirehistory.org/homestead-valley-vfd.html>.

⁴ “Fire in Sausalito.” *Sausalito Historical Society*. <https://www.sausalitohistoricalsociety.com/2019-events/2019/9/20/fire-in-sausalito>.

⁵ “Golden Gate Bridge forever changed Marin.” *Marin Independent Journal*, <https://www.marinij.com/2012/05/25/golden-gate-bridge-forever-changed-marin/>

⁶ “History of the Fire Department.” *Marin County Fire*, <https://www.marincounty.gov/departments/fire/administration/history-fire-department>

⁷ “History of Marinship Fire Department...” *Marin Fire History*, <https://www.marinfirehistory.org/marinship-fd.html>

In 1946, Sausalito became one of the first cities in the state to purchase a fire ambulance. By 1954, the Bolinas Volunteer Fire Department began providing emergency response services, and in 1962, a volunteer ambulance corps was formed under the leadership of the Stinson Beach Fire Chief. From this point on, emergency response became a central part of fire departments' missions.

1970 - Present

Throughout the 1970s and 1990s, wildfires in Marin were contained but still posed a threat due to the county's dense vegetation and Mediterranean climate. In 1995 devastation struck West Marin in form of the Mount Vision Fire that burnt nearly 13,000 acres starting in the Point Reyes National Seashore, due to illegal campfires, and spreading as far east as Inverness Park where 44 homes were destroyed⁸. Vision fire which was reported on October 3rd spread rapidly burning 1,600 acres by the morning of October 4th to 9,000 acres by the end of that same day. Smaller and larger fires, like the Vision Fire, drew attention to the need for faster response and mutual aid shifting the perspective from "what if" to the inevitable "when"⁹ and expanding the focus of fire services beyond suppression to prevention. These wildfires led to the strengthening of the Marin County Office of Emergency Services (OES) and the expansion of Marin County Fire's seasonal workforce to better respond to wildfire risks and enhance the wildland-urban interface. Some of these enhancements included the addition of larger and more frequent prescribed fires or controlled burns to increase wildland health, reducing flammable underbrush and ecosystem restoration to mimic natural fire cycle but in a controlled setting.

Through the 1980s, increased fire risk led to some park rangers with the Marin Municipal Water District (MMWD) becoming Emergency Medical Technicians (EMTs). By the end of the decade, all their rangers were certified as EMTs. At this time, agencies also collaborated with MMWD to increase access to fire roads and water storage for agencies within the Mt. Tamalpais watershed¹⁰. The uptick in wildfires in these years, along with smaller fires, led to stronger fire prevention efforts and helped shape the Marin County Fire Department's wildfire management programs.

In recent years, from 2010 to the present, California has experienced an increase in fire activity, and Marin County has not been immune to these threats. Large fires, such as those in 2017, occurred, including a fire that broke out at Dixie Elementary School in Marinwood. The same year, the nearby Pine Fire burned 15 acres near Kent Lake but was quickly contained without threatening any structures. Additionally, the 2020 Woodward Fire was fueled by factors such as extreme weather conditions, drought, and high winds. These fires affected homes and businesses, stressing the importance of fire-adaptive communities. In response, Marin County has increased its focus on community engagement, preparedness, and fire mitigation strategies through

⁸ "Vision Fire: Burning Issues in Fire Management" National Park Services, https://www.nps.gov/pore/learn/nature/wildlandfire_visionfire_burningissues.htm

⁹ Ibid

¹⁰ "The Marin Municipal Water District Fire Department." Marin Fire History, <https://www.marinfirehistory.org/marin-municipal-water-district.html>

programs such as the Marin Wildfire Prevention Authority (MWPA) 2020¹¹, Fire Safe Marin, founded in 1992¹², the Community Emergency Response Team (CERT), and other city- and neighborhood-based programs. The region has invested in more sophisticated early detection systems, fire breaks, and coordination between local, state, and federal agencies to protect both life and property from increasingly frequent and intense wildfires.

6.3 CURRENT FIRE SERVICE PROVIDERS

Marin County, with a population of 262,321, as of the 2020 Census, is served by 12¹³ direct fire service providers overseeing both incorporated municipalities and unincorporated areas, which total 456.89 square miles. The county includes 11 incorporated municipalities, with fire services provided by a mix of public, volunteer, and private agencies. Notably, the Muir Beach Fire Department operates as a volunteer fire agency, and the Nicasio Volunteer Department functions as a private fire brigade. Although mentioned in this report Marin LAFCo does not have oversight of private and volunteer fire service providers. Among these agencies, three Community Service Areas (CSAs) provide fire services at the county level by the Marin County Fire Department or a neighboring agency, while the remainder operate at local or district levels. Two agencies, the Central Marin Fire Department (covering Larkspur and Corte Madera) and Ross Valley Fire Department (covering Ross, San Anselmo, Fairfax, and Sleepy Hollow), function as Joint Powers Authorities (JPAs).

The County contracts with the state for certain fire-related services, particularly in West Marin, where the state also helps fund fire apparatus in exchange for fire-fighting services. This arrangement allows the county to manage fire risks effectively while receiving reimbursement from the state for services rendered, ensuring a more coordinated and well-funded fire response system.

6.4 PUBLIC PROTECTION CLASSIFICATIONS

Public Protection Classification rating by the Insurance Services Office (ISO)¹⁴, which is an organization that independently evaluates municipal fire protection efforts throughout the United States. An ISO rating of 1 is the highest possible that can be given to any fire department using this metric. Insurance companies often use ISO information combined with other factors to establish local property insurance rates. While many communities receive a single number classification, many smaller and more rural communities receive a split classification to reflect the risk of loss more precisely. In the case of a split classification, the first number refers to the classification of properties within five road miles of a fire station and within 1,000 feet of a creditable water supply. The second number, with either the X or Y designation, applies to properties within 5 road miles of a fire station but beyond 1,000 feet of a creditable water supply (i.e., fire hydrant). ISO assigns Class 10 to properties beyond five road miles. Most insurance agencies throughout the country use the PPC classification for underwriting and calculating

¹¹ <https://www.marinwildfire.org/>

¹² <https://firesafemarin.org/>

¹³ Sleepy Hollow Fire Protection District is not a direct provider. Fire protection services are provided by RVFD through a JPA. Which is why although referenced through the report it is not listed as a “direct” provider.

¹⁴ [ISO, “PPC Program.”](#)

premiums on residential, commercial, and industrial properties. Table 6-1 shows the breakdown of the PPC rating of the agencies providing fire services.

Table 6-1: Marin County Service Providers

Service Provider	Public Protection Classification	Area Served
Bolinas Fire Protection District	Class 3/3x	Bolinas
Central Marin Fire Department (JPA)	Class 2	City of Larkspur and City of Corte Madera and some surrounding unincorporated areas
Marin County Fire Department (CSA 13 &31)	Class 3/3x	Marin County Fire Department provides most of its services to unincorporated areas
Inverness Public Utility District	Class 5/5x	Inverness
Kentfield Fire Protection District	Class 1	Kentfield, Greenbrae
Marinwood Community Service District	Class 2/2x	Marinwood
Novato Fire Protection District	Class 1	Novato and surrounding unincorporated areas
Ross Valley Fire Department (JPA) and Sleepy Hollow Fire Protection District	Class 2	San Anselmo, Fairfax, Ross, and Sleepy Hollow
Southern Marin Fire Protection District	Class 1/1x	Sausalito, Tamalpais Homestead Valley, Strawberry, Mill Valley (2023)
Stinson Beach Fire Protection District	Class 4/4x	Stinson Beach
Tiburon Fire Protection District	Class 1	Town of Tiburon and City of Belvedere
San Rafael Fire Department	Class 1	San Rafael, Marinwood CSD, CSA 19

Table 6-2: Marin County Volunteer and Private Fire Service Providers

Volunteer and Private Fire Departments
Nicasio Volunteer Fire Department
Muir Beach Volunteer Fire Department
Skywalker Ranch Fire Brigade
Tomales Volunteer Fire Company

6.5 MUTUAL & AUTOMATIC AID

A mutual aid agreement is a type of agreement between two government agencies that outlines the terms and conditions for the exchange of services between them. This agreement allows the agencies to share services, information, and resources while minimizing duplication of effort and maximizing efficiency. The Mutual Aid Agreement typically specifies the type of services to be provided, the duration of the agreement, payment terms, and any other relevant details. By entering into a mutual service agreement, government agencies can improve their ability to deliver services to the public while reducing costs and increasing collaboration among agencies.

The following is a list of existing mutual aid agreements in Marin County that exist among some or all fire agencies.

- Countywide Mutual Threat Zone Plan

- Marin Sonoma County Mutual Threat Zone Plan
- [Marin County Mutual Aid Agreement](#)
- County of Marin Urban Search and Rescue
- County of Marin Office of Emergency Services
- State of California Master Mutual Aid
- North Bay Incident Management Team

6.6 STATIONS AND STAFFING

In Marin County, there are approximately 553 full-time employees, not including part-time, seasonal and volunteers, working across 12 fire agencies. These agencies operate from 36 strategically located fire stations throughout the county to reduce response times. The distribution of stations ensures efficient coverage for fire suppression, medical emergencies, and other incidents. The combination of professional and volunteer personnel provides a flexible and coordinated emergency response system for the county.

Table 6-3: Fire Service Providers Staffing and Apparatus

Personnel	Stations	Fire Apparatuses	Other Equipment
Bolinas Fire Protection District			
5 (FTE), 21 Volunteers	One	2 Type 1 Engine, 1 Type 3 Engine, Utility Vehicle, Command Vehicle, Flatbed Pickup	
Central Marin Fire Department (JPA)			
40 Personnel FTE	Four	3 Type 1 fire engines, 1 Advanced Life Support (ALS), 2 Type 3 wildland engines, and 1 Type 1 tactical water tender.	
Marin County Fire Department (CSA 13,19 &31)			
149 (FTE, seasonal and volunteer), 14 Tamalpais Wildland Fire Crew	Six	9 Type 1 Engines, 1 Type 2 Engine, 14 Type 3 Engines, 6 Type 6 Engines, 4 water Tenders, 5 ambulances, 5 boats, 11 Cars, 1 Class 7 Truck, 2 Class 8 Trucks, 6 Crew Carriers, 16 Crew Trucks, 11 Rescue Watercraft, 1 Skid Steer, 1 Skip Loader, 10 SUV's, 33 Trailers, 43 Trucks, and 9 Utility Terrain Vehicles	12 Cameras, 2 Lookout Towers, 5 chippers, 1 dozer, 2 Equipment Trailers, 4 Excavators, 1 Grader
Inverness Public Utility District (IPUD)			
2 FTE, 4 part-time and 20 volunteers	One	1 Type 1 engines, 1 Type 6 engine, 1 small rescue, 2 utility/command vehicles	
Kentfield Fire Protection District			
13 personnel FTE	One	Engine 17 is a 2018 Pierce Engine, 17-A is a 2006 Pierce Dash, 2002 Pierce Dash, 2005 Westates HME and 1 2915 Dodge Ram Engine 2500, 2615 Type 6 Wildland Fire Engine 2020.	
Marinwood Community Service District			
9 personnel	One	1 Type 1 Engine and 1 Type 3 Engine	
Novato Fire Protection District			
88 personnel, 12 Reserves and 15 explorers	5 stations, 1 Admin building	5 front-line type 1 engines include a rescue pumper, 2 type 1 reserve engines, 1 type 1 training engine, 1 Truck, 3 Type III, 3 first out ambulances, 2 reserve ambulances, 9 command vehicles, 1 reserve command vehicle, 1 water tender, 11	Thermal imaging cameras and a weather station, 1 training tower

		administrative pool vehicle, 3 utility pick-ups, 1 van, 2 UTV's, 1 training forklift	
Ross Valley Fire Department (JPA)			
39 personnel	Three	3 Type 1 engines, 1 reserve Type one engine, 1 OES engine, 1 Type 3 engine, Fire Chief Command Vehicle, Battalion Chief Command Vehicles, Utility Vehicles, and Inspector Vehicles	
Southern Marin Fire Protection District/ Mill Valley Fire Department			
93 personnel FTE	Five	4 Type 1 (+1 reserve), two Type 3, two ALS ambulances (+1 reserve), one medium rescue truck, one ladder truck, one command vehicle, one utility task vehicle (UTV), 4 utility vehicles, 1 Inflatable Rescue Boat, 1 Dive Team Tender, 1 40' Metalcraft Fire Boat, 2 Rescue Watercraft	
Stinson Beach Fire Protection District			
8 FTE and 15 volunteer	1 Station, 1 Annex	2 Type 1, 1 Type 3, 1 BLS ambulance, 2 utility vehicles, 1 water rescue craft, 1 Tactical Water Tender	
Tiburon Fire Protection District (Belvedere FD)			
34 personnel FTE	Two	2 Type 1 Engines, 1 Type 3 Engine, 1 Reserve Engine, 1 Ambulance, 1 Rescue Unit, 1 Fireboat, 1 Command Vehicle, 1 Chief Vehicle, 1 Day Battalion Chief Vehicle, 2 Prevention Vehicles, 2 Utility Pickups	
San Rafael Fire Department			
82 Personnel	Six	5 Type 1 Engines, 1 Ladder Truck, 1 Type 3 Engine, 1 Type 6 Engine, 3 Reserve Engines, 1 Reserve Truck, 4 Ambulances, 2 Reserve Ambulances, 1 Fire boat, 1 Jet Ski, 2 UTVs, 5 Command Vehicles, 3 Pickups, 1 Stake Side Truck, 1 Mobile Repair Truck.	Air Trailer Unit, Medical Supply Trailer

6.7 RESPONSE AND SERVICES

Across Marin County, the services offered by fire agencies vary widely. While all agencies provide fire suppression, some also offer specialized services such as water rescue, mountain rescue, and residential/commercial water provisions. Additionally, most agencies engage in both wildfire prevention and suppression efforts.

Emergency and Medical Services

While this study includes a high-level overview of emergency medical services (EMS), Marin LAFCo does not have regulatory authority over paramedic service delivery. EMS is governed at the county level through the local Marin County Emergency Medical Services Agency¹⁵ under California Health and Safety Code, which establishes standards for paramedic services, including

¹⁵ <https://ems.marinhhs.org/marin-ems>

system design, provider authorization, and medical protocols. Throughout the county, there are five paramedic zones¹⁶. Although fire departments provide emergency services in some of these zones, there are independent paramedic agencies in others that provide support to the fire departments that operate in that area without being directly integrated into those departments. Refer to individual agency profiles for details on emergency response apparatus inventory.

The below agencies provide ALS and BLS care in and beyond their service area, with Marin County Fire Department providing medical services to districts that do not provide medical services. Although not formally designated within the County's paramedic response zones, other agencies, including Marinwood CSD, continue to provide both advanced life support (ALS) and basic life support (BLS) services within their jurisdictions through locally supported response models. The five paramedic zones are Zone A – Novato, Zone B – San Rafael, Zone C – Central Marin, Zone D – Southern Marin, Zone E – West Marin

Zone A - Novato Area through Novato Fire Protection District

The Emergency Medical Services Division of the Novato Fire Protection District is overseen by a Battalion Chief-EMS and supported by a Medical Director, EMS educator, and quality improvement staff. The division focuses on maintaining and improving patient care through a structured Continuous Quality Improvement program that uses data analysis and peer review. The EMS Division also evaluates medical equipment, supports responder well-being through internal behavioral health programs, and coordinates with external agencies to address broader community needs, including services for vulnerable populations.

Zone B – San Rafael area through the San Rafael Fire Department

The San Rafael Fire Department provides EMS through a fire-based paramedic model, with personnel trained in ALS delivering medical care as part of frontline response. EMS delivery is integrated into daily operations, with fire companies serving as first responders and coordinating with ambulance transport. In 2025, the Department introduced a Basic Life Support (BLS) EMT pilot program, adding a dedicated ambulance staffed by EMTs to respond to lower-acuity calls. This approach allows ALS paramedic units to remain available for critical emergencies, improving system efficiency, resource availability, and response time.

Zone C – Central Marin through Ross Valley Paramedic Authority and Central Marin Fire

The Ross Valley Paramedic Authority (RVPA) provides EMS through an eight-member JPA model serving multiple jurisdictions. RVPA delivers ALS and BLS care through paramedic-staffed ambulances, working in coordination with local fire departments that provide first response. In Zone C, paramedic and ambulance services are supported through contractual and operational partnerships with agencies including Marin County Fire Department and Central Marin Fire Department, which provide staffing, response, and system coordination. Operationally, a tiered response system allows fire and ambulance personnel to respond concurrently, supporting rapid on-scene care and coordinated transport, while the Authority also provides regional oversight and support to participating agencies.

¹⁶ EMS System Information: <https://ems.marinhhs.org/ems-system-information>

Zone D – Southern Marin through Southern Marin Emergency Medical Paramedic System

The Southern Marin Emergency Medical Paramedic System (SMEMPS) provides EMS through a five-member JPA model serving multiple Southern Marin jurisdictions. SMEMPS delivers ALS and BLS care through paramedic-staffed ambulances, working in coordination with local fire departments that provide first response. Paramedic and ambulance services are administered through SMEMPS and supported by member agencies, including the Southern Marin Fire Protection District, which provides staffing and operational response. The tiered response system allows fire and ambulance personnel to respond concurrently, supporting rapid on-scene care and coordinated transport. At the same time, SMEMPS provides regional coordination, contracting, and system oversight across its member agencies.

Zone E – West Marin through Marin County Fire

West Marin is served by the Marin County Fire Department, which provides EMS delivery across a large, primarily rural area. The Department delivers both ALS and BLS care through paramedic-staffed units and works in coordination with local fire service providers. Ambulance transport and paramedic services are operated directly by the County, supporting a coordinated system that integrates career and volunteer resources. The tiered response model allows for simultaneous dispatch of fire and EMS personnel, helping to maintain timely response despite geographic challenges, while County administration provides system oversight, staffing, and operational coordination within the zone.

Technical Rescue

Technical Rescue refers to specialized rescue operations that require specific equipment, techniques, and training. These operations often involve coordination among multiple emergency response teams, such as firefighters, paramedics, and specialized rescue units.

Throughout the county, several agencies are equipped to manage technical rescues, including the Southern Marin Fire Protection District, Central Marin Fire Department, Stinson Beach Fire Protection District, Tiburon Fire Protection District and Novato Fire Protection District. Both the Novato Fire Protection District and Marin County Fire Department operate an Urban Search and Rescue (USAR) team with a Type 1 designation, indicating their high level of capability for urban search and rescue operations.

The Marin County Fire Department's Urban Search and Rescue team operates under a mutual aid agreement, meaning they can provide personnel and resources to assist with technical rescues in other districts when needed. This collaboration ensures that technical rescue operations are conducted efficiently across the county.

Hazardous Material

The Marin County Hazardous Materials Response Team (HMRT) operates as a Joint Powers Authority (JPA) under the coordination of the Marin County Fire Chiefs Association (MCFCA). This specialized team is trained and equipped to respond to hazardous materials incidents throughout the county, ensuring public safety and environmental protection. The HMRT

functions as part of the county’s broader special operations efforts, which include technical rescue and other emergency response capabilities.

Plan Review and Construction Inspection Services

Fire agencies throughout the county provide plan review and construction inspection services to ensure new buildings and renovations meet fire safety standards. These services involve reviewing architectural plans for fire safety compliance, inspecting construction progress, and verifying that fire protection systems (such as sprinklers, alarms, and fire exits) are properly installed. Agencies offering these services include the Marin County Fire Department, San Rafael Fire Department, Novato Fire Protection District, Southern Marin Fire Protection District, Central Marin Fire Department, and Ross Valley Fire Department. Other participating agencies include the Tiburon, Kentfield, Stinson Beach, and Bolinas Fire Protection Districts, as well as the Inverness, Muir Beach, Tomales, Nicasio, and Point Reyes Station Fire Departments.

Public Education and Prevention

All agencies provide many forms of fire prevention and education to the public. The programs are meant to educate the public on evacuation and fire safety. Additionally, many programs developed by these agencies offer affordable opportunities to reduce flammable vegetation throughout the district. The following are types of programs provided by agencies/districts throughout the county chipper days, vegetation management, commercial and residential inspections, First Aid/CPR training.

Emergency Communication (Dispatch)

The Marin County Emergency Command Center (ECC) is a dispatch hub operated by the Marin County Fire Department, launched in 2024 as a unified system for dispatching fire and emergency medical services (EMS) across the county. It was developed to improve interagency coordination and reduce delays by consolidating what were previously separate dispatch systems. Calls originating through the Marin County Sheriff’s 911 system are transferred to the ECC for coordination of fire or EMS responses.

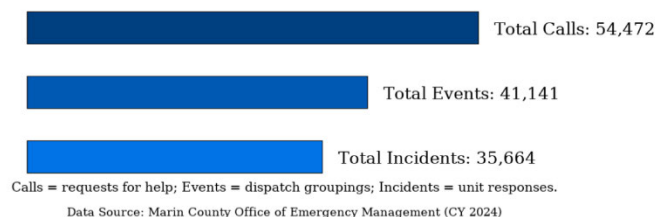
The Emergency Command Center (ECC) at 1600 Los Gamos Drive is managed by a new ECC Director who operates with twelve dispatchers, three fire captains, and support staff on a three-platoon schedule for continuous coverage¹⁷. The ECC required over \$7.7 million in start-up costs, shared between the County and participating fire agencies, with ongoing annual operating costs of about \$5 million—76% funded by local fire agencies and 24% by the County, partially offset by Sheriff’s budget savings.

Functionally, the ECC is organized into regional dispatch zones, North, Central, South, and West Marin, allowing for specific response strategies. It operates using advanced technology, including the HEXAGON computer-aided dispatch (CAD) system, Motorola radio systems, and VESTA phone systems. It also relies on the Marin Emergency Radio Authority (MERA) network, which ensures interoperable communication with local and regional agencies through dedicated dispatch and tactical talk groups.

¹⁷ Correspondence with Marin County Fire; September 9, 2025

Figure 2: OEM Countywide Call Data

**Marin County Office of Emergency Management
CY 2024 Countywide Call Snapshot**



6.8 MARIN WILDFIRE PREVENTION AUTHORITY

The Marin Wildfire Prevention Authority (MWPA) is a regional wildfire prevention coordination and implementation organization created in 2019 as a Joint Powers Authority (JPA). The creation of MWPA stemmed from the Marin County Fire Department's report Lessons Learned from 2017 North Bay Fire Siege¹⁸ (2018) and Wildfire Preparedness, a New Approach¹⁹, released by the Marin Civil Grand Jury (2019). Following these studies, the Marin Wildfire Prevention Initiative was presented to the Marin County Board of Supervisors, which was followed by the formal adoption of the JPA in 2019 and, later, the passage of the Measure C ballot measure in 2020.

MWPA focuses on vegetation management, community education, evacuation planning, warning systems, and more, with the support of its member agencies. The MWPA operates with a specific set of goals and objectives that include indicators and outcomes monitored by the authority. These goals were created based on the Marin Community Wildfire Protection Plan (CWPP)²⁰. These goals include Goal 1: Vegetation Management, Goal 2: Detection, Alert & Evacuation, Goal 3: Grants, Goal 4: Public Outreach & Education, and Goal 5: Defensible Space & Home Hardening.

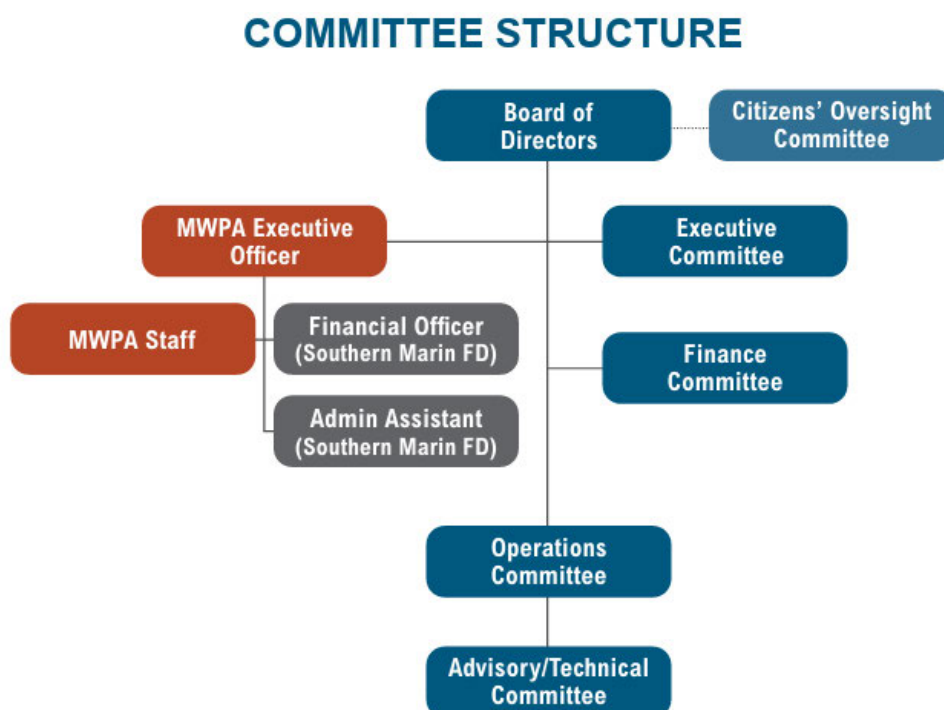
The Marin Wildfire Prevention Authority comprises 17 member agencies, including the County and a mix of cities and districts. The membership includes Bolinas Fire Protection District (FPD), City of Larkspur, City of San Rafael, County of Marin Fire, Inverness PUD, Kentfield FPD, Marinwood CSD, Muir Beach CSD, Novato FPD, Sleepy Hollow FPD, Southern Marin FPD, Stinson Beach FPD, Town of Fairfax, Town of Ross, Town of San Anselmo, City of Mill Valley, and the Town of Corte Madera. Each of these member agencies selects an elected official to serve on the Board of Directors for MWPA. Member involvement on the governing level goes beyond the board of directors to include a series of committees as seen in Figure 3.

¹⁸ <https://mwpa.webflow.io/about-mwpa/measure-c>

¹⁹ [Ibid](#)

²⁰ <https://www.marinwildfire.org/about-mwpa/guiding-documents>

Figure 3: MWPA Committee Structure



Funding Framework

The Marin Wildfire Prevention Authority is primarily funded by Measure C, passed by voters in 2020. Measure C is a parcel tax applied to all real property in Marin County within the defined boundaries of Member Taxing Entities. Starting in 2020, Measure C lasts for 10 years and collects up to 10 cents per building square foot and a flat annual rate on unimproved parcels, drawing in an estimated \$19 million annually, and is likely to raise more funds each year²¹.

Measure C funds are used solely for wildfire prevention, with 60% of funds allocated to Cross-Jurisdictional Projects (Core Programs), 20% to Defensible Space and Home Hardening, and 20% to Community-Level Wildfire Prevention Mitigation. The sixty percent Core Program funds are spent directly by MWPA on projects that cross jurisdictional boundaries; at least 80% of funds generated in a zone should be spent in that same zone. The 20% allocated to Defensible Space and Home Hardening can be administered by MWPA or by the member agency; the funds are allocated based on revenue generated in that tax rate area. The final 20% of Community-Level Wildfire Prevention Mitigation is given directly to the agency in proportion to the funds raised, which support local fire mitigation efforts determined by that agency's regional needs. See Figure 4 for a detailed summary of funding allocations.

²¹ <https://www.marinwildfire.org/about-mwpa/measure-c>

Figure 4: FY 22'-23' MWPA Budget Summary

Zone	Agency	Local (20%)	D-Space (20%)	Core (60% - Admin Costs)	Core Budget for JPA-wide Proposals	Core Budget per Zone
Central Marin	City of Larkspur	\$216,858.47	\$216,858.47			
Central Marin	Kentfield Fire	\$137,952.23	\$137,952.23			
Central Marin	Sleepy Hollow Fire District	\$47,314.59	\$47,314.59			
Central Marin	Town of Corte Madera	\$170,466.33	\$170,466.33			
Central Marin	Town of Fairfax	\$102,070.24	\$102,070.24			
Central Marin	Town of Ross	\$56,393.37	\$56,393.37			
Central Marin	Town of San Anselmo	\$190,691.19	\$190,691.19			\$1,485,333.69
West Marin	Bolinas Fire District	\$24,889.39	\$24,889.39			
West Marin	Inverness Volunteer Fire Department	\$21,171.88	\$21,171.88			
West Marin	Marin County Fire Department	\$339,913.80	\$339,913.80			
West Marin	Stinson Beach Fire District	\$27,844.78	\$27,844.78			\$394,336.38
Novato	Novato Fire District	\$1,006,437.26	\$1,006,437.26			\$1,597,062.33
San Rafael	City of San Rafael	\$969,009.79	\$969,009.79			
San Rafael	Marinwood Community Services District	\$68,346.54	\$68,346.54			\$1,886,242.35
Southern Marin	City of Mill Valley	\$247,319.23	\$247,319.23			
Southern Marin	Muir Beach Community Services District	\$6,319.95	\$6,319.95			
Southern Marin	Southern Marin Fire District	\$468,238.58	\$468,238.58			\$1,209,298.23
JPA-wide Core					\$4,501,068	
Totals		\$4,101,237.60	\$4,019,212.85*	\$11,073,341.52	\$4,501,068	\$6,572,272.98
Core (JPA-wide Core + Zone-specific Core)						\$11,073,341.52
Total Measure C (Local + D-Space + Core + Admin)						\$20,506,188.00

*minus 2% holdback for abatement.

Wildfire Prevention Services

MWPA funds a range of wildfire prevention programs across the County, including vegetation management, Detection & Evacuation, Grant Programs, Community Involvement and Home Hardening. To mitigate fires in the region, MWPA invests heavily in vegetation management by decreasing fuel buildup. MWPA works towards this goal through the removal of dead material, non-native and fire-hazardous vegetation, and thinning of hazardous native vegetation. MWPA is currently made up of five operational zones (see Figure 5) that have several ongoing vegetation management projects funded by MWPA. One of the most accomplished projects to date is the Greater Ross Valley Shaded Fuel Break²², a 38-mile-long shaded fuel break spanning multiple jurisdictions. A fire occurred near the project area in June 2023, though relatively low intensity, it burned in an area that had been previously prioritized for treatment through wildfire modeling and vegetation management efforts, and the fuel reduction work completed helped limit the fire's intensity and spread. This situation illustrates the role of data-informed planning in identifying higher-risk ignition areas. Had MWPA not been in place, this type of long-term planning and coordination would be difficult to achieve without a regional coordinating entity, helping to avoid

²² <https://www.marinwildfire.org/project/shaded-fuel-break-planning-project>

gaps in wildfire prevention. MWPA actively works on Education and Outreach throughout the region, including projects with FireSafe Marin. The majority of these programs aim to notify residents of ongoing programs as well as resources available to them to aid fire prevention within their home and community. These outreach programs significantly raise awareness of MWPA Fire Resistant Homes programs, including Chipper Days, Defensible Space & Home Hardening Evaluation, and Workforce Development & Staffing. These projects are provided as examples of the services MWPA supports regionally, but do not represent an exhaustive list of MWPA-funded activities.

Figure 5: MWPA Five Operational Areas



The Marin Wildfire Prevention Authority functions as a necessary enhancement to local prevention operations, not a replacement. With increased fire risk throughout the region, the coordination provided by MWPA with each agency in prevention efforts, staffing, and fuel reduction priorities prevents jurisdictional boundaries from creating gaps in fire mitigation efforts. MWPA's involvement in prevention has had a significant impact on wildfire prevention for its member agencies and on opportunities for residents in those areas. MWPA's vegetation management dashboard tracks completed projects that have treated approximately 1,791 acres countywide, resulting in modeled reductions of 45 percent in overall fire behavior, 50 percent in flame length, and a 62 percent increase in areas suitable for direct attack²³. Fires do not start or stop based on jurisdictional boundaries; they ignite and spread according to environmental conditions. Given this, it should be considered for MWPA's continued effectiveness that they and the region may be supported by maintaining sufficient flexibility within its prevention funding framework, allowing prevention resources to be directed toward the highest-priority wildfire risk areas as conditions and mitigation needs evolve.

²³ <https://marinwildfire.maps.arcgis.com/apps/dashboards/9e2ed6e8d3a54ff180b04896f2008b0f>

6.9 FINANCIAL OVERVIEW

Fiscal Year 2021-'22 Agency Comparison

Fire service providers throughout Marin County vary in size and populations served. Series one represented the providers' revenue, while series two reflects the expenditures. Most of the fire providers have expenditures that are less than that year's revenue. Please see the individual sections for more in-depth descriptions of the provider's finances.

Audits

All fire service providers had current audit reports posted and accessible on their websites. At the outset of this study, not all agencies had published their 2023 audits, so we focused on Fiscal Year 2021-22, as most of the revenue is derived from property taxes. Despite the challenges posed by the COVID-19 pandemic during that period and the years leading up to it, we deemed it appropriate to use data from this fiscal year, given that property tax remains the primary source of funding for most providers and member agency dues for providers that are JPA's. Overall, fire agencies in Marin County are largely in compliance with the requirement to post their audit reports publicly, demonstrating transparency and accountability to the communities they serve. Although this report focuses on Fiscal Year 2021-22, all agencies are in compliance with completion and posting for subsequent years.

Meetings and Agendas

In accordance with the Brown Act (AB 2257), local districts are required to post agendas and minutes of public meetings on their websites. A 2019 amendment to Government Code Section 54954.2 mandates that current meeting agendas be accessible through a prominent, direct link on each district's primary webpage and be provided in a format that is downloadable, indexable, and electronically searchable by commonly used internet search tools. Most if not all, districts in Marin County comply with these requirements, ensuring that meeting materials are publicly accessible and easy to navigate online.

7.0 BOLINAS FIRE PROTECTION DISTRICT

7.1 OVERVIEW

The Bolinas Fire Protection District (BFPD) was established in February of 1958 as an independent special district. The BFPD boundary surrounds just over 9.3 square miles of the area, including and surrounding the census-designated place of Bolinas along Marin County's Pacific Coast. The district serves a population of approximately 1,483 persons²⁴. The last Municipal Service Review that included the BFPD was conducted in June of 2022 as part of the West Marin Service Review and Sphere of Influence Update.

The primary function of BFPD is to provide fire protection, emergency medical response, disaster planning and response, fire prevention, and fire prevention education services to the unincorporated town of Bolinas and the surrounding area. The District also provides first responder services to the Point Reyes National Seashore and the Golden Gate National Recreation Area. The jurisdictional boundary of the District reaches to the top of the Bolinas Ridge to the north, down to Duxbury Point at its southern tip. Part of the BFPD's eastern border is contiguous with the border of the Stinson Beach Fire Protection District's boundary. The BFPD participates in the Marin County and California Mutual Aid System with nearby fire districts and responds to wildland fires as needed. The District is also a member agency of the Marin Wildfire Prevention Authority (MWPA). MWPA aids local fire agencies throughout Marin County with funding for fuel removal projects, defensible space evaluations, and other helpful resources. BFPD is allocated .61% of MWPA's total annual funding.

Table 7-1 - Bolinas Fire Protection District Overview

Bolinas Fire Protection District			
Primary Contact:	Chief George Krakauer	Phone:	(415)-868-1566
Headquarters:	100 Mesa Road, Bolinas, CA 94924		
Formation Date:	March 7, 1958		
Services Provided:	Fire Protection and Emergency Response		
Service Area:	6,009 acres	Population Served:	1,483

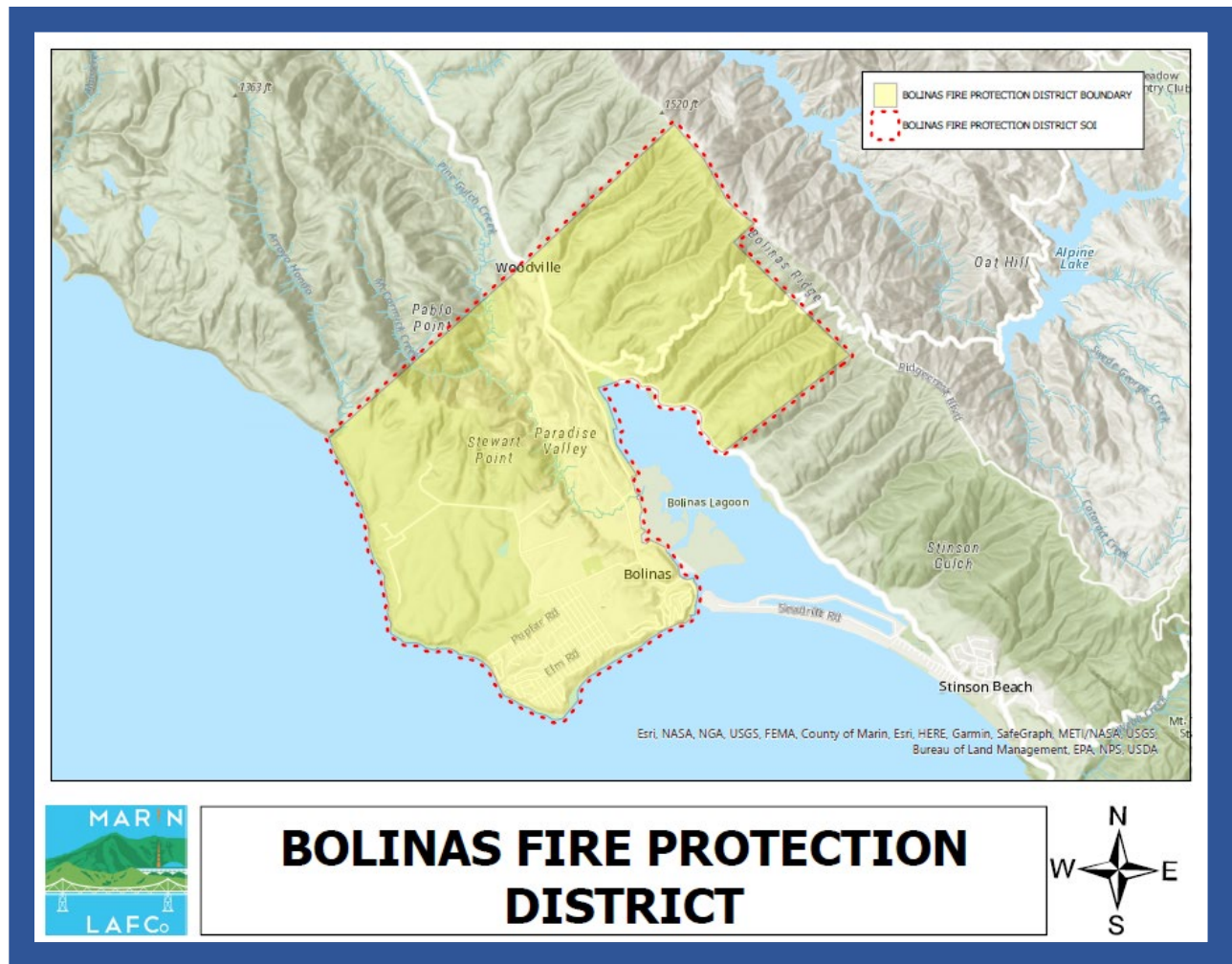
7.2 FORMATION AND DEVELOPMENT

The Bolinas Fire Protection District was established as an independent Special District whose legal authority and responsibilities are contained in the State of California Health and Safety Code Sections 13800-13970. The Bolinas Volunteer Fire Department began providing fire protection services to the community years before the official formation of the District, but on February 14th, 1958, the Bolinas Fire Protection District was formally organized. The District's firehouse was originally built on Mesa Road in 1970. In 1998, engineers determined that the

²⁴ [2020 US Census Redistricting Data](#)

building did not meet state building codes and would not withstand an earthquake larger than 6.5. In 2003, a tax measure (Measure F) was passed by the voters agreeing to a new parcel tax in order to fund the construction of a new firehouse. In February of 2006, the old firehouse was demolished and in July of 2007, the new firehouse was opened on the same site.

Figure 6: Bolinas Fire Protection District Jurisdictional Boundary and Sphere of Influence



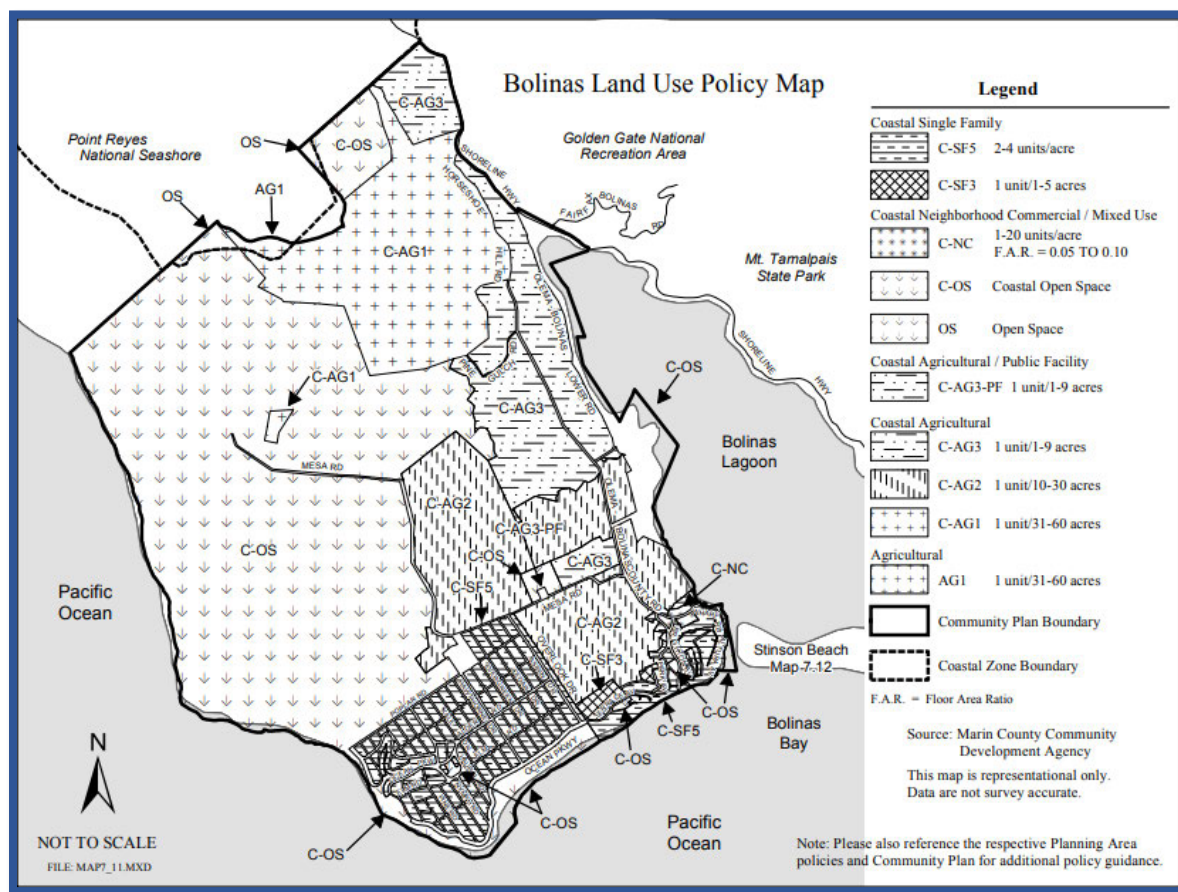
District Boundary and Sphere of Influence

Bolinas Fire Protection District's service boundary, which currently encompasses just under 9.4 square miles, includes all of the residential areas of the census-designated place of Bolinas and stretches to the north up to the top of the Bolinas Ridge. The boundary encompasses agricultural lands, privately owned parklands like the Audubon Canyon Ranch, and publicly owned parklands like parts of the Golden Gate National Recreation Area and the Point Reyes National Seashore. There are a total of 1,207 parcels within the District's boundary and 887 total living units. The BFPD's southeastern boundary is contiguous with the Stinson Beach Fire Protection District's northern boundary. The District's sphere of influence is coterminous with its jurisdictional boundary. The sphere of influence was last updated in August of 2022.

Growth and Population

The Bolinas Fire Protection District encompasses the census-designated place (CDP) of Bolinas. According to the 2020 U.S. Census Redistricting Data, the population of the CDP is 1,483, which is approximately an 8% decrease from the 2010 population of 1,620²⁵. The most recent census data shows the CDP to have 887 total housing units, with 660 of those units occupied. The theoretical buildout for the planning area is 975 units. The estimated maximum population projection (2030) based on the County-Wide Plan is 2,362, which would be over an 85% increase. This projection, however, does not account for the constraints on water and sewer capacity within the CDP that are currently in place. While the planning area has approximately 110 parcels remaining that are currently zoned to allow for new construction, the community's water district, Bolinas Community Public Utility District, has had a moratorium in place on new connections to the municipal water supply since 1971. This moratorium poses a significant hurdle for any new development. A land-use map for the planning area can be seen below in

Figure 7: Bolinas Land Use Map



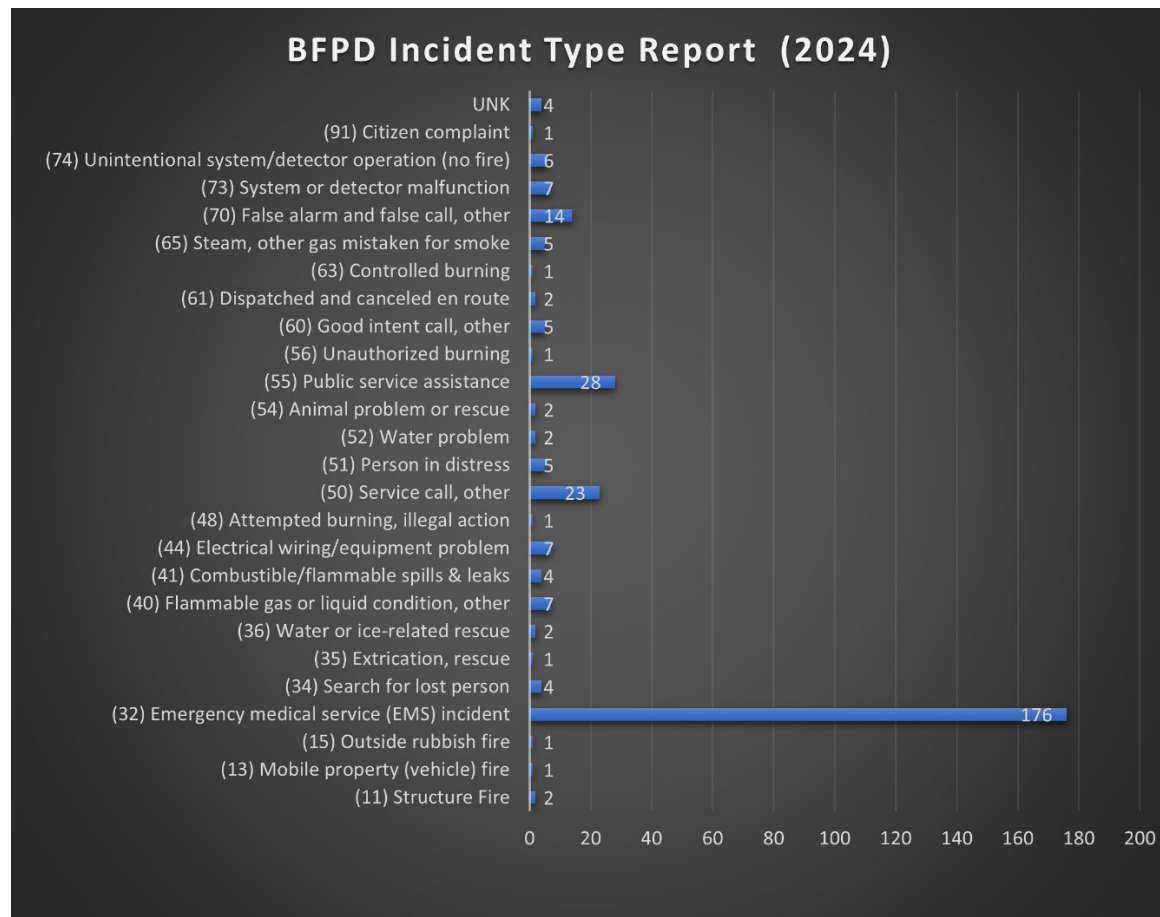
²⁵ [2020 US Census Redistricting Data](#)

7.3 MUNICIPAL SERVICES

Fire Protection and Emergency Response

The Bolinas Fire Protection District provides fire protection, emergency medical aid, and disaster management/preparedness. Incident call types include fire, overpressure rupture/explosion/overheat, rescue and emergency medical service incident, hazardous conditions, service call, good intent call, and special incident type. BFPD receives an average of 310 calls per year (3-year average as of July 1, 2025), with the majority being for Rescue/Emergency Medical. During the calendar year of 2024, the BFPD responded to 312 incidents. Of these, 58.6 percent were for emergency medical services and 3.5 percent were for fires. Figure 7-3 below shows a complete breakdown of the calls for service received in 2024 for BFPD. The District has one station with 5.5 full-time equivalent (FTE) paid employees, as well as 21 volunteer firefighters. A majority of the firefighters are also Emergency Medical Technician (EMT) certified. The Fire Chief oversees the general operations of the District in accordance with the policy direction of the Board of Directors. The Fire Chief is supported by an Assistant Chief, three Duty Officers, and an Administrative Manager.

Figure 8: Bolinas Fire Protection District Incident Type Report



Effective January 1, 2022, from a report that was created in September of 2021, the Bolinas Fire Protection District was given a Class 3/3x Public Protection Classification (PPC) rating by the Insurance Services Office (ISO), an organization that independently evaluates municipal fire-protection efforts throughout the United States. Ratings range on a scale of 1 to 10. Class 1 generally represents superior property fire protection, and class 10 indicates that the area's fire suppression program does not meet ISO's minimum criteria.²⁶ FPD's rating of 3/3x puts the district in the top 14% of fire protection agencies in the country.

Facilities and Apparatus

The Bolinas Fire Protection District owns, operates, and maintains one fire station, which is concurrently used as its administrative building. The station is located at 100 Mesa Road in Bolinas. The BFPD also has a variety of apparatus that serve the community, ranging from support vehicles to fire engines. The District maintains a Vehicle Replacement Reserve Fund that receives annual allocations based on revenue and expenditure projections. The fund currently sits at approximately \$100,000 in the event that one of their current vehicles requires replacement. The District's apparatus are as follows:

- 2010 Spartan Type 1 Engine
- 1997 Ford Type 1 Engine
- 1999 International Type 3 Engine
- 2012 Ford Utility Vehicle
- 2002 Chevrolet Command Vehicle
- 2002 Chevrolet Flatbed Pickup

7.4 ORGANIZATION STRUCTURE

Board of Directors

The Bolinas Fire Protection District has a five-member board that is elected to four-year terms through an at-large election. All directors are required to live within the District's jurisdictional boundary. Elections for board seats take place in November of each even-numbered year. The Board of Directors meets regularly on the 4th Wednesday of each month at 7:00 p.m. at the Bolinas Fire Protection District Headquarters located at 100 Mesa Road in Bolinas.

Table 7-2: Bolinas Fire Protection District Board of Directors

Member	Position	Date of Next Seat Election
Claire Molesworth	President	November 2026
William Pierce	Director	November 2028
Nancy Torrey	Vice-President	November 2026
Chris Martinelli	Director	November 2028
Simon Dunne	Director	November 2028

²⁶ [How the PPC Program Works](#)

7.5 ACCOUNTABILITY AND TRANSPARENCY

The Bolinas Fire Protection District makes a concerted effort to maintain high accountability and transparency with all its activities and currently either meets or exceeds all California State mandates on agency transparency. The BFPD website (www.bolinasfire.org) provides information on defensible space, board meetings, financial reports, stations, history, response statistics, disaster preparedness, and more.

Meetings and Agendas

The BFPD Board of Directors meets regularly on the 4th Wednesday of each month at 7:00 p.m. at the Bolinas Fire Protection District Headquarters at 100 Mesa Road in Bolinas. Special meetings are held as needed to go over specific topics. Meeting agendas and minutes can be found on the BFPD website (www.bolinasfire.org/board-meetings-1).

Annual Budget Review

The District's budget, adopted no later than the June board meeting each year, provides overall control of revenue and expenditures, including appropriations on a line-item basis and the means of financing them. The Administrative Manager produces monthly reports on expense activity that assist the Chief in monitoring activities and programs. These reports are presented to the Board every month to ensure budgetary compliance.

7.6 FINANCIAL OVERVIEW

Most of the annual operating revenue brought in by the Bolinas Fire Protection District is collected in property taxes within the District's boundaries. Additional revenue includes a parcel tax, voter-approved special tax, grant funding, and rental revenue. In November of 2005, the BFPD Board of Directors officially adopted a balanced budget policy requiring the District's budgeted expenses not to exceed budgeted revenues in any fiscal year.²⁷

Revenue and Expenditure

Revenue sources for the BFPD come primarily from a portion of the 1% property tax on residents within its district boundaries. Of the 1% property tax, the BFPD receives \$662,459 for FY '22. The other major sources of revenue for the District include rental income (14%), Measure F parcel tax (9%), transient occupancy tax (7%), a voter-approved tax assessment for paramedic services (6%), as well as an annual disbursement from the Marin Wildfire Prevention Authority by way of the voter-approved Measure C parcel tax (4%). For FY '22, the District saw a revenue increase of \$259,444 (23.85%) primarily due to an increase in grant revenue.

²⁷ [BFPD Balanced Budget Policy](#)

Total revenue for the District for FY 2021-22 for FY'22 was 1,347,426. A breakdown of the most recent 5-year span of audited actuals for expenditures and revenues for the district is available below in Table 7-3.

In FY 2021–22, the Bolinas Fire Protection District incurred total expenditures of \$965,728, most of which were associated with salaries and employee benefits, totaling \$394,992. Other significant expenditure categories included materials and services, at 27.3%, and depreciation expense, at 25.8% of the total expenditures. There were no capital asset purchases during the fiscal year.

Table 7-3: Bolinas Fire Protection District 5-Year Financial Overview

Fiscal Year	Revenues	Expenditures	Net Difference
FY 2017-18	\$809,458	\$592,710	\$216,748
FY 2018-19	\$883,457	\$656,542	\$226,915
FY 2019-20	\$1,052,268	\$707,792	\$344,476
FY 2020-21	\$1,087,982	\$997,348	\$90,634
FY 2021-22	\$1,347,426	\$965,728	\$381,698

Debt

As of June 30, 2022, the Bolinas Fire Protection District had approximately \$1,419,433 in long-term debt. In 2003, the District entered into a “lease, lease-back” agreement in order to procure bonds in the amount of \$2,260,000, which were issued in order to finance the acquisition and construction of a new District Headquarters. The bonds were (and continue to be) paid by the voter-approved parcel tax (Measure F). On December 15, 2016, the District refinanced the bonds in the principal amount of \$1,555,000. The refinancing reduced the principal and interest payments from the original rates of 4.0% - 5.1% to the updated rates of 3.5% - 4.5%. The bonds are scheduled to be repaid in August of 2045. In June of 2008, the District was issued Clean Renewable Energy Bonds (Solar Bonds) for \$189,000 to finance the purchase and installation of solar panels. These Solar Bonds were fully repaid in 2023.

The BFPD also provides a pension plan for employees and is part of the California Public Employees Retirement System (CalPERS). CalPERS provides retirement, disability, and death benefits based on the employee’s years of service, age, and final compensation. As of June 30, 2022, the BFPD Net Pension Liability was \$109,620. The BFPD pension-funded ratio is 70%.

Financial Audit

The Bolinas Fire Protection District has its financial statements audited on an annual basis. The District contracts with an outside accounting firm, most recently Nigro & Nigro PC, to conduct the audit. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2024

Figure 9: Bolinas Fire Protection District Financial Audit Summary

BOLINAS FIRE PROTECTION DISTRICT

Statement of Activities

For the Fiscal Year Ended June 30, 2022

(With Comparative Information for the Fiscal Year Ended June 30, 2021)

	Governmental Activities	
	2022	2021
Expenses:		
Fire related services:		
Salaries and wages	\$ 361,950	\$ 343,468
Employee benefits	33,432	132,231
Materials and services	263,584	260,326
Depreciation expense	248,600	201,955
Interest expense	58,162	59,368
Total expenses	965,728	997,348
Program revenues:		
Voter-approved special tax – paramedic services	64,217	64,375
Parcel tax – CFD No. 2003-1	99,145	99,012
Solar recovery revenue	11,136	10,718
Other revenue and reimbursements	213	32,322
Operating and capital grant funding:		
Measure W – Transient-Occupancy-Tax – funding	139,804	60,728
Measure C – Marin Wildfire Prevention Authority – funding	207,797	47,393
West Marin Emergency Services	8,045	8,045
Other grant income	5,550	12,500
Total program revenues	535,907	335,093
Net program expense	(429,821)	(662,255)
General revenues:		
Property taxes	662,459	604,441
Rental revenue	161,866	145,128
Investment earnings	(12,806)	3,320
Total general revenues	811,519	752,889
Change in net position	381,698	90,634
Net position:		
Beginning of year	3,866,975	3,776,341
End of year	\$ 4,248,673	\$ 3,866,975

7.7 WILDLAND FIRE PREPAREDNESS

Local fire protection agencies like the Bolinas Fire Protection District play a critical role in protecting natural resources and the environment. Extended periods of drought, changing climate patterns, wind, and low humidity have the potential to increase the occurrence and severity of wildland fires, which could threaten structures and lives in the Wildland Urban Interface.

The BFPD participated in the Marin Community Wildfire Protection Plan that was released in 2020. This was a collaborative effort among fire agencies in the county, local fire organizations including FIRESafe Marin, land management agencies, and community stakeholders. Through this effort, areas of concern throughout the county were identified based on population, fire

behavior, vegetation, and other factors. The plan identified BFPD as having the 4th highest amount of total burnable acres, 5,947, of any fire agency in Marin County. Within the plan, several goals were stated, and associated action items were created to better prepare the participating fire agencies throughout the county for wildland fires. One such goal is to “Increase awareness, knowledge, and actions implemented by individuals and communities to reduce human loss and property damage from wildland fires, such as defensible space and fuels reduction activities, and fire prevention through fire safe building standards”. The BFPD is working towards providing more education to the community about this topic. The District offers educational material on its website on defensible space for property owners, as well as guidelines for community members to create a personal preparedness plan to help residents stay informed and be ready to evacuate quickly if necessary. The District has also prioritized projects aimed towards defensible space, such as chipper days, roadside mowing, and other fuel reduction efforts to help reduce fire hazards throughout neighborhoods in Bolinas.

8.0 CENTRAL MARIN FIRE DEPARTMENT

8.1 OVERVIEW

The Central Marin Fire Department (CMFD) is a Joint Powers Authority (JPA) that is comprised of the fire departments from the Town of Corte Madera and the City of Larkspur. The primary function of CMFD is to provide structural fire and emergency medical response to the Town of Corte Madera, the City of Larkspur, and the surrounding unincorporated areas. The CMFD also participates in the Marin County and California Mutual Aid system with nearby fire districts and responds to wildland fires as needed. While the department in and of itself is not a member of the recently formed Marin Wildfire Prevention Authority (MWPA), the member agencies that comprise the department are both members of MWPA. The MWPA was formed in an effort to develop and implement comprehensive wildfire prevention and emergency preparedness throughout Marin County. The last municipal service review that included both of the entities that make up CMFD was conducted in June of 2021 as part of the Twin Cities Region Service Review and Sphere of Influence Update. The data and information accumulated in that report have been updated for this particular study to reflect the fiscal year 2021-2022 data.

Table 8-1: CMFD Administrative Overview

Central Marin Fire Department Overview	
Primary Contact:	Chief Ruben Martin
Main Office:	342 Tamalpais Drive, Corte Madera
Formation Date:	October 18, 2018
Services Provided:	Fire Protection and Emergency Response
Service Area:	4,905 acres
Population Served	≈22,000

8.2 FORMATION AND DEVELOPMENT

While the Central Marin Fire Department, as it is currently composed, is still in its infancy as a singular operating entity, the two separate departments that make up CMFD each have history dating back over 100 years. The Town of Corte Madera's department was initially formed as a volunteer fire department in 1908. The volunteers provided fire protection through a chemical engine and two hoses carts. The first true fire truck was a Chevrolet Pope Hartford that was purchased in 1916. In 1928, the Town's voters approved a bond issue for the purchase of an American LaFrance Pumper. The volunteer department became an official municipal department when it was incorporated in 1930. Funds were raised to build a fire station to house the truck on what is now Tamalpais Drive.

The City of Larkspur's fire services began in 1906 with the formation of the Larkspur Association of Volunteer Firemen. At its inception, the only equipment available to the

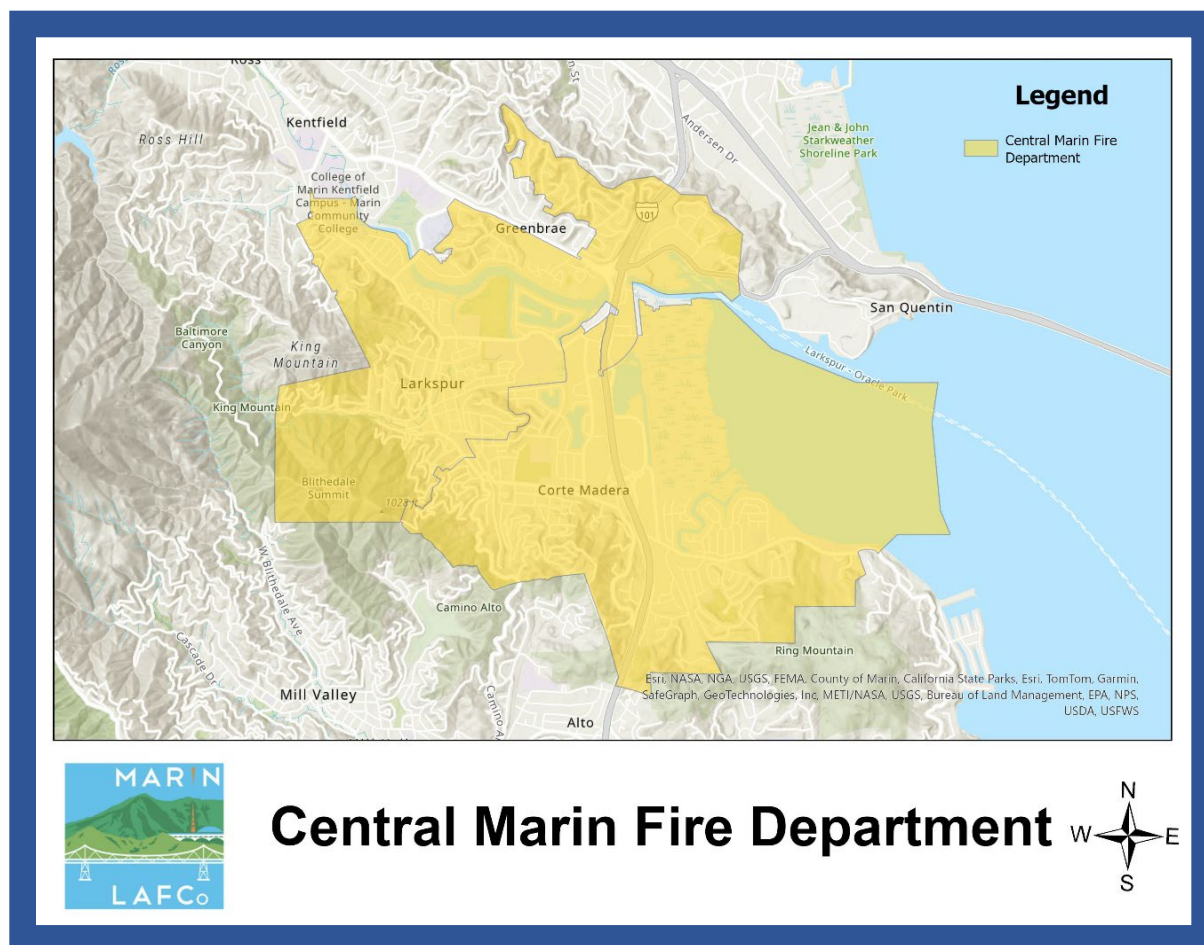
volunteers was a hose cart and a bucket brigade. Within 4 years, the volunteer operation had grown in numbers to 24 and the group had added 500 feet of hose to the original cart but were without a formal firehouse. Thanks in part to the profits the volunteers garnered from the annual outdoor dance they began, known as the Rose Bowl, the volunteers built a strong financial foundation for the department and by the 1930s had purchased a state-of-the-art fire engine, built a new fire station, and installed a Gamewell Fire Alarm System and a Diaphone. The Diaphone was one of the first to be installed in California. The diaphone was used as an alert system that could be heard for up to 7 miles away. The diaphone, while no longer in use, is still operational to this day.

The two separate departments began sharing services on a small scale in 2013. The opportunity to expand their collaborative efforts came in 2015 when the Larkspur and Corte Madera fire chiefs announced their retirements. With an interim chief in place, the two municipalities began negotiations in 2016 that would merge the two departments in a manner similar to the Central Marin Police Authority. In July 2017, a draft JPA agreement was presented at the Shared Fire Services Ad-Hoc Committee meeting, offering a prospective framework for the merger. Finally, in October 2018, the final (and current) version of the Joint Powers Agreement between the City of Larkspur and the Town of Corte Madera was approved. The City of Larkspur and the Town of Corte Madera jointly submitted a request to LAFCo in November 2018 to form the Central Marin Fire Authority, and the following month, LAFCo approved the request.

District Boundary and Sphere of Influence

CMFD boundary surrounds approximately 7.6 square miles of the southern Ross Valley area of Marin County. This area also includes service portions of County Service Area 31 (CSA 31) that include the unincorporated areas of the Greenbrae Boardwalk, Lucky Drive, and the San Quentin peninsula. The department serves a population of approximately 22,000 in the southern Ross Valley corridor. The agency does not have a sphere of influence.

Figure 10: Map of CMFD Boundaries



8.3 MUNICIPAL SERVICES

Fire Protection and Emergency Response

The Central Marin Fire Department provides fire suppression (structure, vegetation, and vehicle), emergency medical services, fire prevention and inspections, vehicle accident response, disaster response, and community education to the Town of Corte Madera and the City of Larkspur as well as to small pockets of unincorporated land that are adjacent to the two municipalities. Incident call types the CMFD responds to include (but are not limited to) building fires, grass and brush fires, vehicle fires, other fires, medical, vehicle accidents, hazardous conditions, good intent, false alarms, and severe weather. The Department operates 4 fire stations located in Larkspur, Greenbrae, and two stations in Corte Madera.

CMFD employs 40 full-time personnel, including firefighters, engineers, captains, and battalion chiefs who provide 24/7 emergency response coverage. The department operates on a shift schedule that ensures continuous staffing of engines and other apparatus. The Fire Chief oversees the general operations of the Department in accordance with the policy direction of the

Management Committee and the Fire Council. The Fire Chief is supported in operational management by a Deputy Fire Chief. In addition, the Department has a shared services agreement with the Kentfield Fire Protection District that allows the agencies to share personnel to jointly provide fire and emergency services within their operational areas, thus improving the delivery of services in each agency's jurisdiction while achieving greater efficiency and economic benefits.

The Department has been classified most recently as a Class 2 Public Protection Classification rating by the Insurance Services Office (ISO), an organization that independently evaluates municipal fire protection efforts throughout the United States. An ISO rating of 1 is the highest possible that can be given to any fire department using this metric, with both Class 1 and Class 2 being considered "excellent". Insurance companies often use ISO information combined with other factors to establish local property insurance rates – generally offering lower fire policy premiums in communities with better protection. The Department remains determined to achieve a Class 1 ISO classification with continued improvements moving forward.

Figure 11: CMFD Organizational Chart



Facilities and Apparatus

The Central Marin Fire Department operates and maintains 4 fire stations, with 1 concurrently used as its administrative building (Station 14). The Stations are:

- Station 13 – 5600 Paradise Drive, Corte Madera, CA 94925
- Station 14 – 342 Tamalpais Drive, Corte Madera, CA 94925
- Station 15 – 420 Magnolia Avenue, Larkspur, CA 94939
- Station 16 – 15 Barry Way, Greenbrae, CA 94904

CMFD has a variety of apparatuses that serve the community, from utility vehicles to paramedic trucks. A full outline of the Department’s current apparatus can be seen below.

Three Type 1 fire engines, one Advanced Life Support (ALS), cross-staffs two Type 3 wildland engines, and one Type 1 tactical water tender.

8.4 ORGANIZATION STRUCTURE

Governance

The Central Marin Fire Department is governed by a four-member council (Fire Council) comprising two council members from each participating agency. Each of the member agencies also appoints an alternate in the event that a member is unavailable for a scheduled meeting date. The members of the Fire Council appoint a Chair and Vice-Chair on an annual basis. Because the members of the Fire Council must be elected officials from the participating municipalities, there are no term limits levied on Fire Council seats.

The CMFD Fire Council oversees policy adoption, adopts an annual budget, sets fees for service, and enters into contracts, among other things. Any change in the member agency’s cost-sharing percentage, any revision of the adopted budget that results in an increase in annual contribution, any single expenditure in excess of 3% of the adopted operating budget, or the closing of any existing fire stations requires the unanimous vote of the full Fire Council.

The CMFD Fire Council regularly meets on the second Thursday in February, May, August, and November at 6:30 pm at the Central Marin Police Authority community room, located at 250 Doherty Drive in Larkspur. A list of the current CMFD Fire Council members and their agency affiliations can be seen below in Table 8-2.

Table 8-2: CMFD Board Member Overview

Member	Position
Rosa Thomas	Town of Corte Madera
Pat Ravasio	Town of Corte Madera
Fred Casissa	Town of Corte Madera Alternate
Catherine Way	City of Larkspur
Scot Candell	City of Larkspur
Stephanie Andre	City of Larkspur Alternate

Administration

CMFD receives administrative oversight from a two-person Management Committee. The Management Committee is comprised of the City Manager of Larkspur and the Town Manager of Corte Madera. The Management Committee is charged with administering the priorities and policies established by the Fire Council for fire services, appointing a Fire Chief, and approving the hiring or termination of all personnel proposed by the Fire Chief, among other duties. The current Fire Chief for CMFD is Ruben Martin.

8.5 ACCOUNTABILITY AND TRANSPARENCY

The Central Marin Fire Department maintains a high level of accountability and transparency surrounding all of its activities. The CMFD website (www.centralmarinfire.org) provides information on Fire Council meetings, financial reports, stations, history, prevention, and more. At this time, all legal requirements for public agency transparency are being met or exceeded by the department.

Meetings and Agenda

The CMFD Fire Council regularly meets on the second Thursday in February, May, August, and November at 6:30 pm at the Central Marin Police Authority community room, located at 250 Doherty Drive in Larkspur. Special meetings are held as necessary to go over specific topics such as the annual budget. Meeting agendas and minutes can be found by way of a link on the CMFD website (www.centralmarinfire.org/admin/fire-council) that routes the request to the document archive within the Town of Corte Madera's website (www.townofcortemadera.org/AgendaCenter/Fire-Council-Central-Marin-Fire-Authorit-11).

Annual Budget Review

The CMFD maintains extensive budgetary controls. The budget, adopted no later than June 15th of each year, provides overall control of revenue and expenditures, including appropriations on a line-item basis and the means of financing them. The budget does not include the costs of replacement or reconstruction of any Fire Station that is owned by either of the member agencies. These costs remain the separate responsibility of the owning member. The Management Committee and the Fire Chief control and account for all expenditures under the adopted budget and make regular reports to the Fire Council on expense and revenue activities.

8.6 FINANCIAL OVERVIEW

Revenues and Expenditures

Approximately 85% of CMFD's annual operating revenues come from contributions from its two member agencies²⁸. The agency's agreement sets forth an equal cost-share percentage of 50%. For fiscal year (FY) 2021-22, each agency's General Fund contribution was \$4,868,860. Both agencies show an increase in their contributions to the CMFD General Fund of approximately 4.2% in comparison to their adopted contributions in FY 2020-21. Additional revenue for the Department comes by way of Measure C and miscellaneous other revenues. Measure C is a regionwide tax measure that was passed in March of 2020 that levies a tax on residential and commercial properties that is pooled into on MWPA fund and distributed among MWPA service area/member agencies. Projected Measure C revenues for FY 2021-22 for the Town of Corte Madera and the City of Larkspur combined is \$748,520.

There was an increase in expenditures from the previous fiscal year by \$1,477,270. The department projects to increase its total labor costs from the previous fiscal year by \$637,537

²⁸ [CMFD FY 2021-2022 Audit](#)

(6.8%). The general fund spent \$534,301 more than it earned in FY ‘21- ‘22, which includes \$567,919 for insurance claims and premiums. A summary of the last four fiscal years' revenues and expenditures can be seen below in Table 8-3.

Table 8-3: Four-Year Overview of CMFD Audited Revenues and Expenditures²⁹

Fiscal Year	Revenues	Expenditures	Net Difference
FY 2018-2019	\$9,155,368	\$9,010,214	\$145,154
FY 2019-2020	\$9,864,493	\$9,740,769	\$123,724
FY 2020-2021	\$12,169,040	\$11,811,448	\$357,592
FY 2021-2022	\$12,770,192	\$13,288,718	\$(518,526)

Financial Audit

The Central Marin Fire Department prepares an annual report on the Department’s financial statements in accordance with established governmental accounting standards. The independent certified accounting firm, The Pun Group, prepared the most recent audited financial statement, which issued an unqualified or “clean” opinion of the Department’s financial statements for the fiscal year ending June 30, 2022. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2024. A breakdown of the revenues and expenditures and the change in fund balances for the year ending June 30, 2022, can be seen below in Figure 8-3.

²⁹ A four-year overview is shown instead of a five-year overview because FY 2017-18 was not publicly available on the CMFD website.

Figure 12: CMFD Breakdown of Revenues, Expenditures, and Change in Funds

Central Marin Fire Authority Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds For the Year Ended June 30, 2022				
	Major Funds		Non-Major Fund	
	General Fund	Measure C Special Revenue Fund	Measure F Special Revenue Fund	Total Governmental Funds
REVENUES:				
Intergovernmental:				
Contributions from Larkspur	\$ 4,868,860	\$ -	\$ -	\$ 4,868,860
Contributions from Corte Madera	4,868,860	89,651	-	4,958,511
State revenue	1,102,240	-	-	1,102,240
Local agencies revenue	37,613	-	-	37,613
Grant revenue	45,000	-	-	45,000
Special taxes	-	1,222,872	-	1,222,872
Charges for services	160,611	-	-	160,611
Miscellaneous revenue	354,485	20,000	-	374,485
Total revenues	11,437,669	1,332,523	-	12,770,192
EXPENDITURES:				
Current:				
Personnel	9,813,417	187,456	-	10,000,873
Outside services	677,684	1,055,800	-	1,733,484
Training and education	20,648	-	-	20,648
Dues and subscriptions	7,426	-	-	7,426
Equipment maintenance	31,256	-	-	31,256
Building maintenance	5,393	-	-	5,393
Vehicle maintenance	95,275	-	-	95,275
Utilities	95,236	-	-	95,236
Supplies	347,985	10,468	-	358,453
Minor equipment	98,473	-	-	98,473
Insurance claims	567,919	-	-	567,919
Capital outlay	57,944	63,024	-	120,968
Debt service:				
Principal	135,613	-	-	135,613
Interest and fiscal charges	17,701	-	-	17,701
Total expenditures	11,971,970	1,316,748	-	13,288,718
NET CHANGE IN FUND BALANCES	(534,301)	15,775	-	(518,526)
FUND BALANCES:				
Beginning of year, as restated (Note 12)	936,718	68,560	588	1,005,866
End of year	<u>\$ 402,417</u>	<u>\$ 84,335</u>	<u>\$ 588</u>	<u>\$ 487,340</u>

Debt

The Department, as of June 30, 2022, is carrying \$576,985 in long-term debt. The following outlines the three sources that comprise this debt:

- **Notes Payable – Fire Engine Lease** - In 2021, the Authority finalized a lease-purchase agreement for \$712,598 for one Pierce Enforcer Custom Pumper. The lease requires annual payments of \$153,314 at 2.48 percent interest. As of June 30, 2022, the remaining principal balance was \$576,985.
- **Compensated Absences** – The department offers its employees the opportunity to accrue paid leave that can be cashed out upon the end of employment at the current rate of pay at the time of separation. The government-wide statement of net position reports the

liability, segregating the amount expected to be paid within one year as a current liability. As of June 30, 2022, the Department had a balance of \$304,350 due in over a year in accrued compensated absences, with \$35,424 due within one year.

- **Workers' Compensation Claims** – The accrued claims payable is based upon an actuarial review of the program's discounted and undiscounted liability for outstanding claims as of June 30, 2022. As of that date, the department had an ending balance liability of \$138,982 due in over a year, with \$318,819 due within one year.

While the Central Marin Fire Department does provide a pension plan for its employees and is part of the California Public Employees Retirement System (CalPERS), as of the most recent audit, the Department carried no pension liability of its own. CalPERS provides retirement, disability, and death benefits based on the employee's years of service, age, and final compensation. Within the language of the Joint Powers Agreement, both parties agreed to keep all of the unfunded pension liabilities tied to any employee of the Department prior to the enactment of the agreement tied strictly to the member agencies and for them not to be transferred to the Department. Any subsequent hire's pension liabilities would be the burden of the department. As of June 30, 2022, the CMFA total Net Pension Liability and OPEB Liability was \$8,719,927. The CMFD total funded ratio is 86.1%.

In addition to the pension plan, the CMFD provides retirees with post-retirement benefits (OPEB). As of June 30, 2022, the Department carried a net OPEB liability of \$(8,880,191). OPEB liability agreement between the two member agencies states that any liability tied to an employee who had retired prior to the Effective Date (October 18, 2018) would be the liability of the separate member agencies and not of the Department. Any OPEB liability for the Department's current or subsequent employees is the Department's responsibility to track. The member agencies mutually agree on the division of OPEB costs and are responsible for determining the funding source of their respective share of Department OPEB liability costs.

8.7 WILDLAND FIRE PREPAREDNESS

Local agencies such as the Central Marin Fire Department play a critical role in protecting natural resources and the environment. Extended periods of drought, changing climate patterns, wind, and low humidity have the potential to increase the occurrence and severity of wildland fires, which could threaten structures and lives in the wildland-urban interface (WUI).

The CMFD participated in the Community Wildfire Protection Plan that was released in 2016. This was a collaborative effort among fire agencies in the County, local fire organizations including FIRESafe Marin, land management agencies, and community stakeholders. This effort identified areas of concern throughout the county based on population, fire behavior, vegetation, and other factors. Additionally, several goals were stated, and associated action items were created to better prepare Marin County for wildland fires. One such goal is to "increase awareness, knowledge, and actions implemented by individuals and communities to reduce human loss and property damage from wildland fires, such as defensible space and fuels reduction activities, and fire prevention through fire safe building standards." Provided on the

Department's website is a thorough guide to defensible space inspections and the requirements of each inspected item in order to assist homeowners in having the necessary knowledge to create a buffer around their homes to help protect them from heat, flames, and embers during a wildfire. In addition, the Department mails a full four-page brochure to homeowners in the WUI prior to annual inspections by the Department in order to ensure the necessary time to prepare for upcoming inspections.

The Department's member agencies, the Town of Corte Madera and the City of Larkspur, are also members of the recently formed Marin Wildfire Prevention Authority (MWPA). The JPA was created in March of 2020 by way of a voter's tax measure (Measure C). The tax measure provides additional funding for local fire agencies within Marin County, designated specifically for wildfire prevention measures such as vegetation management, detection and evacuation program improvements, public education, and defensible space evaluations. The Central Marin Fire Department received \$748,520 in Measure C Wildfire Tax, a grant from Marin Wildfire Prevention JPA in the amount of \$474,353 for evacuation route expenses.

Some of the recent work the Department has performed in an effort to make the WUI area within its boundary safer is the reduction of hazardous vegetation located along the primary and secondary evacuation routes for properties located on and around Madrone Canyon and Kentfield's Blue Ridge. In April of 2024, Department employees spent a period of seven days cutting back and removing vegetation and tree limbs that encroached on the roadway and removing hazardous or combustible vegetation located along the roadway. The Department in collaboration with MWPA offers multiple "chipper days" each year for residents to be able to dispose of their property's brush, branches, and dead vegetation.

9.0 INVERNESS PUBLIC UTILITY DISTRICT

9.1 OVERVIEW

The Inverness Public Utility District (IPUD) was established in 1948 as an independent special district under Section 15501 of the California Public Utilities Code. The Marin County Boundary Change Commission approved the jurisdictional boundary of the District, which was followed by a successful vote of the residents within the boundary. The District is located on the west shore of Tomales Bay, with the Point Reyes National Seashore to its west and south. The District's jurisdictional boundary encompasses just under 2.2 square miles. IPUD serves a population of approximately 1,447³⁰ persons. The last municipal service review that included the IPUD was conducted in January of 2022.

IPUD's currently activated service powers include potable water and fire protection. These services are primarily provided to the northern half of the census-designated place (CDP) of Inverness. The District's primary potable water supply is collected locally from the three perennial creeks within the District by way of permits with the State Water Resources Control Board.

Table 9-1: Inverness Public Utility District Overview

Inverness Public Utility District			
Primary Contact:	Shelley Redding	Phone:	(415)-669-1414
Main Office:	50 Inverness Way North, Inverness 94937		
Formation Date:	1948		
Services Provided:	Potable Water and Fire Protection		
Service Area:	1,410 acres	Population Served:	1,447

9.2 FORMATION AND DEVELOPMENT

The Inverness Public Utility District's formation took place in 1948 with the intention for the District to be the conduit for the purchase of the private water company, Inverness Water Works, and proceed with potable water service duties following the acquisition. Between 1949 and 1951, three separate voter measures failed to pass to purchase the water company, leaving the District essentially dormant until activating its fire protection services in 1951. A vote of the District's Board of Directors enabled IPUD to assume all service responsibilities of the Inverness Volunteer Fire Department. In 1954, a bond measure was passed to fund the construction of the first firehouse.

³⁰ Population served calculated through the means given in California Code of Regulations Section 64412 using number of current service connections multiplied by 2.8.

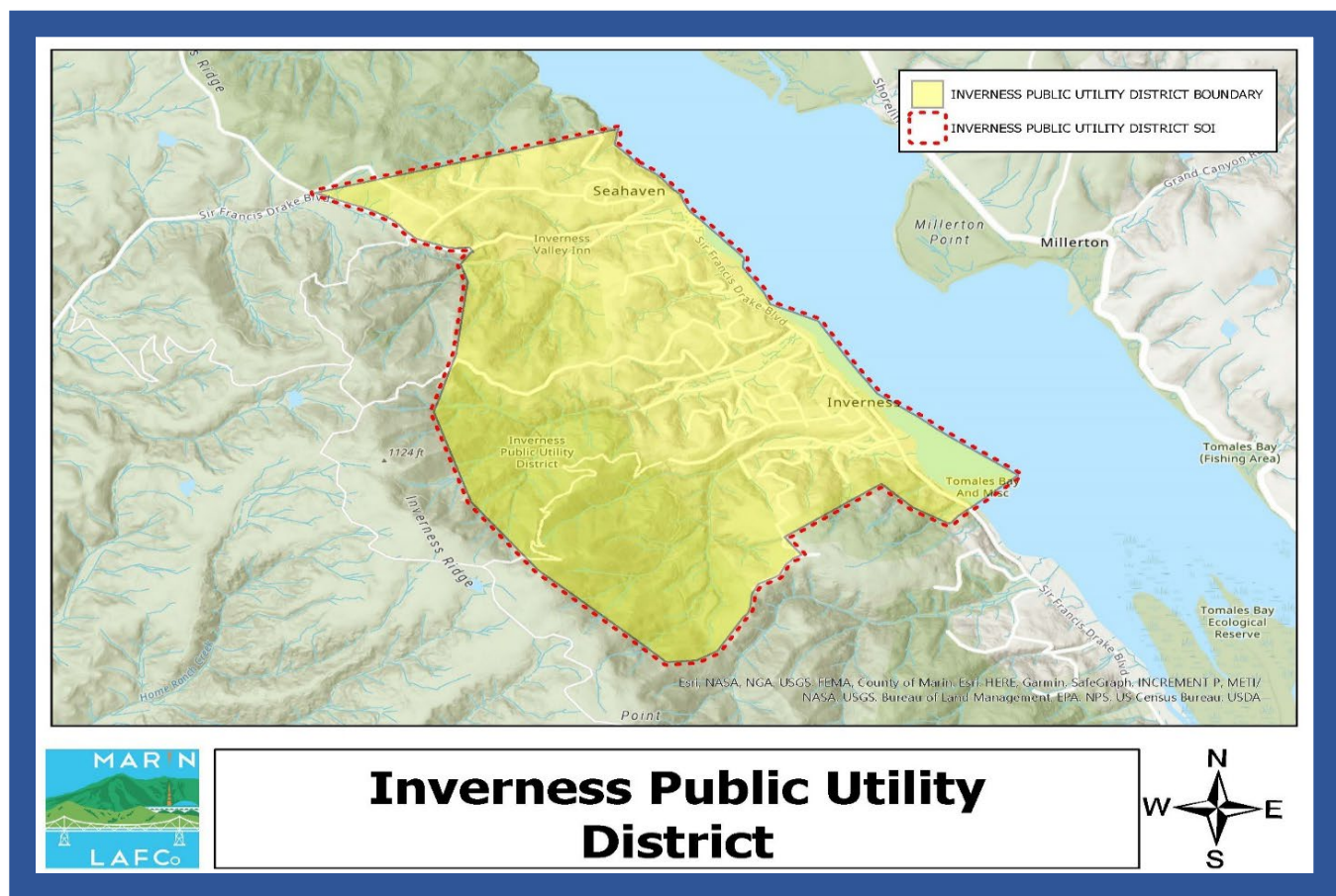
In June of 1980, the voters within the District approved a special tax to fund fire protection and prevention efforts within the District. The tax was levied at six cents per square foot of each structure within the boundary and \$5 per parcel acre for all unimproved properties. The tax contains no sunset date and continues funding the District's fire-related efforts to this day.

District boundary and Sphere of Influence

Inverness Public Utility District's jurisdictional boundary encompasses approximately 2.2 square miles and covers 1,410 acres of unincorporated Marin County. Approximately one-tenth of that acreage (196 acres) is part of the Tomales Bay State Park and is owned by the State of California. In total, there are 755 legal parcels encompassed within IPUD's boundary. The District's boundary has had no recorded changes since LAFCOs were created in 1963. In a sphere of influence update conducted in 2017, the Commission concluded that IPUD's boundary continues to be excluded from NMWD's sphere of influence as "... these areas merit detachment from NMWD given the lack of social and economic communities of interests, and furthermore, the Commission encourages the District (NMWD) to submit one or more proposals to facilitate the referenced changes." Although there was previous overlap in water services provider between IPUD and North Marin Water District (NMWD), Marin LAFCo updated the boundaries, removing Inverness from NMWD at our April 2024 meeting, to reflect that all water services within IPUD are provided solely by IPUD.

The District's sphere of influence was established by Marin LAFCo in November of 1984. At that time, the sphere of influence was coterminous with the jurisdictional boundary. Marin LAFCo reaffirmed the sphere of influence in 2022.

Figure 13: Inverness Public Utility District Jurisdictional Boundary and Sphere of Influence

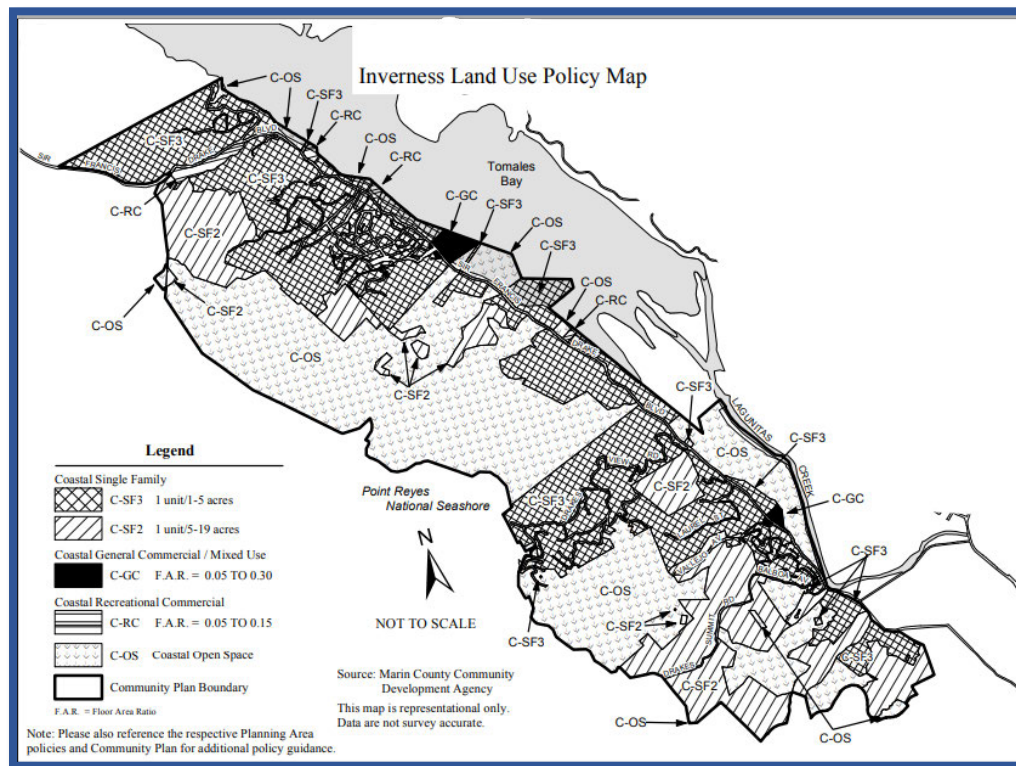


Growth and Population

The Inverness Public Utility District encompasses the northern half of the census-designated place (CDP) of Inverness. According to the 2020 U.S. Census Redistricting Data, the population of the entire CDP is 1,379, which is approximately a 6% increase from the 2010 population of 1,304³¹. The most recent census data shows the CDP to have 1,085 total housing units, with 702 of those units occupied. The remaining development potential within the IPUD boundary appears limited to the 55 privately owned undeveloped parcels that meet the minimum development size under existing County zoning standards and appear relatively unhindered by the area's topographical constraints. A land-use map for the planning area can be seen below in Figure 9-2.

³¹ [2020 US Census Redistricting Data](#)

Figure 14: Inverness Land Use Policy Map



9.3 MUNICIPAL SERVICES

Fire Protection

The Inverness Public Utility District provides fire protection, emergency medical response, and disaster preparation by way of a vote to activate the District's latent power in 1951 to assume the management of the Inverness Volunteer Fire Department (IVFD). The District maintains a roster of approximately 20 volunteer firefighters as well as one volunteer Fire Chief, one part-time assistant Fire Chief, two paid on-call Fire Duty Officers, a General Manager, a Water Superintendent, three Water Operators, a Customer Service Manager, a Bookkeeper, and a Grants and Program Manager. The response area for fire services matches the District boundary, with Tomales Bay State Park to the north, Point Reyes National Seashore to the west, Tomales Bay to the east, and Marin County Fire Department's service area to the south. Training takes place twice a month on Mondays.

The Tomales Bay State Park and the Point Reyes National Seashore both receive fire protection services by way of a contract with the Marin County Fire Department, whose closest stations for response are in Point Reyes and Hicks Valley. The District contracts with MCFD for dispatch services, and an automatic mutual aid response protocol was established with MCFD in 1994. The Department is part of a Cooperative Fire Agreement with the Point Reyes National Seashore; other participants in this agreement include MCFD, Bolinas Fire Protection District, Stinson Beach Fire Protection District, Muir Beach Fire Department, South Marin Fire

Protection District, and Sausalito Fire Department. The District is also a part of the Marin Wildfire Prevention Authority (MWPA), which helps to provide annual funding for its 17 member agencies' fire-related projects and services. The District receives .52% of MWPA's total annual funding allocations.

Effective September 1, 2021, Inverness Public Utility District was given a Class 5/5x Public Protection Classification (PPC) rating by the Insurance Services Office (ISO), an organization that independently evaluates municipal fire-protection efforts throughout the United States. Ratings range on a scale of 1 to 10. Class 1 generally represents superior property fire protection, and class 10 indicates that the area's fire suppression program does not meet ISO's minimum criteria.³²

Facilities and Apparatus

The District has a single station, at 50 Inverness Way, on the Village Green near the commercial center of town. The District owns the Firehouse/Village Green parcel. The Firehouse was built in 1956 and remodeled and expanded slightly in 1992. It houses the Fire Department and a community meeting room. District fire suppression equipment includes two Type 1 engines, one Type 6 engine, one small rescue vehicle, and two command/utility vehicle.

9.4 ORGANIZATION STRUCTURE

Board of Directors

The Inverness Public Utilities District was originally formed with a three-member governing board. The board was expanded in the mid-1970s to a five-member board that is elected to staggered four-year terms. All directors are required to be registered voters within the District's jurisdictional boundary. The Board of Directors meets regularly on the 3rd Tuesday of each month at 11:30 a.m. at the IPUD Community Meeting Room at the Inverness Firehouse meeting room at 50 Inverness Way in Inverness.

Table 9-2: Inverness Public Utility District Board of Directors

Member	Position	Term Expiration
Ken Emanuels	Vice-President	December 2026
Dakota Whitney	Director	December 2028
Kathryn Donohue	President	December 2028
Brent Johnson	Director	December 2028
David Press	Treasurer	December 2026

Administration

The Board of Directors of IPUD appoints a General Manager who serves on an at-will basis to oversee all District activities and is exclusively responsible for the implementation of policies established by the Board of Directors. The General Manager oversees six employees, including

³² [How the PPC Program Works](#)

the Volunteer Fire Chief, Assistant Fire Chief, Water Superintendent, Customer Services Manager, Bookkeeper, and Grants and Projects Manager.

9.5 ACCOUNTABILITY AND TRANSPARENCY

The Inverness Public Utility District makes a concerted effort to maintain high accountability and transparency with all its activities. The IPUD website (www.invernesspud.org) provides extensive documentation and information on Board meetings, financial reports, services, history, water conservation, resolutions, and more. At this time, the District is meeting all of the set by the State of California for a public agency website.

Meeting and Agendas

The IPUD Board of Directors meets regularly on the third Tuesday of each month at 11:30 a.m. at the IPUD Community Meeting Room at the Inverness Firehouse meeting room at 50 Inverness Way in Inverness. Special meetings are held as needed to go over specific topics. Meeting agendas and minutes can be found on the IPUD website (www.invernesspud.org/board-meetings).

Annual Budget Review

The District's budget, typically adopted no later than the July Board meeting each year, provides overall control of revenue and expenditures, including appropriations on a line-item basis and the means of financing them. The District Manager presents financial reports to the Board every month to ensure budgetary compliance.

9.6 FINANCIAL OVERVIEW

IPUD has maintained a positive budgeted revenue-to-expense differential in each of the five fiscal years, FY 2017-18 to 2021-22. The primary revenue sources for the District are water charges and property taxes, which combined account for approximately 90% of IPUD's annual revenue. The primary annual expense for the IPUD, with approximately 70% of the District's annual expenses, is personnel costs. The total revenue for the District for fiscal year 2021-22 is \$1,377,564. The total revenues for public safety for FY'22 was \$948,784 with expenditures of \$447,802. The District had an unrestricted net position of \$2,775,07 at the end of FY '22. A breakdown of the past 5 years of projected revenues and expenses can be seen in Table 9-3.

Table 9-3: Inverness Public Utility District Board of Directors

Fiscal Year	Revenues	Expenditures	Net Difference
FY 2017-18	\$596,292	\$534,401	\$61,891
FY 2018-19	\$645,192	\$ 691,331	\$ (46,139)
FY 2019-20	\$754,145	\$556,768	\$197,377
FY 2020-21	\$1,236,652	\$1,113,690	\$122,962
FY 2021-22	\$1,522,302	\$1,266,624	\$255,678

Revenue and Expenditures

The Public Safety revenues and expenditures are built into the overall Inverness Public Utility District's Budget. The majority of funding for fire services comes from Property Taxes (76%) and Capital and Operating grant revenues (23%). Expenditures for Public Safety consist of fire services totaling \$424,354 and a Capital Outlay of \$23,448.

Debt

IPUD provides a pension plan for employees and is part of the California Public Employees Retirement System (CalPERS). CalPERS provides retirement, disability, and death benefits based on the employee's years of service, age, and final compensation. The District maintains two distinct benefit packages – one for public safety (fire) and one for non-public safety (water). As of June 30, 2022, the District's (both water and fire services) Net Pension Liability was reported at \$199,094 and is 73% funded. In addition to the pension plan, the District provides other post-employment benefits (OPEB) to its retirees. As of June 30, 2022, the District carried a net OPEB liability of \$557,502. The District currently has 10 employees, both active and inactive, in its OPEB plan.

Financial Audit

The Inverness Public Utilities District annually has its financial statements audited and contracts with an outside accounting firm, Nigro and Nigro PC. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2024

Figure 15: Inverness PUD Audited Summary

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
REVENUES:						
Program revenues	\$ -	\$ 87,202	\$ 569,915	\$ 582,436	\$ 569,915	\$ 669,638
General revenues	948,784	552,668	3,603	14,346	952,387	567,014
Total revenues	948,784	639,870	573,518	596,782	1,522,302	1,236,652
EXPENSES:						
Operations	463,180	450,453	700,951	506,802	1,164,131	957,255
Depreciation expense	5,223	52,133	95,587	104,302	100,810	156,435
Interest expense	-	-	1,683	-	1,683	-
Total expenses	468,403	502,586	798,221	611,104	1,266,624	1,113,690
Change in net position	480,381	137,284	(224,703)	(14,322)	255,678	122,962
NET POSITION:						
Beginning of year	1,941,214	1,803,930	578,181	592,503	2,519,395	2,396,433
End of year	<u>\$ 2,421,595</u>	<u>\$ 1,941,214</u>	<u>\$ 353,478</u>	<u>\$ 578,181</u>	<u>\$ 2,775,073</u>	<u>\$ 2,519,395</u>

9.7 WILDLAND FIRE PREPAREDNESS

Local agencies such as the Inverness Public Utility District play a critical role in protecting natural resources and the environment. Extended periods of drought and increasingly unpredictable climate patterns have significantly increased the importance for local agencies to

step up their own conservation and long-term planning measures as well as making a concerted effort towards higher levels of public outreach.

As the District is located in the wildland-urban interface and has experienced a significant wildland fire (Vision Fire) that destroyed 48 homes in 1995 just outside of the District, IPUD is proactive within its financial capabilities in wildland fire fuel abatement. Through the District's participation in the JPA with the Marin Wildfire Prevention Authority has expanded its fuel management efforts within the District. It now offers two annual opportunities for residents to have a chipper crew sent directly to their homes to dispose of organic materials, thereby promoting the improvement of defensible space around private properties. IPUD also has increased vegetation management on evacuation routes and around critical infrastructure locations. IPUD contracts with Marin County Fire to perform annual fire safety inspections of properties within the District. District staff consult with MWPA staff and Marin County Fire on proposed project work.

10.0 KENTFIELD FIRE PROTECTION DISTRICT

10.1 OVERVIEW

The Kentfield Fire Protection District (KFPD) is an independent special district formed in 1922 and is responsible for fire protection, emergency medical services, hazardous materials first responder, fire inspection, code enforcement, and fire investigation and rescue in the Census Designated Place (CDP) of Kentfield. The District is approximately 2.7 square miles³³ and sits to the north of the City of Larkspur and borders the City of San Rafael to the District's east and the Town of Ross to the District's north. The District is governed by a five-member Board of Directors. The last Municipal Service Review that included KFPD was conducted in 2020 as part of the Upper Ross Valley Region Service Review and Sphere of Influence Update.

Table 10-1: KFPD Administrative Overview

Kentfield Fire Protection District			
Primary Contact:	Chief Mark Pomi	Phone	(415)-453-7464
Main Office:	1004 Sir Francis Drake Blvd, Kentfield, CA 94904		
Formation Date:	1922		
Services Provided:	Fire Protection and Emergency Response		
Service Area:	1,751 acres		
Population Served:	≈6,500		

10.2 FORMATION AND DEVELOPMENT

The Kentfield Fire Protection District's formation dates back to October of 1920, when fifty Kentfield citizens petitioned the Marin County Board of Supervisors to form a new fire district and appoint a Board of Fire Commissioners. In November of 1920, John Heckler, Chas Ackerman, and Jos Neal were appointed. In March of 1921, Kentfield residents passed a vote to levy a tax to support establishing and supplying the District with equipment. The total startup cost was approved at \$4,500. In 1922, the District started service and adopted its first ordinance. The Kentfield Association of Firefighters was formed, and A.W. Rampe was appointed as the first Fire Chief.

In 1934, the District, a founding member of the Marin County Association of Fire Departments, entered into an agreement with the fire departments of San Anselmo, Fairfax, Corte Madera, Larkspur, Mill Valley, Sausalito, Belvedere, and Tiburon to provide and accept mutual aid in the event of a fire. This agreement would eventually evolve into the resolution outlining a County-wide mutual aid agreement that was passed by the Board of Fire Commissioners in 1957. In 1951, a contract was approved to provide fire service to the Greenbrae School. At that same time, despite ongoing negotiations and an assurance from the State Board of Fire Underwriters

³³ [Marin Map Viewer; Fire Districts](#)

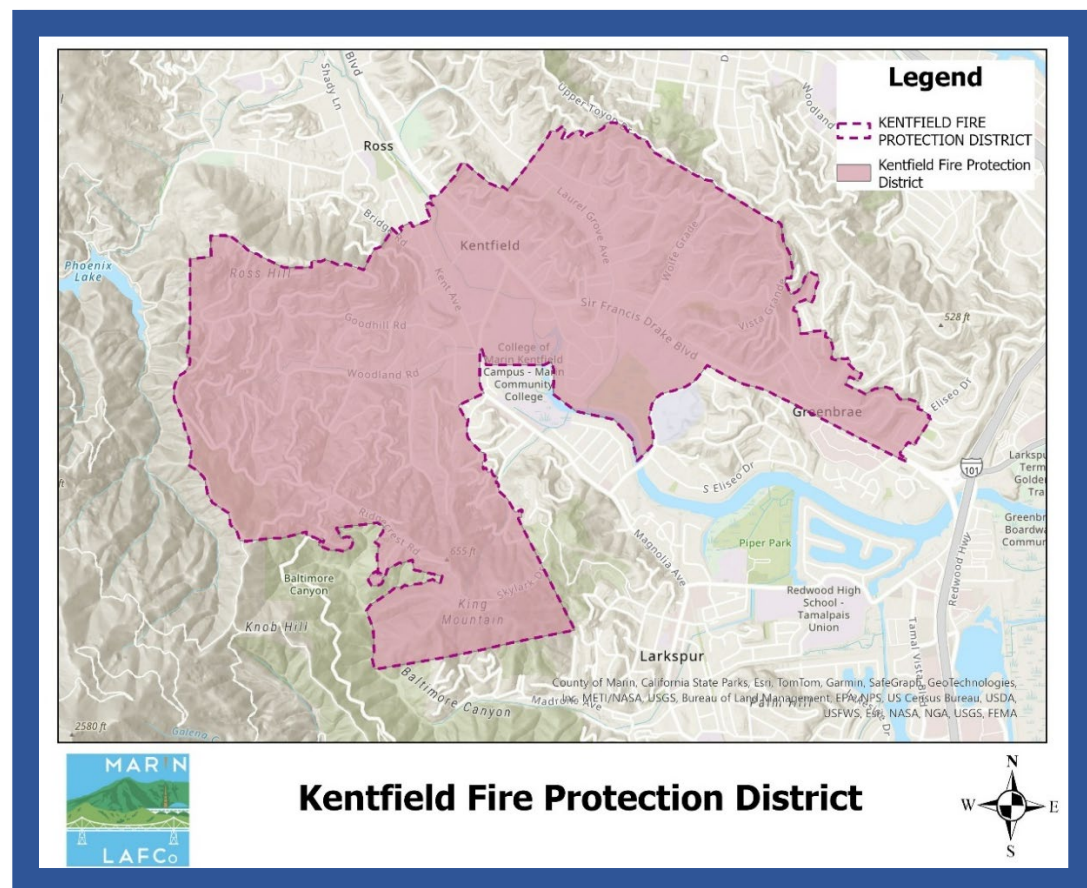
for no impact on fire insurance rate, the proposed annexation of the community of Greenbrae to the District was unsuccessful.

In the 1960s, as a product of the rapid growth of the Kentfield population and therefore the District's responsibilities, the District moved from a 3-member governing board to a 5-member governing board. In September of 1968, the construction of a new fire station was completed. The facility was featured in national fire service magazines as an example of efficiency and design.

District Boundary and Sphere of Influence

The Kentfield Fire Protection District covers an area of just over 2.7 square miles and includes the entire Census Designated Place of Kentfield. The population of Kentfield was 6,485 as of the 2010 census and increased to 6,808 as of the 2020 census³⁴. The Sphere of Influence (SOI) is the same as the jurisdictional boundary, which was reaffirmed in 2020.

Figure 16: Kentfield Fire Protection CSD Boundary and SOI



³⁴ [U.S. Census Bureau](https://www.census.gov/)

Growth and Population

The Kentfield Fire Protection District encompasses Kentfield's census-designated place (CDP). According to the 2020 U.S. Census Redistricting Data, the population of the CDP is 6,808, which represents approximately a 5% increase from the 2010 population number of 6,485. The most recent census data shows the CDP to have 2,674 total housing units, with only 134 of those units being vacant. Kentfield is predominantly a single-family residential area with higher development zoning along central corridors. According to the 1987 Community Plan, the planning area is divided into nine subareas, each with existing and proposed zoning, land use policies, and development standards. Specific parcels have been identified for potential development or redevelopment, and the plan includes guidelines for landscaping, signs, and public improvements.

10.3 MUNICIPAL SERVICES

Fire Protection and Emergency Response

The Kentfield Fire Protection District provides fire protection, emergency medical services, hazardous materials first responder, fire inspection, code enforcement, and fire investigation and rescue in the Census Designated Place (CDP) of Kentfield. In addition, the District has a contractual agreement to provide service outside of its district to Marin General Hospital, as well as a shared services agreement with the Central Marin Fire Authority. The shared services agreement allows KFPD and CMFA to share personnel to jointly provide fire and emergency services within their operational areas, thus improving the delivery of services in each agency's jurisdiction while achieving greater efficiency and economic benefits.

The District employs twelve full-time Firefighters, one full-time Deputy Fire Marshal, and three Apprentice Firefighters. The daily on-duty staffing level consists of three firefighters. All of the District's personnel are state-certified by their classification and rank. The District is a Ross Valley Paramedic Authority member; all emergency response personnel are certified as Emergency Medical Technicians (EMTs) and are trained to provide primary life support medical care.

Approximately 51% of the District's calls for service are for medical emergencies. Other incident call types that KFPD responds to include building fires, grass and brush fires, vehicle fires, vehicle accidents, hazardous conditions, service calls, good intent, false alarms, and severe weather. The District responded to a total of 1,296 incidents in the 2024 calendar year³⁵.

KFPD has been classified as a Class 1 Public Protection Classification rating by the Insurance Services Office (ISO), which independently evaluates municipal fire protection efforts throughout the United States. Using this metric, an ISO rating of 1 is the highest possible for any fire department, with Class 1 and 2 being considered "excellent." Insurance companies often use ISO information in combination with other factors to establish local property insurance rates – generally offering lower fire policy premiums in communities with better protection.

³⁵ KFPD Staff Correspondence; July 22, 2025

Facilities and Apparatus

Kentfield Fire Protection District operates out of Fire Station 17, located at 1004 Sir Francis Drake Boulevard in Kentfield. Daily on-duty personnel at Station 17 consist of a Captain, an Engineer, a Firefighter, and one Volunteer/Seasonal Firefighter. The station houses 2 Type 1 Fire Engines, 1 75-foot ladder truck, and an additional Type six Fire Engine supplied by the State of California Emergency Management Agency (EMA). The EMA Fire Engine, as agreed upon with the State, can be dispatched to any area in the State. KFPD provides personnel for this engine and is reimbursed by EMA for personnel costs. The district's apparatus and some specifications on each are as follows:

Station 17: – Engine 17 is a 2018 Pierce Engine, 17-A is a 2006 Pierce Dash, 2002 Pierce Dash, and 1 2024 Dodge Ram 2500, Engine 2615 Type 6 Wildland Fire Engine 2020.

10.4 ORGANIZATION STRUCTURE

Board of Directors

The Kentfield Fire Protection District is governed by a five-member Board of Directors who are publicly elected and serve four-year terms. The KFPD Board of Directors oversees policy adoption, oversight of district expenses, adopting an annual budget and hiring the Fire Chief, among other things. The Board is also charged with representing the interests of District residents, defining critical issues, monitoring progress toward reaching established goals, and ensuring that District business is conducted in accordance with all applicable laws, statutes, regulations, and codes.

The Board of Directors regularly meets on the second Wednesday of each month at 5:00 p.m. and holds other special meetings as necessary. Meetings are held at the Kentfield Fire District Station 17, 1004 Sir Francis Drake Boulevard, in Kentfield. A list of the current KFPD Board members and their term expirations can be seen below in Table 10-3.

Table 10-2 - KFPD Board Members and Term Dates

Member	Current Term Expiration
Barry Evergettis	December 2026
Dennis Ryan	December 2026
Ron Naso	December 2026
Bruce Corbet	December 2028
Michael Murray	December 2028

10.5 ACCOUNTABILITY AND TRANSPARENCY

The KFPD maintains a high level of public accountability and transparency with all its activities. The KFPD website (www.kentfieldfire.org) provides information on Board meetings, financial reports, preparedness, public education, and more.

Meeting and Agendas

The KFPD Board of Directors meets regularly on the second Wednesday of each month at 5:00 p.m. and holds other special meetings as necessary. Meeting agendas are posted on the District website (<https://www.kentfieldfire.org/board>) and at the District's main office at Station 17, located at 1004 Sir Francis Drake Boulevard.

Annual Budget Review

The KFPD adopts a preliminary budget no later than June of each year, and a final budget by no later than August. The annual budget provides overall control of revenue and expenditures, including appropriations on a line-item basis and the means of financing them. The District's administrative team produces reports on expense activity that assist the Board in monitoring activities and any necessary adjustments. The District publicly promotes the following standard for themselves within their own budget, "We will provide evidence to justify the community benefit of its adopted budgets, expenditures, and reserves."

10.6 FINANCIAL OVERVIEW

In 2022, the District's net position is \$9,171,000, with a change from the previous year of \$2,832,812. This calculation considers adjustments such as capital expenditures, depreciation expense, property taxes, payments to reduce capital lease obligations, net pension liability, net OPEB liability, and accrued compensated absences.

The Kentfield Fire Protection District's primary source of revenue is property taxes. In addition to property taxes, the KFPD secures funding through various channels, including service charges, intergovernmental sources, and revenue from the use of money and property. These funding streams contribute to the district's financial sustainability.

Table 10-3: Kentfield Revenues and Expenditures for FY 2017-18 through FY 2021-22

Fiscal Year	Revenues	Expenditures	Net Difference
FY 2017-2018	\$6,471,253	\$5,330,305	\$1,140,948
FY 2018-2019	\$6,533,888	\$5,380,861	\$1,173,027
FY 2019-2020	\$6,598,001	\$5,490,371	\$1,107,630
FY 2020-2021	\$7,755,267	\$5,985,279	\$1,769,988
FY 2021-2022	\$8,051,067	\$6,334,997	\$1,716,070

Revenue and Expenditures

Around 85% of the annual revenues for KFPD are generated through property taxes from the land within the jurisdictional boundary of the district. For the Fiscal Year (FY) 2021-22³⁶, the property tax revenue for the district was \$6,819,288, a 3.8% increase from the previous year. Apart from property taxes, the district receives revenue from various other sources, including Measure G Special Assessment, the Educational Revenue Augmentation Fund (ERAF), lease agreements with AT&T and T-Mobile, and a contractual agreement for services with Marin

³⁶ [KFPD Audit FY 2021-2022](#)

General Hospital. The majority of KFPD expenses are dedicated to employee salaries, with the next highest allocations going toward materials and services, followed by depreciation and interest on debt. For FY '22 KFPD expensed \$5,162,789 of the total expense of \$6,334,997 on salaries and benefits. An increase in net position for the year was in part due to the \$1,096,000 decrease from the previous year's expenditures in all categories except capital assets.

Debt

The District, as of June 30, 2022, is carrying \$1,069,988³⁷ in long-term debt. The following outlines the three sources of debt:

- **Compensated Absences Payable** – The District offers its employees the opportunity to accrue paid leave that can be cashed out upon the end of employment at the current rate of pay at the time of separation. The government-wide statement of net position reports the liability, segregating the amount expected to be paid within one year as a current liability. As of June 30, 2022, the District had a balance of \$606,782 in accrued compensated absences.
- **Solar Equipment Capital Lease** – In December 2008, the District entered a capital lease arrangement with Municipal Finance Corporation for the issuance of Clean Renewable Energy Bonds in the amount of \$153,845 for the purpose of obtaining zero-interest financing to purchase solar equipment. The final lease repayment was made in FY 2020-21
- **Fire Station Modernization Capital Lease** – In January 2009, the District entered into a similar lease financing arrangement with Municipal Finance Corporation for the purpose of obtaining financing for the modernization of its fire station. The capital lease was for \$4,030,000. In June 2014, the District amended the fire station lease agreement with a bank in the amount of \$2,494,425. The current remaining balance as of June 30, 2019, is \$1,281,225. The final payment was made on December 30, 2023.

The KFPD also provides a pension plan for employees and is part of the California Public Employees Retirement System (CalPERS). CalPERS provides retirement, disability, and death benefits based on the employee's years of service, age, and final compensation. As of June 30, 2022, the KFPD Net Pension Liability was \$4,183,163. The KFPD pension funded ratio is 69.7%. In addition to the pension plan, the KFPD provides post-retirement benefits (OPEB) to its retirees. As of June 30, 2021, the District carried a Net OPEB liability total of \$146,251. The district currently has 35 total employees, both active and inactive, in their OPEB plan.

Financial Audit

The Kentfield Fire Protection District follows established governmental accounting standards to prepare an annual report on its financial statements. The most recently audited financial statement for the fiscal year ending June 30, 2022, was prepared by the independent certified

³⁷ IBID

accounting firm Maze and Associates Accountancy Corporation. The firm issued an unqualified or "clean" opinion of the district's financial statements. During 2022, the district's net position increased by \$2,833,000. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2024. A breakdown of revenues, expenditures, and changes in fund balances for the District's General Fund for the year ended June 30, 2022, can be seen below in Table 10-5

Table 10-4: KFPD Revenues and Expenditures for FY '21- '22³⁸

Revenues	FY 2021-2022 Audit
Property Taxes	\$6,819,288
Intergovernmental	\$938,766
Use of Money and Property	\$186,656
Charges for Services	\$105,557
Other Revenue	\$800
Total Revenues	\$8,051,067

Expenditures	FY 2021-2022 Audit
Salaries and Benefits	\$5,162,789
Material and Services	\$644,729
Capital Outlay	\$218,018
Debt Services	
Principal	\$286,865
Interest	\$22,596
Total Expenditures	\$6,334,997
Excess Revenues Over Expenditures	\$1,716,070

10.7 WILDLAND FIRE PREPAREDNESS

Local agencies such as the Kentfield Fire Protection District are critical in protecting natural resources and the environment. Extended periods of drought, changing climate patterns, wind, and low humidity have the potential to increase the occurrence and severity of wildland fires, which could threaten structures and lives in the wildland urban interface.

The KFPD participated in the Community Wildfire Protection Plan that was released in 2016. This was a collaborative effort among fire agencies in the county, local fire organizations including FIRESafe Marin, land management agencies, and community stakeholders. This effort identified areas of concern throughout the county based on population, fire behavior, vegetation, and other factors. Additionally, several goals were stated, and associated action items were created to better prepare Marin County for wildland fires. One such goal is to "Increase

³⁸ [Kentfield FD Finance and Budget](#)

awareness, knowledge, and actions implemented by individuals and communities to reduce human loss and property damage from wildland fires, such as defensible space and fuels reduction activities, and fire prevention through fire safe building standards.” Provided on the District’s website is a thorough guide to defensible space inspections and the requirements of each inspected item in order to assist homeowners in having the necessary knowledge to create a buffer around their homes to help protect from heat, flames, and embers during a wildfire. In addition, the District mails a full four-page brochure to homeowners prior to annual inspections by the District in order to ensure the necessary time to prepare for any upcoming inspection.

11.0 MARIN COUNTY FIRE AND CSA NO. 31

11.1 OVERVIEW

Marin County Fire Department

The Marin County Fire Department serves several unincorporated communities throughout Marin County. In addition, the Marin County Fire Department provides services to most of West Marin outside of the communities that have their own fire department. Their responsibilities encompass fire prevention, suppression, investigation, emergency medical services, hazardous materials response, and disaster preparedness and response. In addition, they also conduct community outreach and education programs to promote fire safety and emergency preparedness within their service areas.

Marin County Service Area No. 31

Marin County Service Area 31 (CSA 31) is a dependent special district that provides funding by way of a parcel tax for structural fire protection throughout the areas of unincorporated Marin County that are not provided fire services by an independent special district, city, joint powers authority, or another dependent special district providing fire service. The CSA has been funded by a special assessment approved by the voters within the District's boundary in 1994. The assessment aids in offsetting the costs incurred in providing year-round 24-hour structural fire protection. The service area includes the San Quentin Rehabilitation Center as well as Angel Island³⁹, except for the area of Quarry Point, which resides in San Francisco County.

Table 11-1: County Service Area 31 Overview

Marin County Fire Department and Marin County Service Area 31 Overview		
Primary Contact:	Chief Jason Weber	
Formation Date:	June, 1994	
Services Provided:	Structure Fire Protection	
Service Area:	445 square miles	

11.2 FORMATION AND DEVELOPMENT

Between 1889 and 1904, several forest fires occurred in the Marin County area. The fires burned thousands of acres, destroyed bridges and buildings, and posed significant threats to the surrounding regions. Efforts by residents and local authorities were made to control and extinguish the fires. The Tamalpais Forestry Association was formed to address the lack of legislative support for forest fire suppression. It received funding from business interests and organized efforts to prevent and fight fires on and around Mount Tamalpais. The association

³⁹ Angel Island is also within the jurisdictional boundary of the Town of Tiburon, as well as being designated as a California State Park. Additionally, despite being within CSA 31's boundaries TFPD provides services to the area.

purchased tools and equipment, strategically placing them in tool caches across the Tamalpais watershed for quick access by fire crews. Additionally, it coordinated volunteer fire departments to effectively respond to forest fires. This eventually led to the establishment of the Tamalpais Forest Fire District, funded by property taxes.

On May 21, 1917, the Tamalpais Forest Fire District holds the distinction of being the very first legally constituted forest fire district in California. Its authority included the ability to levy taxes and expand its boundaries over the years, encompassing an impressive 257 square miles of territory. The district faced significant challenges, such as the devastating 1929 Mill Valley fire that resulted in extensive damage to the surrounding area. The evolution of fire patrol from horseback to automobiles and the introduction of "backpack pump cans" for combating wildland fires all reflect the district's commitment to innovation and adaptation. The installation of the first fire lookout in 1921, which was maintained for a decade, stands as a testament to the district's dedication to fire prevention and safety. In 1935, the first fire truck for the District was acquired, equipped with the necessary firefighting tools and a water tank. Additionally, a new fire lookout was constructed in 1936, featuring advanced amenities. Another lookout was established on Mount Barnabe in 1939, later replaced with a modern tower in 1982.

The Marin County Fire Department was created on July 1, 1941, due to unresolved taxation disputes, replacing the Tamalpais Forest Fire District. It operates as a contract county fire department, providing local control over fire protection with some financial support from the state. Initially headquartered in Woodacre, the department gradually replaced one-man stations with geographically located ones, improving response capabilities. As of 1960, the department had forty firefighters and various support staff. Today, the department has over eighty members and utilizes modern firefighting vehicles and air tankers for fire suppression. They also provide first aid, rescue services, and maintain a fire prevention campaign. The future of wildfire management on Mt. Tamalpais remains uncertain, but changes will likely reflect an increased awareness of the mountain's value and beauty.

In 1982, the state legislature enacted the Benefit Assessment Act which allowed cities, counties, and special districts the ability to finance a variety of improvements. Following this, fire suppression-specific assessments were added to the State Government Code (§50078), stating "Any local agency which provides fire suppression services directly or by contract with the state or a local agency may, by ordinance or by resolution adopted after notice and hearing, determine and levy an assessment for fire suppression services pursuant to this article. The assessment may be made for the purpose of obtaining, furnishing, operating, and maintaining fire suppression equipment or apparatus or for the purpose of paying the salaries and benefits of firefighting personnel, or both, whether or not fire suppression services are actually used by or upon a parcel, improvement, or property." A fire suppression assessment is considered a benefit assessment because it is directly related to the benefit a property receives from fire suppression.

On October 12, 1993, the County of Marin Board of Supervisors approved resolution 92-268, approving the application to Marin LAFCo for the creation of a fire services county service area (CSA). The request came before the Board of Supervisors as then Fire Chief Harold Rowland imparted to the Supervisors that the Marin County Fire Department was operating at capacity

with minimum staff levels. He explained that the department had been particularly hard hit by the State's shift in property tax allocations and that without additional funding, it could result in the necessitation of closing one or more fire stations as well as staffing reduction due to the looming 9% budget shortfall. The application was received by Marin LAFCo on November 4, 1993, and, following a public hearing, Marin LAFCo resolution 93-15 was approved for the formation of County Service Area #31 on December 2, 1993.

On March 15, 1994, the Marin County Board of Supervisors approved Resolution 94-61 approving the proposal of CSA 31 as a ballot measure for the June 7th election. The proposed benefit assessment to go to the voters for CSA 31 was to be "... up to \$76 per living unit, \$38 per unimproved parcel, and \$114 per improved commercial and/or industrial parcel." The item was included on the June 7th election ballot as Measure R and was approved with 63% of the vote (only requiring a simple majority). There was no effort to amend the amount being assessed for 16 years. In November of 2010, Measure N was put on the ballot to increase the amounts to \$114 per living unit, \$57 per unimproved parcel, and \$171 per improved commercial/industrial parcel. Despite receiving 62% of the vote, Measure N failed to pass as it required a two-thirds vote (66.67%) for approval. There has not been another attempt since that time to increase the assessment.

Marin County launched a centralized Emergency Command Center (ECC) on July 1, 2024, at 1600 Los Gatos Drive, transferring all fire and EMS dispatch duties from the Sheriff's Office to the Marin County Fire Department. The center is managed by a new Director of the ECC and is staffed with twelve dispatchers, three fire captains, and support staff working in a three-platoon model to provide continuous coverage. This change followed years of planning and was chosen over outsourcing or forming a joint authority, with the goal of improving coordination, modernizing technology, and ensuring stronger countywide service.

The ECC required over \$7.7 million in one-time start-up costs for construction, technology, and staffing, with payments shared between the County and participating fire agencies either upfront or amortized over 15 years. Ongoing annual operating costs are about \$5 million, with roughly 76% covered by local fire agencies and 24% by the County, reflecting its broader wildland protection role. The County's share is offset partly by savings from the Sheriff's budget, with the remainder supported by the General Fund. This cost-sharing approach provides a sustainable structure for long-term operations.

District Boundary and Sphere of Influence

Marin County Service Area 31's service boundary, which currently encompasses just over 284,830 acres, includes coverage for the unincorporated communities of Marin City, Muir Beach, Woodacre, San Geronimo, Lagunitas, Nicasio, Olema, Point Reyes Station, Inverness Park, Marshall, Dillon Beach, Tomales, the Greenbrae Boardwalk Area, and Muir Woods Park. The District includes the small unincorporated neighborhoods of Oak Manor to the northeast of the Town of Fairfax, the Deer Creek Court/Baywood Canyon Road/Hunter Creek Road subdivisions to the northwest of the Town of Fairfax, and the San Francisco Boulevard/Sacramento Avenue subdivisions on the northeast side of the Town of San Anselmo. The area also encompasses privately and publicly owned parklands, including portions of the

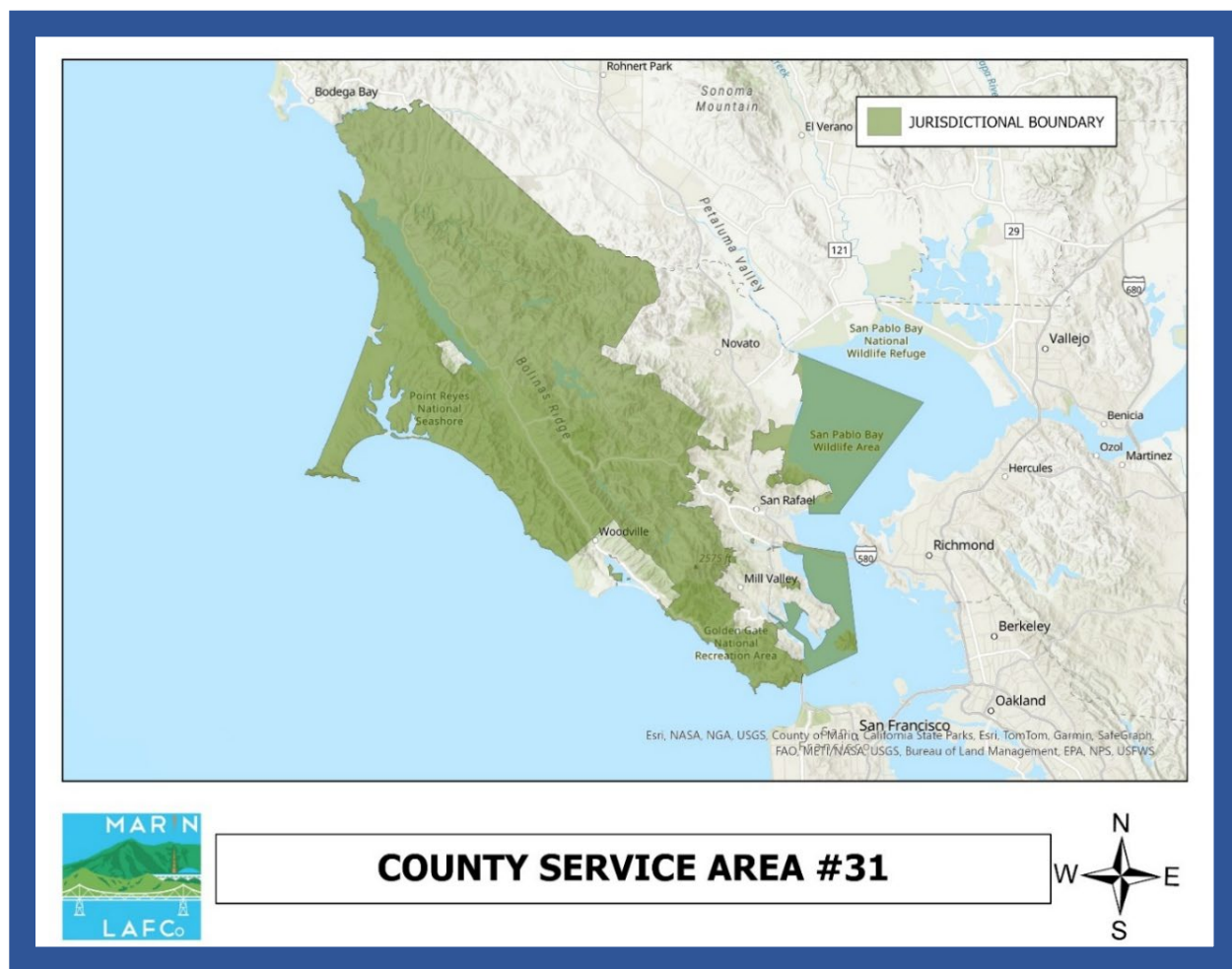
Golden Gate National Recreation Area, Mount Tamalpais State Park, China Camp State Park, Point Reyes National Seashore, and Angel Island State Park.

Marin LAFCo has no record of a sphere of influence ever being formally adopted for CSA 31. An Executive Officer's Report on the formation of CSA 31 from November 24, 1993, made the recommendation that the "... Sphere of Influence study be completed if the funding mechanism is approved by the voters." Marin LAFCo staff can find no record of the afore-mentioned sphere of influence study ever being performed, nor any resolution establishing a sphere of influence for the District. As the majority of county service areas have spheres of influence that are coterminous with their jurisdictional boundaries, there is a strong likelihood that in the seven months that passed between Marin LAFCo adopting the resolution approving the formation of CSA 31 in December of 1993 and the vote by the residents within the boundary in June of 1994, that the recommendation for a sphere of influence study was simply forgotten and there has always been the assumption that the sphere is coterminous with the boundary.⁴⁰ In August of 2024, a sphere of influence was established as a part of the Multi-Regional Services Municipal Service Review. When CSA 31's SOI was established Angel Island State Park was omitted "to show the Commission's intention to work proactively and collaboratively with the Town of Tiburon, Tiburon Fire Protection District, Marin County Fire Department, California Department of Forestry and Fire Protection, and the California Department of Parks and Recreation to ensure a more orderly and efficient delivery of fire protection and emergency medical services to Angel Island State Park."⁴¹

⁴⁰ This school of thought is reinforced by the language within the San Rafael Service Review and Sphere of Influence Update (January 2006) which states, "The existing spheres of influence of CSAs #13 and #31 are coterminous with their current boundaries as established by LAFCo in 1983." This would not be possible as CSA #31 was not formed until 1994.

⁴¹ Marin LAFCo Resolution No.24-09

Figure 17: Marin County Fire Department Service Area



Growth and Population

CSA 31 encompasses a majority of what the County of Marin has designated as the West Marin Planning Area with the exception of the areas of the Inverness Public Utility District, Stinson Beach Fire Protection District, and Bolinas Fire Protection District. The planning area comprises five census tracts: 1322⁴², 1321⁴³, 1130, 1311, and 1330. According to 2022 American Community Survey Data, the population of the planning area, less the aforementioned special district areas, is 9,331, which is less than a 4% increase from the 2010 population number 9,011. The District boundary also includes the Census-Designated Place of Marin City, which has a current population of 2,993. This amount is a 12% increase from 2010, when the population tally was 2,666.

⁴² Census tract 1322 is comprised of 3 Census Block Groups. Block Group 1 within Census Tract 1322 has a boundary that is coterminous with the Inverness Public Utility District. This area has a population of 683. This amount will be removed from the total population figures for CSA 31.

⁴³ Census Tract 1321's area is coterminous with the jurisdictional boundaries of the Stinson Beach Fire Protection District and the Bolinas Fire Protection District and therefore will not be factored into the population data.

11.3 MUNICIPAL SERVICES

Municipal Services for Marin County Fire Department

Marin County Fire Department is divided into four divisions: Administrative, Operations, Fire Prevention and Investigations, and Emergency Medical Services.

Administrative: is responsible for administrative tasks, including (but not limited to) personnel processes, budget management, accounts payable and receivable, managing tax-based revenue, contract management, compliance, and administrative duties related to the department's Seasonal Firefighter program.

Operations: is responsible for fire suppression and emergency medical services. In addition to those core operations, this division also provides special operations and works with the Tamalpais Fire Crew.

Fire Prevention and Investigation: The prevention bureau, led by the Fire Marshal, works to decrease damage from fires by implementing fire safety standards and maintaining the fire code and Public Resources Code.

Emergency Medical Services: provides medical services to the surrounding community via ALS Transport Ambulances, Paramedic Units, Emergency Medical Technicians (EMT), and Fire Engines with up-to-date equipment to allow firefighters to provide medical services.

Office of Emergency Management: coordinates countywide disaster planning, response, recovery, and mitigation. It develops emergency plans, trains agencies and the public, manages alert systems like AlertMarin, and activates the Emergency Operations Center during crises.

Municipal Services for CSA 31

CSA 31 provides funding to the Marin County Fire Department to supplement the costs the Department incurs in providing year-round and round-the-clock structure fire protection services throughout unincorporated Marin County. The CSA's revenue, which is accrued by way of a voter-approved tax measure, is transferred to the Marin County Fire Department, which provides the service throughout the area. Marin County Fire is responsible for fire suppression and prevention, wildfire response, vegetation management and education, emergency medical services and paramedic services, urban search and rescue, and planning for emergency evacuations, as well as hazardous materials response. The Department collaborates with community and county partners to manage an emergency operations center that provides emergency response coordination and community outreach during emergencies, as well as planning and disaster preparations.

A significant amount of the land area⁴⁴ of CSA 31 is comprised of federally owned land, known as federal responsibility areas (FRA), and state-owned land, known as state responsibility areas

⁴⁴ Approximately 99%

(SRA). In many cases, federally owned land receives fire protection by way of local contracts and collaborations. In Marin County, the Marin County Fire Department has entered into a contract with the National Park Service to provide initial attack for fires within park boundaries. This includes approximately 100,000 acres of federally owned lands in the Golden Gate National Recreation Area, the Muir Woods National Monument, and the Point Reyes National Seashore. In state responsibility areas, the California Department of Forestry and Fire Protection (CAL FIRE) typically provides fire protection. In Marin County, however, CAL FIRE contracts with the Marin County Fire Department to provide wildland fire protection and associated fire prevention activities for lands designated as SRA. Marin is one of six counties in the state that contracts to protect SRA. The Marin County Fire Department is Responsible for the protection of approximately 200,000 acres of State land. There are 17,128 parcels and 14,697 living units located within Marin County's SRA.

Facilities and Apparatus

Marin County Fire Department operates and maintains 6 fire stations with a seasonal Tamalpais Fire Crew operating out of Novato's Station 65 and two paramedics with the Ross Valley Paramedic Authority. In the Marin County Fire Facilities Vision Plan, it was recommended that the MCFD headquarters and Fire Station at Woodacre, Hicks Valley, and Tomales Fire Stations be replaced. The estimated budget for the replacement and updating of facilities is between \$57 to \$68 million. Other recommended changes include seismic upgrade and expansion of Point Reyes Station, co-locating the Tam Fire Crew to Hicks Valley Fire Station, additional training towers as well as maintenance and repairs to lookout tires.



Figure 18: Marin County Fire Stations

Fleet Overview:

9 Type 1 Engines, 1 Type 2 Engine, 14 Type 3 Engines, 6 Type 6 Engines, 4 Water Tenders, 5 Ambulances, 5 Boats, 11 Cars, 5 Chippers, 1 Class 7 Truck, 2 Class 8 Trucks, 6 Crew Carriers, 16 Crew Trucks, 1 Dozer, 2 Equipment Trailers, 4 Excavators, 1 Grader, 1 Loader, 11 Rescue Watercraft (RWC), 1 Skid Steer, 1 Skip Loader, 10 SUVs, 33 Trailers, 43 Trucks, and 9 Utility Terrain Vehicles (UTVs)

Table 11-2 - Station Service Areas and Interagency Response Agreements

Station	Address	Primary Service Area	Aide
Tomales Fire Station	599 Dillon Beach Road, Tomales, CA 94971	Tomales, Dillon Beach, Marshall, Chileno Valley	Mutual Aid: Bodega Bay, Two Rock, Valley Ford
Hicks Valley Fire Station	330 Red Hill Road, Petaluma, CA 94952	Hicks Valley, Chileno Valley, Nicasio Valley	Mutual & Automatic Aid: Novato, Wilmar FPD, San Antonio Volunteer FD, portions of Sonoma County
Point Reyes Fire Station	4th and B Streets, Point Reyes Station, CA 94956	Point Reyes Station, Marshall, Olema, Inverness Park	Automatic Aid: Inverness Public Utility District
Woodacre Fire Station	33 Castle Rock Road, Woodacre, CA 94973	Woodacre, Nicasio, Lucas Valley, Forest Knolls, Lagunitas, San Geronimo Valley	Mutual Aid: City of Fairfax
Throckmorton Fire Station	16 Panoramic Highway, Mill Valley, CA 94941	Unincorporated Mill Valley, Muir Woods, Mt. Tamalpais State Park, Muir Beach	
Marin City Fire Station	50 Drake Ave, Marin City, CA 94965	Marin City	Mutual Aid: Town of Sausalito

Other Service Providers

Medic Station 18 – 33 Sir Francis Drake Blvd, Ross, CA 94957

The Marin County Fire Department provides two paramedics via contract with the Ross Valley Paramedic Authority to the Town of Ross. The paramedics operate an advanced life support ambulance, M18, and are supervised by the Woodacre Senior Captain.

Tamalpais Fire Crew, Station 65 - 5 Bolling Dr, Novato, CA 94949

Tamalpais Fire Crew is a program used for vegetation management and to build firefighting skills, work ethic, and leadership competency among the firefighters who will become the future of MCFD and other fire agencies throughout the state. The Crew shares Fire Station 65 with the Novato Fire District located in Hamilton. Staffing of the crew is fourteen firefighters, composed of a Fire Crew Superintendent, a Fire Crew Foreman, and 12 Seasonal Firefighters. They work

approximately 3-9 months during peak fire season, where the crew cuts and piles vegetation to create safer areas for fire suppression. The Tamalpais Fire Crew also responds to almost every wildland fire in the County to build containment lines, fell hazardous trees, and mop up fires.

11.4 ORGANIZATION STRUCTURE

Board of Supervisors

As a dependent special district, the Marin County Board of Supervisors serves as the CSA's and Marin County Fire's governing body. The five-member Board of Supervisors meets on scheduled Tuesdays every month at 9:00 am in the County of Marin Civic Building located at 3501 Civic Center Drive, Suite 330, in San Rafael. The Board of Supervisors determines policy, adopts annual budgets, fixes salaries, and is responsible for overseeing mandated district functions as carried out by various county departments.

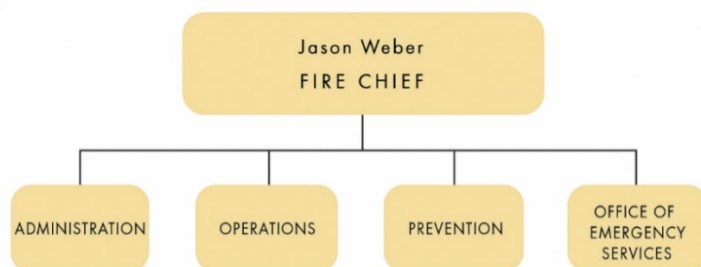
Table 11-3: Marin County Board of Supervisors

Member	Position	Term Expiration
Dennis Rodoni	Director	December 2028
Mary Sackett	President	December 2026
Eric Lucan	Director	December 2026
Brian Colbert	Vice President	December 2028
Stephanie Moulton-Peters	2 nd Vice President	December, 2028

Staffing and District Operations

As a dependent district of the County, all administrative services are provided by County departments, including legal counsel and compilation of financial transaction reports for the State Controller's Office required under Government Code Section 53891. CSA 31 is primarily managed by the Marin County Fire Department, which oversees staffing and calls for services. Overall, Marin County Fire has approximately 149 staff members.⁴⁵

Figure 19: Marin County Fire Organization Chart



⁴⁵ Correspondence with MCF on 10/7/2025

11.5 ACCOUNTABILITY AND TRANSPARENCY

Meeting and Agendas

The Board of Supervisors meeting agendas, minutes, and recordings can be viewed on the Marin County website. Board documents such as resolutions and ordinances can also be found on the Board of Supervisors page of Marin County's website.

Annual Budget Review

The County of Marin contracts with an independent financial auditor, Clifton Larson Allen, to conduct an annual financial report. CSA 31 is included in the report under the Budgetary Comparison Schedule for County Service Areas Fund.

Every year the Marin County Fire Department develops a proposed budget for CSA 31 and presents it to the Board of Supervisors for review and approval. It is based on the prior year's expenses and projected parcel tax revenue for the upcoming fiscal year.

11.6 FINANCIAL OVERVIEW

Financial Overview Marin County Fire

The Marin County Fire Budget is a part of the greater county budget process. The budget was adopted by the Board of Supervisors for FY 2021-2022. The West Marin Fire Emergency Services Fund and Measure W Marin County Fire Fund have undergone comprehensive updates. The adjustments encompass a thorough revision of taxes, services, and supplies, with a particular focus on the allocation of additional transient occupancy taxes to support emergency services in West Marin.

The expenditures for Marin County Fire (CSA 31) are primarily dedicated to salaries and benefits, services and supplies, client support, capital assets, independent charges, and contingencies. The largest portion of the budget is allocated to salaries and benefits, followed by services and supplies. For the fiscal year 2022, out of a total expenditure of \$35,740,553, approximately \$29,651,078 was spent on salaries and benefits.

Table 11-4: Marin County Fire FY 2021-22 Five-Year Actuarial Budget/Expenditures

Fiscal Year	Expenditures
FY 2017-18	\$29,599,470
FY 2018-19	\$31,040,320
FY 2019-20	\$32,737,127
FY 2020-21	\$39,542,793
FY 2021-22	\$40,542,347

Post FY 2021-'22 Update: Office of Emergency Management Integration

Although the fiscal trend for this study ends in FY 2021-'22 to standardize analysis, Marin County Fire has since gone through major changes and incorporated the Office of Emergency

Management (OEM) starting in Fiscal Year 2023-24. This update is to provide insight into the current financial capacity and scope of the Marin County Fire. The OEM consolidated countywide disaster preparedness, emergency operations planning, public warning/alerting, and resilience coordination under Marin County Fire’s executive and administrative structure. The incorporation of the OEM into the Marin County Fire budget led to an increase of approximately 26% going from \$36.99 million in FY 2022-23 to \$46.71 million in FY 2023-24⁴⁶. Funding now reflects combined operational support for both fire suppression/EMS functions and all-hazards emergency management activities.

Financial Overview for CSA 31

CSA 31 provides funding to the Marin County Fire Department by way of a voter-approved tax measure, creating a benefit assessment district that was initially passed in 1994. The approved tax measure, Measure R, was adopted with no sunset date or escalators. The tax measure, as it currently stands, levies a charge in the amount of \$76 per living unit, \$38 per unimproved parcel, and \$114 for each commercial/industrial parcel. The tax is the CSA’s only form of revenue. For FY 2022-23, the CSA realized \$507,204 in revenue and \$514,747 in expenditures. The CSA’s average annual revenues only make up a very small portion of the Marin County Fire Department’s total annual revenues. While the CSA has shown recent occurrences of expenditures outpacing revenues for the fiscal year, in each instance, the balance of the added expenditures was covered by a fund balance that was carried over from the prior fiscal year. A breakdown of the district’s finances over the past 5 fiscal years can be seen below in Table 11-5.

Table 11-5: Marin County Service Area No. 31 Financial Overview

	Revenues	Expenditures	Net Difference
FY 2017-18	\$524,511	\$548,000	(\$23,489)
FY 2018-19	\$523,593	\$514,535	\$9,058
FY 2019-20	\$523,460	\$531,746	(\$8,286)
FY 2020-21	\$522,358	\$513,878	\$8,480
FY 2021-22	\$507,204	\$514,747	(\$7,543)

Financial Audit

The County of Marin prepares an annual report on the County’s financial statements in accordance with established governmental accounting standards. The most recent audited financial statement was prepared by the Department of Finance, which issued an unqualified or “clean” opinion of the Department’s financial statements. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2024

⁴⁶ Correspondence with MCF on 10/7/2025

11.7 WILDLAND FIRE PREPAREDNESS

The Marin County Fire Department is a member agency of both the Marin Wildfire Prevention Authority as well as Fire Safe Marin. MCFD also has a Prevention Bureau, responsible for minimizing or preventing damage to life and property caused by fire. The Fire Prevention Bureau develops amendments to the model fire codes and fire prevention standards to achieve this. It enforces the fire safety and law enforcement sections of the Fire Code and Public Resources Code (PRC). Additionally, the Fire Prevention Bureau manages the Residential Wildfire Hazard Reduction and Business Inspection Programs. It also conducts fire investigations and implements fire and life safety programs in the MCFD protection areas. Moreover, the Bureau reviews land development and building plans as part of the issuance of fire permits. MCFD also operates the following programs: public education, pre-fire management, vegetation management, and defensible space. In the MCFD 2017-2020 Strategic Plan, they created 3 Focus Areas, with Focus 2 aiming to reduce the Marin County Fire Department (MCFD), which is an active member of the Marin Wildfire Prevention Authority and Fire Safe Marin. The MCFD's Prevention Bureau is crucial in minimizing and preventing damage to life and property caused by fire. This Bureau is responsible for developing amendments to the model fire codes and fire prevention standards and enforcing fire safety and law enforcement sections of the fire code and Public Resources Code (PRC). The Fire Prevention Bureau also manages the Residential Wildfire Hazard Reduction and Business Inspection Programs, conducts fire investigations, and implements fire and life safety programs in the MCFD protection areas. Furthermore, the Bureau reviews land development and building plans as part of the issuance of fire permits. MCFD also operates public education, pre-fire management, vegetation management, and defensible space programs. In the MCFD 2017-2020 Strategic Plan, three Focus Areas were created, with Focus 2 aiming to reduce the potential of wildfires and community disasters while enhancing fire prevention and community education. The specific actions outlined in this plan include:

1. Providing fire hazard reduction and defensible space through mailers, workshops, and public service announcements, promoting the Ready, Set, Go program in coordination with other agencies and Fire Safe Marin.
2. Implementing an annual defensible space inspection program to inspect 4,000 homes annually.
3. Working with county and local entities to support green waste in completing defensible space by providing four days of green waste disposal.

12.0 MARINWOOD COMMUNITY SERVICES DISTRICT

12.1 OVERVIEW

Marinwood Community Services District (CSD) is an independent, multi-purpose special district organized pursuant to California Government Code Section 61000 et seq. The Marinwood CSD provides fire protection and emergency medical services to the unincorporated community of Marinwood and the surrounding areas. In addition, the District contracts with the County of Marin to extend these services to County Service Area 13 (CSA 13) and the Juvenile Hall/County Farm site. The District serves as a critical provider of emergency response within the area, including fire suppression, rescue operations, and emergency medical assistance.

Table 12-1: Marinwood CSD Overview

Marinwood Community Services District			
Primary Contact	Eric Dreikosen, District Manager:	Email	edreikosen@marinwood.org
Office Location	775 Miller Creek Road, San Rafael, CA 94903		
Formation Date	1960	Enabling Legislation	G.C. §61000 et seq.
Services Provided	Fire Protection, Parks and Recreation, Open Space, Street Lighting,		
District Boundary	1,984 acres (based on GIS boundary shapefiles)	Population Estimate ⁴⁷	6,259

12.2 FORMATION AND DEVELOPMENT

The first homes in Marinwood were built near Highway 101 in 1955. At that time, the closest San Rafael city boundary was four miles to the south, at the top of Puerto Suello Hill, and the closest Novato boundary was six miles to the north. In order to provide municipal services to the growing community, particularly for fire protection, as well as to secure bond financing for Marinwood Park, the firehouse, community center and pool, the Marinwood CSD was formed in 1960.

In 1972, the community again voted to tax itself to purchase open space on the ridge bordering the community to preserve it from development. The original purchase of 321 acres has grown to more than 812 acres as additional parcels have been purchased, and developers are required to set aside land as open space.

Notably, the District formation excluded Upper Lucas Valley, which lies between two distinct jurisdictional areas of Marinwood CSD. Upper Lucas Valley was developed in 1961 as one of Joseph Eichler's last projects, keeping itself separate from Marinwood CSD and the San Rafael city limits. It has its own community center, pool, and stables. It has long-standing Covenants, Conditions & Restrictions (CC&Rs) that prevent second stories and teardowns. It has its own

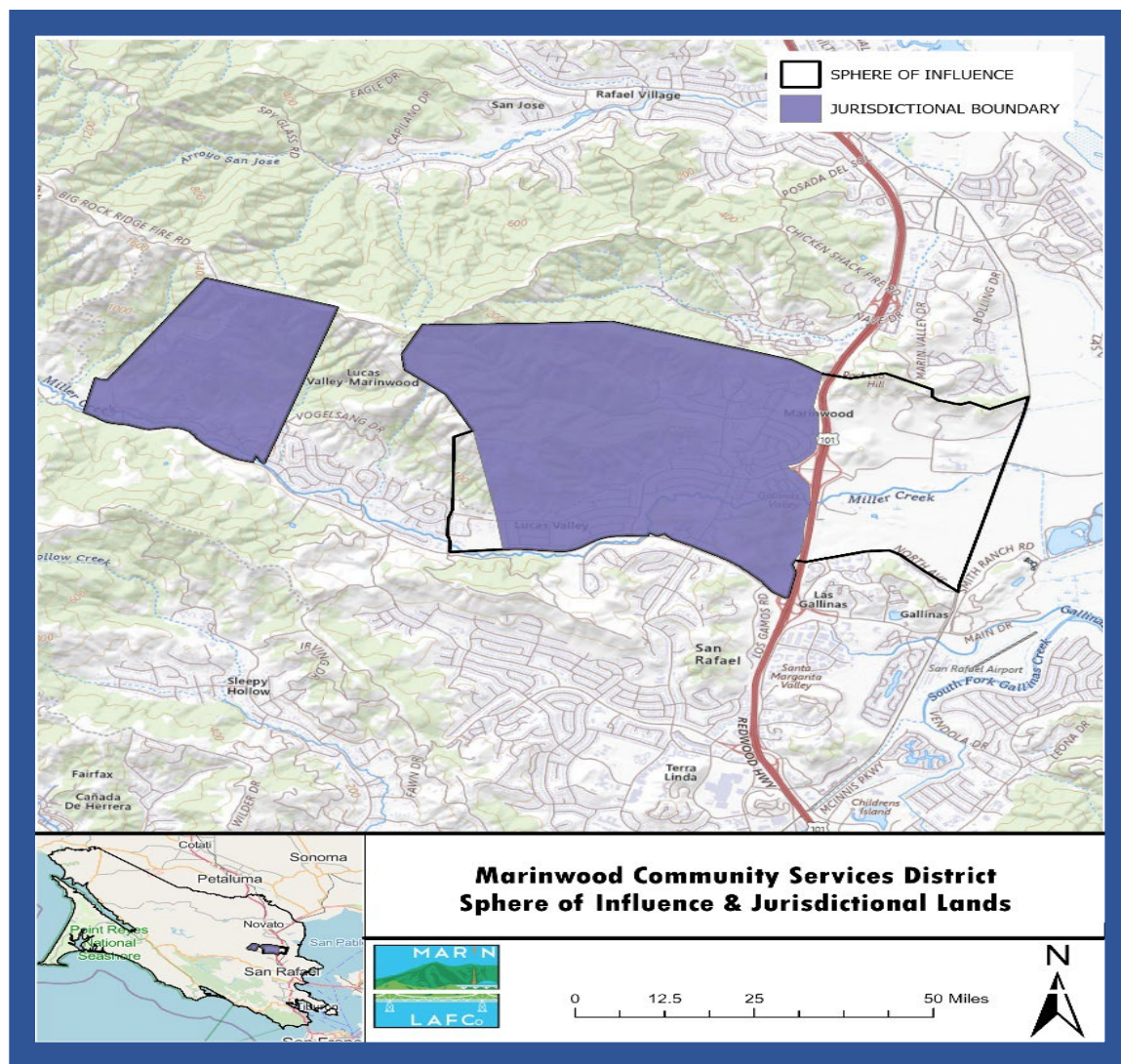
⁴⁷ Estimate based upon U.S. Census Block Group Data from U.S. Census Tract 1070, Block Groups 1,3,4,5

zoning district in the County Zoning Code with design guidelines to preserve the architectural character of the Eichler homes.

District Boundary and Sphere of Influence

Marinwood CSD is located west of U.S. 101 between the northern boundary of the City of San Rafael and the southern boundary of the City of Novato. Home to about 5,119 residents (9% of Marin's unincorporated population), it is the county's second-largest CSD by population. The district covers 1,984 acres (3.09 sq. mi.). The CSD boundaries include various urbanized areas, including Marinwood, Lucas Valley, Casa Marinwood, Roundtree, Miller Creek Gardens, Miller Creek Ranch, Lucas Valley Estates, and Las Gallinas Ranch. The Sphere of Influence for Marinwood CSD was established in 1983 and was most recently reaffirmed in October 2025 as a part of the San Rafael Area Service Review.

Figure 20: Marinwood CSD Boundary



12.3 MUNICIPAL SERVICES

Fire Protection and Emergency Response

Marinwood CSD provides a full range of fire protection services, including fire suppression, rescue, advanced life support (ALS) and emergency medical services, hazardous material control, and fire prevention services. The Marinwood Fire Department works closely and cooperatively with neighboring fire departments to provide service to its community and the surrounding areas. It maintains a shared services agreement with the City of San Rafael and contracts with Marin County to provide service to CSA No. 13. As a result of these agreements and in conjunction with other mutual aid agreements, the District's operational fire service area extends beyond District boundaries. They serve the nearby unincorporated areas of Upper Lucas Valley, St. Vincent's/Silveira, and the incorporated northern neighborhoods of San Rafael, as well as some southern neighborhoods of Novato via mutual aid.

Marinwood Fire has been awarded a Class 02/2X Public Protection Classification rating by the Insurance Services Office (ISO), an organization that independently evaluates municipal fire-protection efforts throughout the United States. An ISO rating of 1 is the highest possible that can be given to any fire department using this metric. Insurance companies often use ISO information combined with other factors to establish local property insurance rates – generally offering lower fire policy premiums in communities with better protection.

Facilities, Apparatuses, and Staffing

The Marinwood CSD operates a single fire station located at Miller Creek Drive near Lucas Valley Road. Marinwood CSD employs nine full-time paid personnel and a contract Fire Chief. The District Manager oversees the operations of the district and reports to the Board of Directors. Beyond service calls, Department activities include training, equipment maintenance, structure and vegetation management inspections, CERT support, and public outreach.

Station 58: one Type 1 Engine and one Type 3 Engine

Other Service Providers

Agreement Between Marinwood CSD and the City of San Rafael

The City of San Rafael Fire Department and the Marinwood CSD have entered into a number of contractual fire service agreements dating back as far as 1973. Through the most recent agreement, a Joint Exercise of Powers Agreement (JPA) initiated in April 2014, San Rafael provides the District with administrative capacity, training, medic oversight, fuel, dispatch services, supplies, and response support. In return, the District provides primary response to service calls in the northern neighborhoods of the City (over 50% of the District's total annual service calls), giving faster response times for San Rafael residents in the area. The agreement is to remain in place until participation is terminated by one of the parties, with a 90-day notice.

In October 2018, longtime Marinwood CSD fire Chief Tom Roach retired. To fill the open position, the District amended its existing JPA with San Rafael to include Fire Chief Officer Services to be provided by the City at a cost to the District of \$113,895 for FY 2024-2025, including a 3% annual escalator for the first 5 years, then a re-evaluation by the City of San Rafael. Such an agreement codifies the shared services between the two agencies.

Agreement Between Marinwood CSD and CSA No. 13 – Upper Lucas Valley

The Marinwood CSD provides fire and emergency services to the residents of CSA No. 13 through an annual agreement between the District and the County. The contract specifies that the District agrees to provide fire protection and rescue services to the residents and property owners of CSA No. 13, on the same basis as it provides services to the residents and property owners of the District. CSA No. 13 currently pays the District approximately \$753,096 for FY 2025-2025 for contract services. The exact amount is adjusted every year using an agreed-upon formula, based on the percentage of building square feet within CSA No. 13 as compared to the combined square footage of both Marinwood CSD and CSA No. 13.

Other Outside Agency Services

The District also contracts with the County to provide fire protection services to the area referred to as “County Farm” on Jeanette Prandi Road. The area includes the juvenile hall, court, and community schools, Marin County Open Space District facilities, and Rotary Village senior housing.

12.4 ORGANIZATIONAL STRUCTURE

Board of Directors

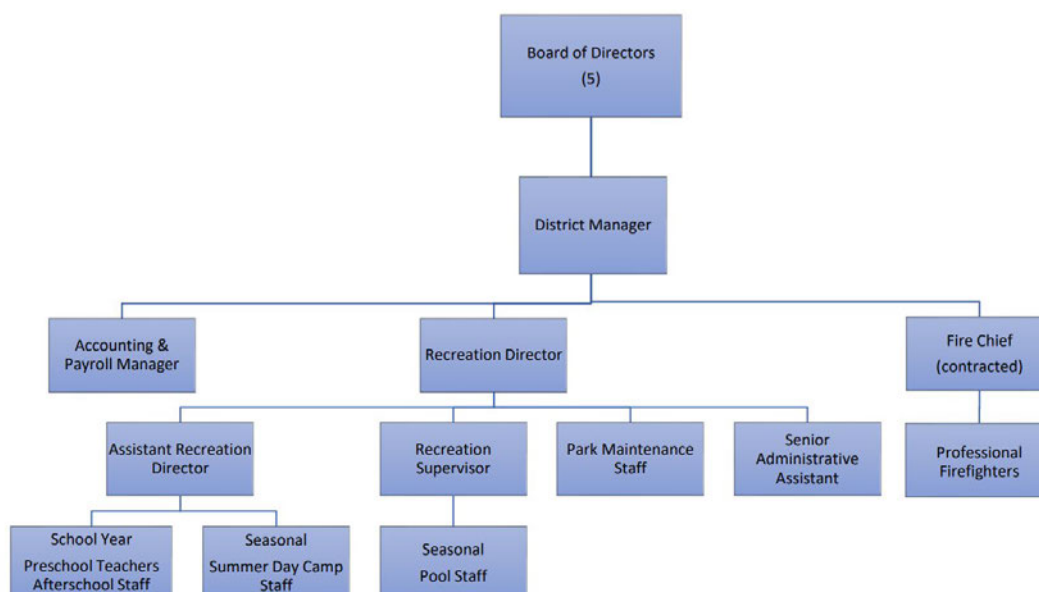
Marinwood CSD is governed by a five-member board of Directors. Members serve four-year terms and must be residents of Marinwood CSD. Board meetings are held at 7:00 PM on the second Tuesday of each month at the Marinwood Community Center at 775 Miller Creek Road, San Rafael, CA 94903.

The Marinwood CSD Board of Directors has two advisory commissions, including a Fire Commission and a Parks and Recreation Commission that oversee the routine operations of those District services. The five-member advisory commissions make recommendations to the Board of Directors regarding policy and budgetary matters. All Board and Commission meetings are open to the public. Agendas and meeting information are published online at www.marinwood.org.

Table 12-2: Marinwood CSD Board Members

Member	Term Expiration
Sivan Oyserman	2022-2026
Christopher Case, President	2024-2028
Kathleen Kilkenny	2024-2028
Lisa Ruggeri	2024-2028
William Shea	2022-2026

Figure 21: Marinwood CSD Organization Chart



12.5 ACCOUNTABILITY AND TRANSPARENCY

Marinwood CSD has consistently made it a priority to maintain high accountability and transparency with all its activities. Marinwood CSD website (<https://www.marinwood.org/>) provides information on Board meetings, financial reports, stations, history, apparatus, and more.

Meetings and Agendas

The Marinwood Board of Directors regularly meets at 7:00 PM on the second Tuesday of each month at the Marinwood Community Center at 775 Miller Creek Road, San Rafael, CA 94903. Special meetings are held as necessary to go over specific topics such as the annual budget. Meeting agendas and minutes can be found by way of a link on the Marinwood CSD website (<https://www.marinwood.org/about-us/board-agendas>).

Annual Budget Review

The District posts its annual budgets and audits on its webpage through a link located on the finance page of the website. Currently, the public can access and download the District's budgets and audits going back at least five fiscal years online through the District's website. Budgets are prepared and presented to the board of directors by the District Manager for approval and adoption on an annual basis.

12.6 FINANCIAL OVERVIEW

Marinwood receives the majority of its revenue from property taxes, and three special taxes—fire, park maintenance, and street lighting. Other revenues are from fees generated from fire service contracts, recreational programs such as swimming pool and community building

use, and from recreation programs ranging from daycare and summer camp, to dance lessons. The majority of CSD expenditures are for staffing and other personnel-related services, including benefits and retirement. Table 12-3 shows an abbreviated budget for the district. Property taxes are allocated across departments.

Approximately 66% of the annual district revenue comes from taxes and the special tax assessment. Other revenues include charges for services, which make up about 34% of their revenues. Marinwood CSD offers many services to the district and maintains a goal of providing a high level of community service while maintaining sustainable fiscal practices.

Table 12-3: Marinwood CSD Revenues and Expenditures for FY 2017-18 through FY 2021-22⁴⁸

Fiscal Year	Revenues	Expenditures	Net Difference
FY 2017 - 2018	\$6,111,119	\$5,491,456	\$619,663
FY 2018-2019	\$6,331,031	\$5,371,569	\$959,462
FY 2019-2020	\$6,185,802	\$5,094,343	\$1,091,459
FY 2020-2021	\$5,917,999	\$4,566,373	\$1,351,626
FY 2021-2022	\$6,925,960	\$6,653,030	\$272,930

Revenues and Expenditures

Revenue sources for the Marinwood Fire come directly from the CSD, which includes revenue from Taxes, grants, charges for services, contracts, and special taxes. According to the FY 21-22 Audit, fire services revenue was \$2,711,505. Of Marinwood Fire's total revenue budget, 24% comes from property taxes, 44% comes from special taxes, with the remaining coming from provided services, contracts, and interest.

The CSD maintains a General Fund and a Measure A Fund. In FY 2021-2022, Marinwood CSD saw an increase in the general fund by about \$1,007,961, with an increase in expenditures of \$1,128,401. This increase in expenditure was due to a capital outlay increase and other minor increases in other categories.

Debt

In the fiscal year end for 2021-2022, the Marinwood Community Services District (CSD) had a long-term debt of \$770,935⁴⁹ and a net pension and Other Post-Employment Benefits (OPEB) liability of \$8,797,326. The long-term debt includes:

- **Marin Emergency Radio Authority Loan** – MERA issued a revenue bond in 1999 to construct the emergency communications facility. Marinwood was responsible for 0.856% of the lease obligation of \$18,575,000, which totaled \$178,484. This lease was paid off in June of 2022.
- **Fire Truck Lease** – In 2014, Marinwood CSD entered a lease purchase for a fire truck with a lease of 10 years at a 3% interest rate. The districts make payments in September toward the \$364,692 total lease obligation. The lease balance as of June 2022 is \$120,935. This lease was paid off in September of 2024.

⁴⁸ [Marinwood CSD Finance page; Audits from Fiscal Years ending in 2018 through 2022](#)

⁴⁹ [Marinwood CSD Fiscal Year ending June 31, 2022; pg. 5](#)

- **CSDA Lease** – Marinwood entered into this lease to finance the construction costs of Marinwood’s new maintenance facility. The obligation totals \$650,000 at an annual interest rate of 2.34%.

Marinwood CSD offers a pension plan to its employees, which is administered by the California Public Employees’ Retirement System (CALPERS). The benefits provided by CALPERS are based on years of service, employee classification, and hire date, and include retirement, disability, and death benefits. In addition to the pension plan, the Marinwood CSD also offers post-retirement healthcare benefits to its retirees (OPEB). Currently, the district has a total of 34 employees, both active and inactive, who are enrolled in the OPEB plan. Furthermore, the district currently has a total of \$137,709 in compensated absences.

Financial Audit

Marinwood has its financial statements audited on an annual basis. The district contracts with an outside accounting firm, most recently O’Connor & Company, to conduct the audit. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2024. The following table reflects Marinwood in its entirety and is not specific to its fire department.

Table 12-4: Marinwood CSD Audited Revenues and Expenditures for FY 2021-2022

Revenues	FY 2021-2022 Audit
Property Taxes	\$2,362,567
Special Assessments	\$1,629,480
Charges for Service	\$2,353,334
Investment Earnings	\$3,772
Other Revenue	\$576,807
Total Revenues	\$6,925,960

Expenditures	FY 2021-2022 Audit
Park	\$715,726
Recreation	\$1,816,829
Public Safety	\$2,728,727
Street Lighting	\$23,872
Measure A	\$319,323
Marin Wildfire Prevention Authority	\$140,641
Capital Outlay	847,611
Debt Services	
Principal	\$55,448
Interest	\$4,853
Total Expenditures	\$6,653,030
Excess of Revenues Over Expenditures	\$272,930

12.7 WILDLAND FIRE PREPAREDNESS

Local agencies are critical in protecting natural resources and the environment through land conservation, water recycling, preserving open space, and renewable energy projects. Marinwood CSD utilizes recycled water for landscaping where available and has converted streetlights to LEDs to the extent feasible throughout the District.

Warmer temperatures and longer drought periods increase the potential for wildfires that may threaten structures in the District. Marinwood CSD is part of the countywide Community Wildfire Protection Plan, maintained by FireSafe Marin. Marinwood CSD is one of several member agencies that form the Marin Wildfire Prevention Authority (MWPA). The MWPA is a collective effort to prevent wildfires in the Marin area. The MWPA works to reduce the risk of wildfires by implementing various preventative measures, such as clearing brush and other flammable materials, conducting controlled burns, and educating the public on fire safety practices. Defensible space services are provided by SRSD Defensible Space Division. The District would benefit from continued community education, preparedness, and mitigation efforts, including encouraging communities to seek FireWise certification from the National Fire Protection Association.

Marinwood CSD is within the San Rafael operational/geographic zone of MWPA. The FY 2022-'23 anticipated funding for Defensible Space (D-Space) totaled \$66,959 and \$68,325 for Local Wildfire Prevention Mitigation. The San Rafael Zone uses herbivores (primarily goats) to remove light and flashy fuels to create a buffer between the built environment and wildlands. This will reduce the density of fuels adjacent to the built environment, reduce ignition potential, and slow the spread of fire. Additional projects in the San Rafael Zone can be found on the MWPA website (<https://www.marinwildfire.org/projects-by-location?tab=sanraf>).

13.0 ROSS VALLEY FIRE DEPARTMENT

13.1 OVERVIEW

Ross Valley Fire Department (RVFD) is a Joint Powers Authority (JPA) that is comprised of the fire departments from the towns of San Anselmo, Ross, and Fairfax, as well as the Sleepy Hollow Fire Protection District. The RVFD boundary surrounds approximately 9 square miles of the Upper Ross Valley area. This area, along with the towns, includes the entirety of the Census Designated Place (CDP) of Sleepy Hollow as well as the unincorporated area west of the San Rafael City Limits, Baywood Canyon, and east of Baywood Canyon in Fairfax, south of the Sleepy Hollow Fire Protection District, and north of the Meadow Club. The department serves a population of approximately 25,000 in the Upper Ross Valley corridor. The last Municipal Service Review that included RVFD was conducted in April of 2020 as part of the Ross Valley Area Service Review and Sphere of Influence Update.

The primary function of RVFD is to provide emergency medical services, structural and wildland fire response to the Town of San Anselmo, the Town of Ross, the Town of Fairfax, and the unincorporated area of Sleepy Hollow. The RVFD also participates in the Marin County and California Mutual Aid System with nearby fire districts and responds to wildland fires as needed.

Table 13-1: RVFD Admin Overview

Ross Valley Fire Department			
Primary Contact:	Dan Mahoney	Phone	(415) 258-4686
Main Office:	777 San Anselmo Avenue, San Anselmo, CA 94960		
Formation Date:	1982		
Services Provided:	Fire Protection, Wildland Fire and Emergency Response		
Service Area:	5,735 acres		
Population Served:	≈25,000		

13.2 FORMATION AND DEVELOPMENT

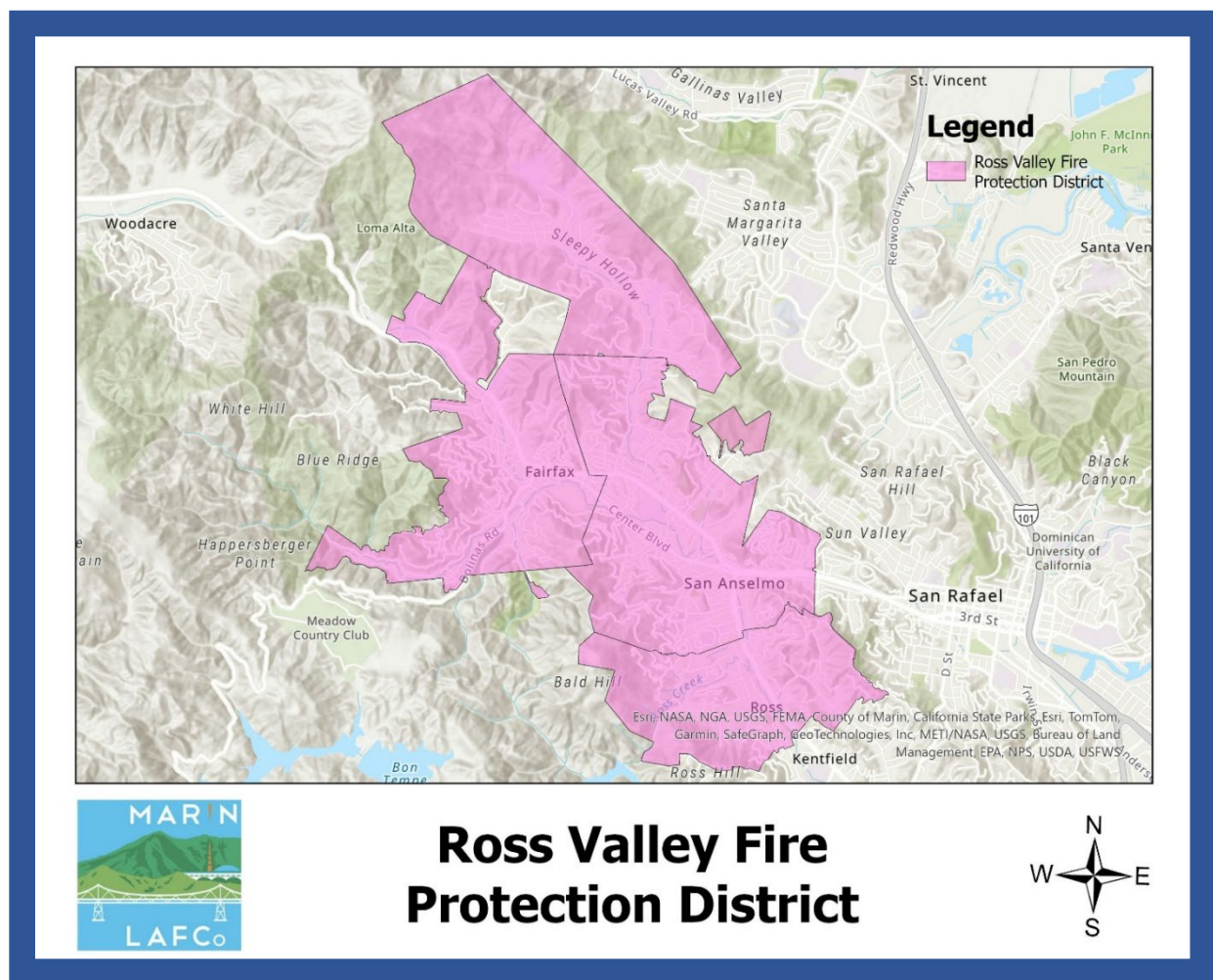
The history of the Ross Valley Fire Department can be traced back to the early 1900s, when volunteer fire departments were formed in the towns of Ross, San Anselmo, and Fairfax. The San Anselmo Volunteer Fire Department was established in 1907. Soon after, the Town of Ross built the Ross Fire House and established the Volunteer Fire Department in between 1908 -1910. Also in 1910, the Fairfax Improvement Club helped establish the Town of Fairfax Volunteer Fire Department. Meanwhile, in 1949, the Sleepy Hollow Fire Protection District (SHFPD) was officially formed to provide fire protection for the unincorporated Sleepy Hollow area, and Fire Station 20 was built in 1961.

In 1956, SHFPD signed a service agreement with the Town of San Anselmo for fire protection based on assessed values and shared expenses. This agreement lasted until 1976, when the voters

of Sleepy Hollow approved a special tax to re-establish independent fire protection services, ending the contract with San Anselmo. However, in 1979, SHFPD and San Anselmo entered a new 25-year agreement, with the costs based on a percentage of total labor expenses.

In 1982, the Towns of San Anselmo and Fairfax consolidated their fire departments, forming the Ross Valley Fire Service Joint Powers Authority (JPA). Although the contract with San Anselmo remained the same, fire services were now administered through the JPA. In 2002, SHFPD proposed to become a voting member of Ross Valley Fire Department (RVFD) and to increase its share of fire protection costs, but a revised joint powers agreement was not approved. In 2004, SHFPD signed a five-year "evergreen" contract with San Anselmo, based on the former labor cost agreement, and agreed to pay 25% of the costs for two years to assist with the Town's budget shortfall. In July 2010, SHFPD achieved full voting-member status within the RVFD, officially becoming part of the JPA alongside the towns of San Anselmo, Fairfax. The Town of Ross became a member of the JPA in 2012.

Figure 22: Ross Valley Fire Department Boundary



13.3 MUNICIPAL SERVICES

Fire Protection and Emergency Response

The Ross Valley Fire Department provides fire suppression (structure, vegetation, and vehicle), emergency medical services, fire prevention and inspections, hazardous materials spills response, vehicle accident response, disaster response, and community education to the towns of San Anselmo, Ross, and Fairfax, as well as the CDP of Sleepy Hollow. RVFD responds to incident call types, including building fires, grass and brush fires, vehicle fires, other fires, medical and vehicle accidents, hazardous conditions, service calls, good intent, false alarms, and severe weather. The department had 4 stations located in Ross, San Anselmo and Fairfax. However, in 2021, the Ross Town Council voted to close Station 18 in Ross, effective July 2025.

The department currently has 39 full-time equivalent (FTE) employees made up of 1 Fire Chief, 4 Battalion Chiefs, 9 Captains, 9 Engineers, 12 Firefighters, 2 Fire Inspectors, 1 Wildfire Preparedness Coordinator, and 1 Administrative Assistant. Daily on-duty staff consists of ten personnel staffing three Type-1 fire engines as well as one Battalion Chief. The Department has developed a specific response plan by incident type, which dictates the exact resources to be dispatched to a given incident. The Fire Chief oversees the general operations of the department in accordance with the policy direction of the Board of Directors.

Ross Valley Fire Department has been classified as a Class 2 Public Protection Classification rating by the Insurance Services Office (ISO). This organization independently evaluates municipal fire protection efforts throughout the United States. An ISO rating of 1 is the highest possible that can be given to any fire department using this metric, with both Class 1 and Class 2 being considered “excellent”. Insurance companies often use ISO information combined with other factors to establish local property insurance rates – generally offering lower fire policy premiums in communities with better protection. The department remains determined to achieve a Class 1 ISO classification with continued improvements and increased staffing levels.

In 2024, RVFD responded to approximately 2,900 incidents. Fifty-five percent were for emergency medical services. Station 21 had the highest number of responses (1,135), followed by Station 19 (912). Station 20 had 527 incidents, followed by Station 18 with 384⁵⁰.

The Department has also created a Defensible Space Inspection program, and in May 2019, they began sending inspectors to approximately 3,800 residences throughout the RVFD jurisdiction. The Department’s goal in this program is to take an educational approach to assist residents in understanding what they can do to protect homes and communities from wildfires. All visits from the inspectors are documented utilizing the Ross Valley Fire Department Notice of Defensible Space Inspection forms and include other fire preparedness information.

Facilities and Apparatus

RVFD operates and maintains 3 fire stations, with 1 concurrently used as its administrative building (Station 19). The stations are:

⁵⁰ RVFD Staff Correspondence; July 22, 2025

- Station 19 – 777 San Anselmo Avenue, San Anselmo, CA 94960
- Station 20 (Sleepy Hollow) – 150 Butterfield Road, San Anselmo, CA 94960
- Station 21 – 10 Park Road, Fairfax, CA 94930

RVFD also has a variety of apparatus that serve the community, ranging from support vehicles to paramedic trucks. The department also has a handful of support vehicles that include the Fire Chief Command Vehicle, Battalion Chief Command Vehicles, Utility Vehicles, and Inspector Vehicles. RVFD's apparatus listed by station is provided below.

Station 19: 1 Type 1 Fire Engine, 1 Reserve Type 1 Fire Engine

Station 20: 1 Type 1 Fire Engine, 1 OES Engine

Station 21: 1 Type 1 Fire Engine, 1 Type 3 Fire Engine

13.4 ORGANIZATION STRUCTURE

Board of Directors

The Ross Valley Fire Department is governed by an eight-member board that is comprised of two designees from each of the four participating agencies. The Town Councils of Fairfax, San Anselmo, and Ross, as well as the Board of Directors of the Sleepy Hollow Fire Protection District, designate two voting members to sit on the RVFD Board. With these internal appointments being the status quo, there are no term limits levied upon any of the board members. Additionally, each JPA member agency appoints one alternate who may substitute for either of its two designated members when an individual member is unavailable.

The RVFD Board of Directors oversees policy adoption, adopting an annual budget, and setting fees for services, among other things. Any change in the member agency's cost-sharing percentage, any revision of the adopted budget that results in an increase in the annual member's contribution, any change to fire station service levels, or approval of any single expenditure in excess of three percent of the adopted operating budget requires a unanimous vote of the full board.

RVFD receives administrative oversight from an Executive Officer. The position of Executive Officer rotates between the Town managers of Fairfax, San Anselmo, and Ross for two-year terms. The Board of Directors appoints a Fire Chief for operational oversight. The Fire Chief reports to the Board through the Executive Officer.

Table 13-2: RVFD Board Members

Member	Representing
Bill Kircher	Town of Ross
Julie McMillan	Town of Ross
Steve Burdo	Town of San Anselmo
Chantel Walker	Town of San Anselmo
Thomas Finn	Sleepy Hollow FD
Richard Shortall	Sleepy Hollow FD
Stephanie Hellman	Town of Fairfax
Barbara Coler	Town of Fairfax
Dave Donery	Executive Officer

13.5 ACCOUNTABILITY AND TRANSPARENCY

The RVFD maintains a high level of public accountability and transparency with all its activities. The RVFD website (<https://rossvalleyfire.org/>) provides information on Board meetings, financial reports, preparedness, public education, and more.

Meeting and Agendas

The Board of Directors regularly meets on the second Wednesday of each month at 6:30 pm at San Anselmo Town Council Chambers, located at 525 San Anselmo Avenue in San Anselmo. Board meeting packets can be downloaded from the RVFD website (<https://rossvalleyfire.org/about/board/board-meetings>).

Annual Budget Review

The RVFD adopts a preliminary budget no later than June of each year and a final budget by no later than August. The annual budget provides overall control of revenue and expenditures, including appropriations on a line-item basis and the means of financing them. The District's administrative team produces reports on expense activity that assists the Board in monitoring activities and any necessary adjustments.

13.6 FINANCIAL OVERVIEW

In 2022, the District's net position is in a deficit of \$9,584,930, with a change from the previous year of \$11,978,321 (more information provided on the deficit in the financial audit section). This calculation considers adjustments such as capital expenditures, depreciation expense, property taxes, payments to reduce capital lease obligations, net pension liability, net OPEB liability, and accrued compensated absences. As of June 30, 2022, the Department reports a negative Net Position due to pension and OPEB liabilities.

Ross Valley Fire Department receives the majority of its funding through its contracts with the Town of San Anselmo, Town of Fairfax, Sleepy Hollow, and Town of Ross. In addition to the

JPA Contracts, RVFD secures funding through a variety of channels, including Fire Prevention Fees, Investment Earnings, and Other Sources. These funding streams contribute to the financial sustainability of the district.

Table 13-3: Ross Valley Fire Department Revenues and Expenditures for FY 2017-18 through FY 2021-22⁵¹

Fiscal Year	Revenues	Expenditures	Net Difference
FY 2017-2018	\$10,457,190	\$9,780,016	\$677,174
FY 2018-2019	\$11,141,701	\$10,994,083	\$147,618
FY 2019-2020	\$11,489,713	\$12,766,602	(\$1,276,889)
FY 2020-2021	\$12,754,130	\$11,845,295	\$908,835
FY 2021-2022	\$12,907,646	\$12,450,002	\$457,644

Revenue and Expenditures

The majority of RVFD's revenues are generated through its contracts with the Town of San Anselmo, the Town of Fairfax, Sleepy Hollow, the Town of Ross all of which are member agencies. Although not a member agency the County of Marin contracts with RVFD for fire services in surrounding unincorporated areas. Each contract saw an increase in FY '22. The district receives revenue from various other sources, including Retiree Health and Contributions, Fire Prevention Fees, Investment Earnings, and other Miscellaneous Sources.

The majority of RVFA expenses are dedicated to employee salaries, with the next highest allocations going toward services and supplies, followed by Debt Services for Principal and Interest. For FY '22, RVFA expenses \$10,626,283 of the total expense of \$12,450,002 on salaries and benefits. For FY '22, there was a positive change in net position.

Debt

The District, as of June 30, 2022, is carrying \$296,037⁵² in long-term debt. In February of 2019, the RVFD entered a loan agreement with SHFPD in the amount of \$708,535, with an interest rate of 3.00% to finance a portion of the purchase of two fire engines. At the end of FY '22, the balance of this loan is \$299,367

The RVFD also provides a pension plan for employees and is part of the California Public Employees Retirement System (CalPERS). CalPERS provides retirement, disability, and death benefits based on the employee's years of service, age, and final compensation. As of June 30, 2022, the RVFA Net Pension Liability was \$8,845,238. The RVFD total funded ratio is 69.7%. In addition to the pension plan, the RVFD provides post-retirement benefits (OPEB) to its retirees. As of June 30, 2021, the District's contribution to the plan was \$786,295 with 33 active employees and 40 inactive employees.

Financial Audit

The RVFD established governmental accounting standards to prepare an annual report on its financial statements. While this financial review and evaluation in the Fire Services Special

⁵¹ [RVFD Financial Information page; Financial Statements from Fiscal Years ending in 2018 through 2022](#)

⁵² [RVFD Audit Year Ended June 20, 202; pg. 32](#)

Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently publicly available audited financial statement was prepared for the fiscal year ending June 30, 2023. The firm issued an unqualified or "clean" opinion of the district's financial statements. A breakdown of revenues, expenditures, and changes in fund balances for the District's General Fund for the year ended June 30, 2022, can be seen below in Figure 13-2.

Figure 23: Ross Valley Fire Department Revenues and Expenditures for FY 2021-2022

Ross Valley Fire Department

Statement of Revenues, Expenditures and Changes in Fund Balances

General Fund

For the year ended June 30, 2022

	General Fund
REVENUES:	
Intergovernmental:	
Town of San Anselmo (Contract)	\$ 3,739,735
Town of Fairfax (Contract)	2,149,921
Sleepy Hollow (Contract)	1,181,073
County of Marin (Contract)	235,783
Town of Ross (Contract)	2,183,012
Prior Authority:	
Retiree health	97,552
Retirement contributions	1,125,991
OES reimbursement	785,270
Other sources	886,149
Fire prevention fees	474,371
Investment earnings	2,444
Miscellaneous	46,345
Total revenues	12,907,646
EXPENDITURES:	
Current:	
Salaries and benefits	10,626,283
Services and supplies	1,551,044
Capital outlay	126,963
Debt service:	
Principal	141,583
Interest and fiscal charges	13,129
Total expenditures	12,459,002
REVENUES OVER (UNDER)	
EXPENDITURES	448,644
OTHER FINANCING SOURCES (USES):	
Proceeds from sale of capital assets	6,650
Total other financing sources (uses)	6,650
Net change in fund balances	455,294

13.7 WILDLAND FIRE PREPAREDNESS

Local agencies, such as the Ross Valley Fire Department (RVFD), play a critical role in protecting natural resources and the environment. Each member agency of RVFD are members of the Marin Wildfire Prevention Authority. Additionally, RVFD participated in the Community Wildfire Protection Plan released in 2016, a collaborative effort among county fire agencies, local organizations such as FIRESafe Marin, land management agencies, and community stakeholders. This plan identified areas of concern across the county based on factors like population density, fire behavior, vegetation, and other key considerations. It also outlined several goals: to "increase awareness, knowledge, and actions implemented by individuals and communities to reduce human loss and property damage from wildland fires." This includes promoting defensible space, fuel reduction activities, and fire prevention through fire-safe building standards.

Ross Valley lies within a high-risk Wildland–Urban Interface (WUI) environment where residential neighborhoods have fire-prone vegetation which increases wildfire ignition potential. To assist in navigating this RVFD has created WUI maps and Fire Hazard Safety Zones for Incorporated Ross Valley, San Anselmo, Sleepy Hollow Fire Protection District and Fairfax. The Town of Ross adopted a hillside ordinance code *18.39 Hillside Lot Regulations* instead of WUI code.

The RVFD is working towards providing more education to the community about this topic. Additionally, RVFD provides an illustration on their website of how to create the necessary defensible space around a resident's home to help protect homeowners in the event of a wildland fire incident. The site outlines different "zones" that range in size to help create the required 100 feet of defensible space. Both RVFD and SHFPD offer a downloadable guides to living in a wildfire-prone environment titled "Living With Fire in the Ross Valley" and "Living With Fire In Sleepy Hollow." The booklet provides specific wildfire preparedness information, including guidance on defensible space, landscaping, powerline safety, and other critical steps residents can take to protect their property from wildfires.

14.0 SAN RAFAEL FIRE DEPARTMENT

14.1 OVERVIEW

The San Rafael Fire Department is part of the City of San Rafael, in Marin County, along the Highway 101 and Interstate 580 corridors. San Rafael is approximately 22 square miles in size, with a population of 61,271 people (as of the 2020 Census). The Department has six fire stations, one training center, and one administrative office. Because of geographical proximity, San Rafael Fire works closely with the Marinwood Fire Department (part of the Marinwood Community Services District). The Department also provides 911 emergency response services to areas within County Service Area (CSA) 19 through a contractual agreement, including Santa Venetia, Merrydale-Los Ranchitos, Bayside Acres, Country Club, California Park, Sun Valley, and San Pablo-Tarrant Circle. San Rafael Fire represents the City of San Rafael in the Marin Wildfire Prevention Authority (MWPA). The last municipal service review that included San Rafael and Marinwood was conducted in October of 2025 as a part of the San Rafael Area Study. The data and information accumulated in that report have been updated for this study to reflect the most recent fiscal year available.

San Rafael Fire provides advanced life support and paramedic-level emergency medical services (EMS) to the community, in addition to serving CSA 13, CSA 19, CSA 31, and Marinwood CSD. This includes a combination of paramedic engine companies and paramedic ALS ambulances. San Rafael's fire prevention division conducts fire safety inspections and issues fire permits for all activities regulated by the California Fire Code. Additionally, there is a division dedicated to wildfire mitigation that implements the City's 38-point Wildfire Prevention and Protection Action Plan and the Marin County CWPP goals. This includes a focus on defensible space, home hardening, vegetation management, resident education and support resources, evacuation route improvements and emergency alerting. The department has an Emergency Management Division that oversees the City's Emergency Operations Center, provides emergency management training to all employees, and collaborates with community groups and homeowners' associations to educate individuals on how to proactively prepare for a wide range of emergencies that could impact the area.

Table 14-1: SRFD Admin Overview

San Rafael Fire Department Overview	
Primary Contact:	Fire Chief Abraham Roman
Main Office:	1375 Fifth Avenue, San Rafael
Formation Date:	1874
Services Provided:	Fire Protection, Paramedic level EMS first responder and ambulance transport, Fire Prevention, and All Risk Emergency Response
Service Area:	San Rafael, Marinwood, and CSA 13 and 19
Population Served	≈61,271

14.2 FORMATION AND DEVELOPMENT

The San Rafael Fire Department was formed in 1874 by two residents who wanted to protect the newly incorporated City of San Rafael from fires. A 45-member volunteer fire department was created, led by James Tunstead, the elected sheriff. The company was initially named “San Rafael Hose Company Number One” but later changed to the “San Rafael Hose, Hook, and Ladder Company” to better describe its duties. Funding came from member dues, annual dances, and donations from grateful citizens whose property had been saved from fire. The first equipment used was a four-wheeled hose cart, which was pulled by hand. San Rafael had a well-maintained water system, and fire hydrants were strategically placed throughout the City. The firefighters would simply connect the hoses to the nearest hydrant and apply the hose stream against the structure or item on fire.

Over time, the San Rafael Hook and Ladder Company grew and improved. By the 1890s, the company had 90 volunteer members, two hand-pulled hose carts, two hose carriages, and one hook and ladder wagon. In 1913, the Department purchased its first motorized apparatus, a Pope chemical wagon, replacing hand-pulled or horse-pulled wagons.

Throughout the 20th century, SRFD continued to modernize, transitioning from an all-volunteer force to a fully paid professional department. By mid-century, the City had expanded its firefighting capabilities with the addition of new stations, advanced training programs, and more modern motorized equipment. Innovations in fire prevention and emergency medical services were incorporated over time, reflecting the evolving needs of the growing community.

By the early 2000s, with many of its facilities and infrastructure aging, the department launched a comprehensive review of its operations. This included assessing response times, evaluating the seismic safety of existing fire stations, and planning for the replacement or renovation of key facilities. These strategic initiatives set the stage for the development of modern fire stations and the consolidation of emergency services into more efficient, centralized facilities in the following decade.

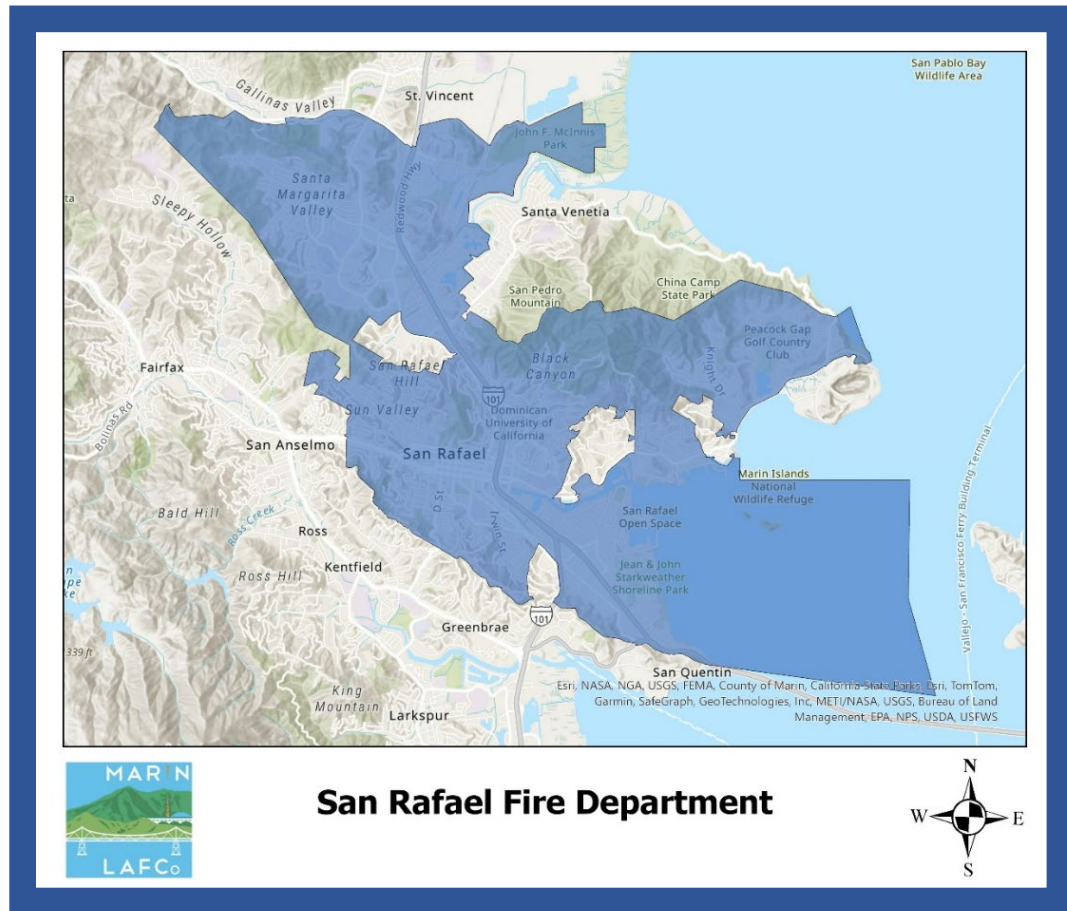
Upon the successful passage of Measure E in 2013, plans were approved for the demolition and rebuilding of Stations 51, 52, and 57, while Stations 54 and 55 were slated for significant renovations. In 2019, the new Fire Station 52 and Station 57 were opened. In July 2020, San Rafael Fire Station 51 was completed, and staff moved into the new Public Safety Center (PSC) at 1375 Fifth Avenue. The PSC houses Engine 51, the duty battalion chief, Fire Administration, but also the City's Police Department, Office of Emergency Services, and Fire Administration, which includes the Fire Chief, Deputy Fire Chiefs, Fire Prevention, Defensible Space, and the EMS Battalion Chief.

Today, it has a total workforce of 82 full-time personnel trained in specialties such as paramedic-level emergency medical care, firefighting, hazardous materials, fire prevention, and emergency & disaster preparedness. The department has a philosophy of “Community Fire Servicing,” which emphasizes a collaborative and proactive relationship with the community.

District Boundary and Sphere of Influence

The San Rafael Fire Department serves the city of San Rafael, and its boundaries are coterminous with the city limits. The department also covers neighboring unincorporated areas based on contract for services and mutual aid agreements for emergency services.

Figure 24: San Rafael Fire Department District Boundary



Growth and Population

The population of San Rafael, California, in the 2010 Census was approximately 57,713. By the 2020 Census, the population had increased to around 61,250. This is a 6.1% increase over that decade. Currently, the city has a total of 29,564 housing units, with 1,357 being vacant.

14.3 MUNICIPAL SERVICES

Fire and Emergency Response

The San Rafael Fire Department provides emergency services for San Rafael. The department is considered an all-risk agency and provides a full range of 911 emergency response services, including fire suppression, rescue, advanced life support (ALS), ambulance transport, and hazardous material response. A full range of fire prevention and emergency management & disaster preparedness programs are also provided.

The San Rafael Fire Department works closely and cooperatively with neighboring fire departments to provide service to its community and the surrounding areas. It maintains contractual agreements with Marinwood CSD and CSA No. 19.

The Department operates an administrative office and six fire stations located throughout the City. Currently, they employ paid personnel, including a Fire Chief, Deputy Chief, Battalion Chiefs, Fire Captains, Fire Engineers, Firefighters/Paramedics, Deputy Director of Emergency Management, Fire Prevention and Administrative Staff, and a Fire Mechanic. Most calls for Department service are medical in nature. In total, the department responded to 12,004 calls for services in 2024.

The San Rafael Fire Department has achieved a Class 1 Public Protection Classification rating by the Insurance Services Office (ISO). This organization independently evaluates municipal fire-protection efforts throughout the United States. An ISO rating of 1 is the highest possible that can be given to any fire department using this metric. Insurance companies often use ISO information combined with other factors to establish local property insurance rates, generally offering lower fire policy premiums in communities with better protection.

The San Rafael Fire Department receives additional support from the San Rafael Fire Foundation, a community nonprofit organization formed in 2014. The organization supports San Rafael firefighters and paramedics by funding technology, equipment, training, and public outreach through donations.

Facilities and Apparatus

The San Rafael Fire Department operates and maintains 6 fire stations. Station 51 and the Department's headquarters were incorporated into the new Public Safety Center that opened in 2020, housing not only fire administration and apparatus but also the police department and Office of Emergency Services. In 2015, the City Council approved a strategic plan for essential facilities that consisted of projects that were divided into phases. The first phase included the construction of a new public safety center in downtown San Rafael. The funding for this project was approved by Measure E, passed in November of 2013. The second phase of essential facility upgrades involved the replacement of Fire Stations 54 and 55.

- Public Safety Center (Station 51) - 1375 Fifth Ave, San Rafael, California 94901
- Station 52 - 52 Union St, San Rafael, CA 94901
- Station 54 - 46 Castro Ave, San Rafael, CA 94901
- Station 55 - 955 Point San Pedro Rd, San Rafael, CA 94901
- Station 56 - 650 Del Ganado Road, San Rafael, CA 94903
- Station 57 - 3530 Civic Center Dr, San Rafael, California 94903

SRFD has a variety of apparatus that serve the community, from utility vehicles, aerial ladder trucks, specialized wildland fire engines, to paramedic ambulances. A full outline of the Department's current apparatus can be seen below:

Station 51: One Type 1 Engine, one Type 6 Engine cross-staffed and the duty battalion chief utilizing a command staff vehicle.

Station 52: One Type 1 Engine, one Ambulance, 1 Reserve Engine, 1 pick-up truck

Station 54: One Aerial Ladder Truck, one cross-staffed Type 6 Engine, and one one-ton stake side truck.

Station 55: One Type 1 Engine, one cross-staffed Ambulance, one fire boat, one UTV.

Station 56: One Type 1 Engine, one cross-staffed Ambulance

Station 57: One Type 1 Engine, one Ambulance, and one reserve Aerial Ladder Truck, one pick-up truck, one ATV, 1 Jet Ski.

SRFD Shop: 2 reserve engines, 2 reserve ambulances, Maintenance and repair.

Other Service Providers

Agreement Between the City of San Rafael and Marinwood CSD

The City of San Rafael Fire Department and Marinwood CSD have entered into a number of contractual fire service agreements dating back as far as 1973 to provide shared services in the northern extent of San Rafael and Marinwood CSD's service area. Through the most recent agreement, a Joint Exercise of Powers Agreement (JPA) initiated in April 2014, San Rafael provides the district with administrative capacity, training, supplies, and response support. In return, the district provides primary service call response in the City's northern neighborhoods (over 50% of the District's total annual service calls), giving faster response times for area residents. The agreement remains in effect unless terminated by either agency with 90 days' written notice.

In October 2018, longtime Marinwood CSD Fire Chief Tom Roach retired. To fill the open position, the district amended its existing JPA with San Rafael to include Fire Chief Officer Services, to be provided by the City at an annual District cost of \$96,320.00 (includes a 3% annual escalator for the first 5 years, then a city re-evaluation). Such an agreement further codifies the shared services partnership between the two agencies.

Agreement Between San Rafael and CSA No. 19 – Unincorporated San Rafael Neighborhoods

Marin County and San Rafael have had an ongoing agreement since 1976 to provide fire protection services to the unincorporated neighborhoods within CSA No. 19, including: Santa Venetia, Los Ranchitos, Country Club, Bayside Acres, and California Park⁵³. San Rafael provides primary response to 911 calls within CSA No. 19's jurisdiction, and the County (CSA No. 19) leases land at 3530 Civic Center Drive (Station 57) to the City. The "Lease Agreement" and "Fire Protection Services Agreement" each have a 10-year term and were last renewed in 2016. Under these agreements, the City pays market value to lease the land where Fire Station 57 is located, and the County compensates the City for fire protection services from a negotiated \$1.3 million "base rate". This amount increases annually by the same percentage as the salary increase set by the firefighter collective bargaining agreement. Station facility maintenance and renovation costs are split between the two agencies.

⁵³ City of San Rafael. City Council Staff Report. Topic: County Service Area 19 Fire Protection and Lease Agreement. June 20, 2016.

http://cityofsanrafael.granicus.com/DocumentViewer.php?file=cityofsanrafael_ea23def85a6f192655493a2667a3492c.pdf

14.4 ORGANIZATION STRUCTURE

City Council and Fire Commission

The City of San Rafael operates under a council-manager system guided by its 1912 Charter, with a separately elected Mayor and four district-based council members overseeing policy direction. The City Council appoints a City Manager to serve as the administrative head of the City government, responsible for the day-to-day operations of the City. The Fire Chief reports directly to the City Manager. In addition, an advisory five-member Fire Commission with two alternates meets monthly to review and comment on department-related initiatives. Each commission member serves a four-year term and is appointed in staggered terms by the City Council, with a limit of two consecutive terms. The Commission meets on the second Wednesday of each month at 4:00 p.m. at the San Rafael Public Safety Center, 1375 Fifth Avenue, San Rafael, California 94901.

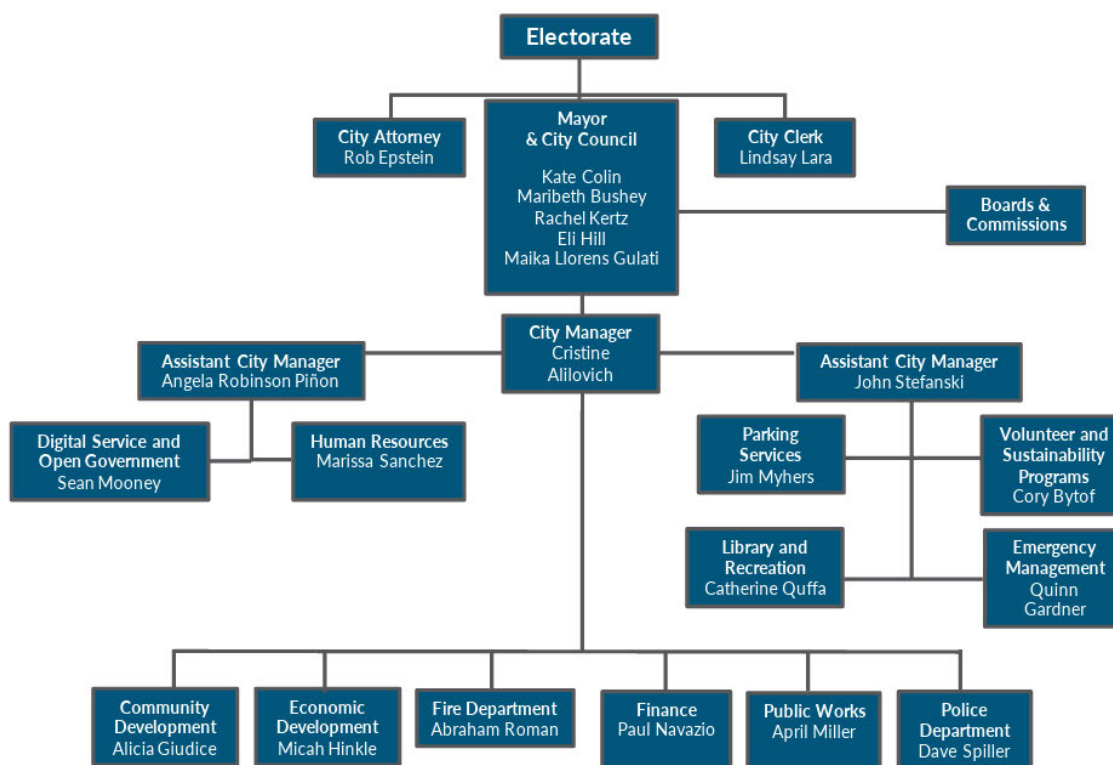
Table 14-2: SRFD Fire Commission

Name	Term
Stan Burford	2022-2026
Brian Waterbury	2024-2028
Ken Johnson	2021-2025
Donna McCusker	2023-2025
David Fonkalsrud	2023-2027
John Chung (alternate)	2023-2027
Vacant (alternate)	

Figure 25: San Rafael Organization Chart



ORGANIZATIONAL CHART



14.5 ACCOUNTABILITY AND TRANSPARENCY

SRFD has consistently made it a priority to maintain high levels of accountability and transparency in all its activities. The SRFD website (<https://www.cityofsanrafael.org/departments/fire/>) provides extensive information on the various divisions of the agency, fire commission meetings, stations, history, apparatus, and press releases. The department also publishes a biweekly newsletter titled Hot Shot that is available to the public with no subscription fee at <https://www.cityofsanrafael.org/signup-for-hot-shot/>

Meetings and Agendas

The SRFD Fire Commission, an advisory group, meets regularly on the 2nd Wednesday of each month at 4 p.m. at the San Rafael Public Safety Center. Meeting agendas and minutes can be found on the SRFD website (<https://www.cityofsanrafael.org/fire-commission/>).

Annual Budget Overview

The Department's budget, adopted no later than the June City Council meeting each year, provides overall control of revenue and expenditures, including appropriations on a line-item basis and the means of financing them.

14.6 FINANCIAL OVERVIEW

The San Rafael Fire Department is part of the City; therefore, its budget and review are included in the City's annual audit. Therefore, individual revenue and expenditure are not made readily available like other districts. However, the main expenditures and debts are made available in the City of San Rafael's Annual Comprehensive Financial Report. What follows is not a comprehensive report but a highlight of expenditures and debts.

Revenues and Expenses

Revenue sources for the SRFD come directly from the City, which include revenue from taxes, capital grants, charges for services, and operating grants and contributions. According to the FY 2021-2022 budget, fire services expenditure by department was \$21,385,526. Additional revenues come from agreements for services with Marinwood CSD and CSA No.19⁵⁴ as well as the Measure C Wildfire Prevention Parcel Tax and the Emergency Medical Services/Paramedic Fund.

The City maintains a fund called the Essential Facilities Capital Projects Fund that is used to account for significant capital improvements to public safety facilities. During the fiscal year 2021-2022, construction work began on Fire Stations 54 and 55. The total expenses incurred during this period amounted to \$4.9 million. Additionally, the General Fund received a total of \$715,000 from the Measure E Transaction and Use Tax, which was allocated to this fund. Furthermore, \$307,000 was also allocated from paramedic tax funds. Additional capital assets acquired during the fiscal year included the purchase of a Fireboat infrared camera for \$39,000.

Debts

MERA (Marin Emergency Radio Authority) was created on February 28, 1998, by the County of Marin and 25 local agencies to manage a public safety and emergency radio system county-wide. Members agreed to share maintenance, operation, and debt service costs on a pro rata basis. The City's obligation is 16.913%. The City paid \$388,993 for MERA's operations and debt service in FY 2022 and has established a reserve to pay future service payments.

The City leased property from the County of Marin in 2016 to construct Fire Station 57 for a 40-year term, ending in 2056. The City is required to make monthly payments of \$13,343 from July 1, 2021, onwards, which will increase by 3% every July 1. As of July 1, 2021, the City recorded an initial lease liability and intangible right-to-use asset of \$5,476,219. As of June 30, 2022, the balance of the lease liability was \$5,480,451, and the net value of the right-to-use asset was \$5,319,756, with an amortization of \$156,463.

⁵⁴ See page 100 "Other Service Providers" for more details on these agreements.

The SRFD also provides a pension plan for employees and is part of the Marin County Employees' Retirement Association (MCERA). MCERA provides retirement, disability, and death benefits based on the employee's years of service, age, and final compensation. The City and eight other employers share the plan. Retirement benefits are based on years of service, final average compensation, and age at retirement. The City of San Rafael's employer contribution rates for the year ended June 30, 2022, vary depending on the retirement tier. The City of San Rafael Fire Tier 1 plan has a 77.38% employer contribution rate, a 14.9% to 20.37% employee contribution rate, and a 3.0% benefit at age 55 on a highest-year basis. The City of San Rafael Fire Tier 2 plan has a 76.81% employer contribution rate, a 12.59% to 18.53% employee contribution rate, and a 3.0% benefit at 55 based on an average of the three highest years.

Financial Audit

The City of San Rafael annually prepares a Comprehensive Annual Financial Report (CAFR) to review the City's financial statements in accordance with established governmental accounting standards. The city contracts with an outside accounting firm, Maze & Associates, to audit the CAFR. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2024⁵⁵.

14.7 WILDLAND FIRE PREPAREDNESS

The San Rafael Fire Department plays a critical role in protecting natural resources and the environment. Extended periods of drought, changing climate patterns, wind, and low humidity levels have the potential to increase the occurrence and severity of wildland fires, which could threaten structures and lives in the Wildland Urban Interface. Illustrating the City's commitment to wildfire safety, the City Council adopted the San Rafael Wildfire Prevention and Protection Action Plan developed by SRFD in 2020.

San Rafael is a member agency of the Marin Wildfire Prevention Authority (MWPA). SRFD manages over four million in tax revenue dedicated to wildfire prevention, mitigation, education, and preparedness each year. Projects supported by Measure C funding include vegetation clearance along roadways, defensible space evaluations, resident support resources such as grants and free chipping services, as well as open space and fuel management. Other initiatives, as outlined in the Action Plan, MWPA Mission, and Marin County CWPP, include:

- Ordinance changes to mitigate wildfire risk.
- Additional staffing, funds, and resources to address hazards.
- Expanded and new public outreach and education
- Expanded and new fuel reduction
- Expanded and new preparedness efforts
- Improving and increasing vegetation management plans (VMPs)

⁵⁵ City of San Rafael (2024). *Annual Comprehensive Financial Report, Year Ended June 30, 2024*.

15.0 SOUTHERN MARIN FIRE PROTECTION DISTRICT

15.1 OVERVIEW

The Southern Marin Fire Protection District (SMFPD) was established on April 8, 1999,⁵⁶ as an independent special district by way of the consolidation of the Alto-Richardson Fire Protection District and the Tamalpais Fire Protection District. The SMFPD boundary surrounds just over 5.9 square miles of the southern portion of Marin County’s Highway 101 corridor. The District maintains contracts for service with the National Park Service (NPS) that expand the District’s full area of service to 25.3 square miles. The district serves a population of approximately 41,576⁵⁷ persons. The last Municipal Service Review that included the SMFPD was conducted in April of 2023 as part of the Golden Gate Corridor Region Service Review and Sphere of Influence Update.

The primary function of SMFPD is to provide structural fire protection, emergency medical response, water rescue, and disaster planning and response to the census-designated places (CDP) of Strawberry and Tamalpais-Homestead Valley, as well as the City of Sausalito and the northwestern area of the Town of Tiburon, with the City of Mill Valley recently approved for annexation to the District with the District taking operational control of the City’s Fire Department services in July of 2023. The District also provides services to the Marin Headlands and the Fort Baker areas of the Golden Gate National Recreation Area by way of a contract with the National Park Service. A map of the District can be seen below in Figure 15-1. The SMFPD participates in the Marin County and California Mutual Aid System with nearby fire districts and responds to wildland fires as needed. The District is also a member agency of the Southern Marin Emergency Medical Paramedic System (SMEMPS) as well as the Marin Wildfire Prevention Authority (MWPA). SMEMPS has a board of directors that is comprised of representatives from the Tiburon Fire Protection District, the Southern Marin Fire Protection District, and the County of Marin. The City of Belvedere is also a non-voting member. Meanwhile, MWPA’s 17 member agencies throughout Marin County receive funding for fuel removal projects, defensible space evaluations, and other helpful resources by way of a voter-approved parcel tax that was passed in March of 2020.

Table 15-1: Southern Marin Fire Protection District Overview

Southern Marin Fire Protection District			
Primary Contact:	Chief Chris Tubbs	Phone:	(415)-388-8182
Headquarters:	28 Liberty Ship Way, Suite 2800, Sausalito, CA		
Formation Date:	April 8, 1999		
Services Provided:	Fire Protection and Emergency Medical/Rescue		
Service Area:	25.3 square miles	Population Served:	≈41,576

⁵⁶ [Marin LAFCo Resolution No. 99-5](#)

⁵⁷ Approximate number based on U.S Census Bureau data for the City of Sausalito, the northwestern area of the Town of Tiburon, and the census designated places of Strawberry, Tamalpais-Homestead Valley and Mill Valley

15.2 FORMATION AND DEVELOPMENT

The Southern Marin Fire Protection District was established as an independent Special District whose legal authority and responsibilities are contained in the State of California Health and Safety Code Sections 13800-13970. While the official formation of the Southern Marin Fire Protection District took place on April 8, 1999, the two departments that were consolidated in order to form the District, the Alto-Richardson Bay Fire Protection District and the Tamalpais Fire Protection District (with the Tamalpais Fire Protection District also having been the product of a previous consolidation with the Homestead Fire Protection District), were spawned back in the early 1940s. In 1942, the Alto Fire Department was set up by three local residents, Mabel Berger, Joe Reis, and Clinton Thoney (the former Fire Chief to the City of Mill Valley), who had recently received civil defense service training. The training was a five-week course instructing members of the public on how to battle fires and administer first aid. The training was provided by Marin County Fire Chief Lloyd De La Montanya. With no formal firefighting equipment, the founders of the Alto Fire Department would carry fire hoses, hand tools, and any other piece of equipment that could be used to control a small fire in the trunks of their cars. In September of 1946, volunteers began construction on the first fire station for the department, located on Shell Road. The building was 700 square feet which was just large enough to house the old fire truck that had been purchased from the Muir Woods Improvement Club.

In 2004, the District formed a Joint Powers Agreement (JPA) with the City of Sausalito in order to share personnel. This agreement, over time, ultimately evolved into the District annexing the City of Sausalito Fire Department in June of 2012. In October of 2010, the District entered into a service agreement with the National Park Service to provide service to the Marin Headlands and Fort Baker areas of the Golden Gate National Recreation Area.

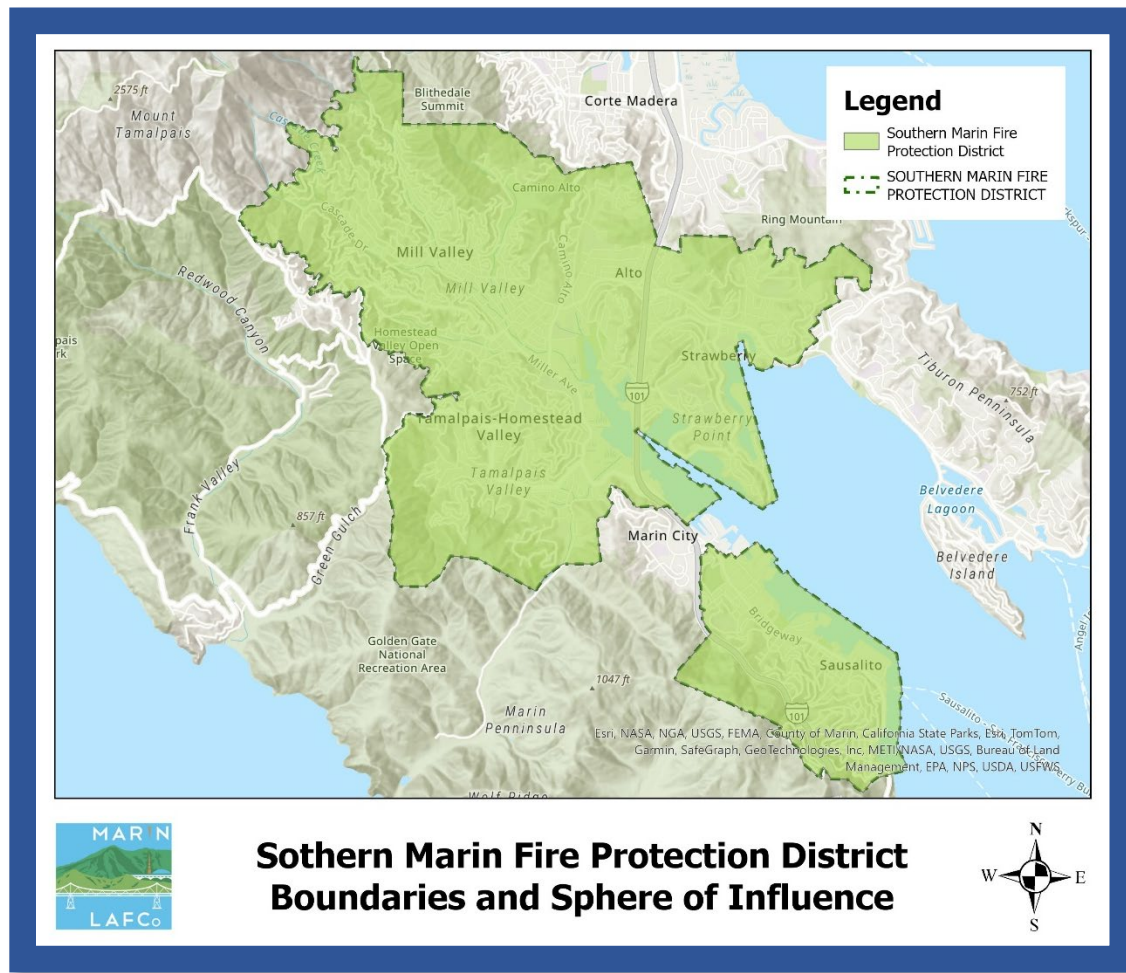
In the early part of 2015, the District entered into an operational cost-sharing agreement with the City of Mill Valley Fire Department in order to reduce administrative redundancies, reduce command redundancy, and create a single shared Training Division. In 2020, this agreement grew into a greater shared services agreement that combined the administrative and prevention components of both agencies to form a single management with the SMFPD Fire Chief serving as the Chief for both agencies. In October 2022, the District and the City of Mill Valley submitted a formal application to Marin LAFCo, requesting that the District annex the City and assume fire and emergency response services, effective July 2023. The application was approved at Marin LAFCo's regular meeting on December 8, 2022.

District Boundary and Sphere of Influence

Southern Marin Fire Protection District's service boundary, which currently encompasses all of the census-designated places (CDPs) of Strawberry and Tamalpais-Homestead Valley, as well as the City of Sausalito, the City of Mill Valley, and the northwestern area of the Town of Tiburon. The District's sphere of influence is coterminous with its jurisdictional boundary. The sphere of

influence, along with the annexation of the City of Mill Valley, was last updated in 2023⁵⁸. Since the last MSR occurred, Mill Valley FD has consolidated into SMFPD.

Figure 26: SMFPD Jurisdictional Boundary and Sphere of Influence



Growth and Population

The Southern Marin Fire Protection District's jurisdictional boundary encompasses the entirety of the jurisdictional boundary of the City of Sausalito and the City of Mill Valley. The District encompasses unincorporated spaces as well, such as the census-designated places (CDP) of Tamalpais-Homestead Valley and Strawberry. The District also includes the area on the northwestern end of the Town of Tiburon. According to the 2020 U.S. Census Redistricting Data, the population of the Tamalpais-Homestead CDP is 11,492, which is approximately a 7% increase from the 2010 population number of 10,735⁵⁹. The most recent census data shows the CDP to have 4,678 total housing units, with 218 of those units vacant. The remaining development potential in the planning area is minimal, as current zoning regulations designated by the Community Plan make the area essentially built out. According to the 2020 U.S. Census

⁵⁸ Marin LAFCo Resolution No. 22-33

⁵⁹ [2020 US Census Redistricting Data](#)

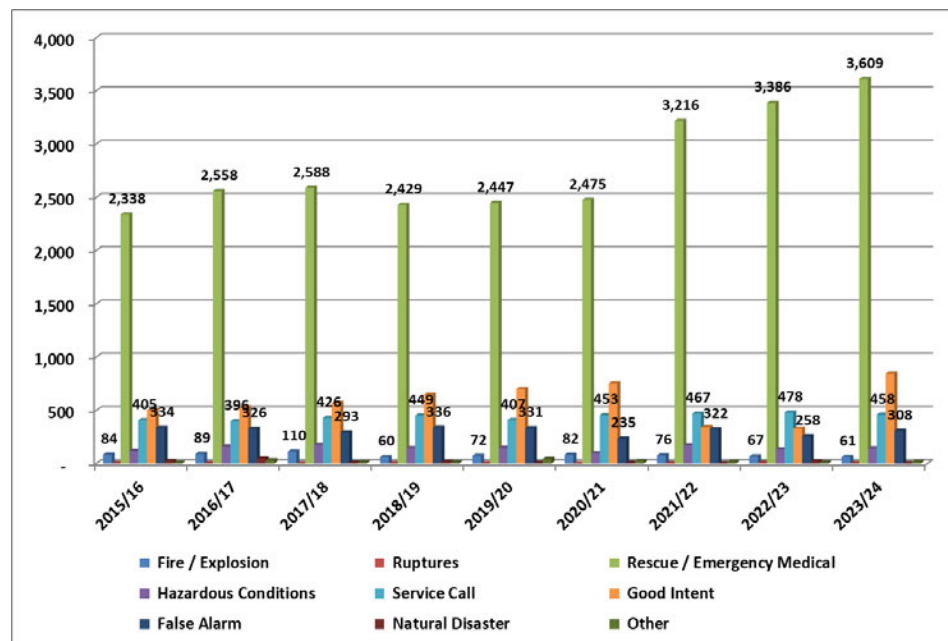
Redistricting Data, the population of the City of Sausalito is 7,269, which is approximately a 2.9% increase from the 2010 population number of 7,061. The City is shown to have 4,425 housing units, with 433 of those units being vacant. The maximum development allowed by the current General Plan policies would give the City 5,134 dwelling units. The City of Mill Valley's official count from the 2020 Census put the City's population at 14,231. The City is essentially built⁶⁰ out at this time, with few remaining vacant lots zoned for development that have not already been given a prospective project designation. The total population of the CDP of Strawberry as of the 2020 Census was 5,447, which was an increase from 5,393 in 2010. While there is still some room for development in the northern pocket of the CDP, the majority of the CDP is essentially built out and shows little growth potential.

15.3 MUNICIPAL SERVICES

Fire Protection and Emergency Response

The SMFPD provides fire protection, technical rescue, emergency medical response, water rescue, and disaster planning and response services. Incident call types fielded by the agency include rescue/emergency medical response, fire/explosion, service calls, good intention calls, natural disasters, false alarms, and hazardous conditions (no fire). Over the past 10 years, the District has averaged 7,500 calls for service annually. The majority of those calls (approximately 60% annually) are for rescue/emergency medical response. On average, the District receives 4,500 rescue/emergency medical calls each year. A breakdown of the District's calls for service between FY 2014/15 to 2023/24 can be seen below in Figure 15-2.

Figure 27: Southern Marin Fire Protection District Call Frequency by Type



⁶⁰ [City of Mill Valley Housing Element Update 6th Cycle 2023-2031; Pg. IV-11](#)

SMFPD was given a Class 1/1x Public Protection Classification (PPC) rating by the Insurance Services Office (ISO)⁶¹, an organization that independently evaluates municipal fire-protection efforts throughout the United States. Using this metric, an ISO rating of 1 is the highest possible for any fire department, with Class 1 and 2 being considered “excellent.” Insurance companies often use ISO information in combination with other factors to establish local property insurance rates – generally offering lower fire policy premiums in communities with better protection

Facilities and Apparatus

The SMFPD owns or leases, operates, and maintains five fire stations. The stations are⁶²:

- Station 1 – 333 Johnson Street, Sausalito
- Station 4 – 309 Poplar Avenue, Mill Valley
- Station 6 – 26 Corte Madera Avenue, Mill Valley
- Station 7 – 1 Hamilton Drive, Mill Valley
- Station 9 – 308 Reed Boulevard, Mill Valley

The District leases space for its administrative, prevention, and preparedness operations in a building at 28 Liberty Ship Way in Sausalito. The SMFPD also has a variety of apparatus that serve the community, ranging from support vehicles to paramedic trucks. SMFPD’s apparatus listed by station is provided below.

Station 1: 1 Type 1 Engine, 1 Advanced Life Support Ambulance, 1 Inflatable Rescue Boat, 1 Dive Team Tender, 1 40’ Metalcraft Fire Boat, 2 Rescue Watercraft, 1 Utility Vehicle

Station 4: 1 Type 1 Engine, 1 Aerial Ladder Truck, 1 Type 3 Engine, 1 Advanced Life Support Ambulance, 1 Utility Vehicle

Station 6: 1 Type 1 Engine, 1 Reserve Advanced Life Support Ambulance

Station 7: 1 Type 1 Engine, 1 Type 3 Engine

Station 9: 2 Type 1 Engine (1 in reserve), 1 Medium Duty Rescue Truck, 1 Command Vehicle, 2 Utility Vehicles, 1 Utility Task Vehicle (UTV).

The District maintains a long-range (12-year) capital improvement plan (CIP) and allocates funding to the plan annually based on the estimated replacement cost of major assets in addition to any funds needed for forecasted facilities upgrades.

15.4 ORGANIZATION STRUCTURE

Board of Directors

The Southern Marin Fire Protection District is governed by a seven-member board that is elected to four-year terms through an at-large election. All directors are required to live within the

⁶¹<https://www.smfd.org/transparency/iso-public-protection-classification>
[ppc#:~:text=SMFD%20is%20an%20ISO%20PPC%20Class%201%20Agency">ppc#:~:text=SMFD%20is%20an%20ISO%20PPC%20Class%201%20Agency](#)

⁶² Ibid

District’s jurisdictional boundary. The Board of Directors maintains current certificates for the AB 1234 Ethics Training Compliance as well as AB 1666 Sexual Harassment Prevention Training. Certificates for each of the board members can be viewed on the SMFPD website. The Board of Directors meets regularly on the 4th Wednesday of each month at 6:00 p.m. at the SMFPD Administration Headquarters located at 28 Liberty Ship Way, Suite 2800, in Sausalito.

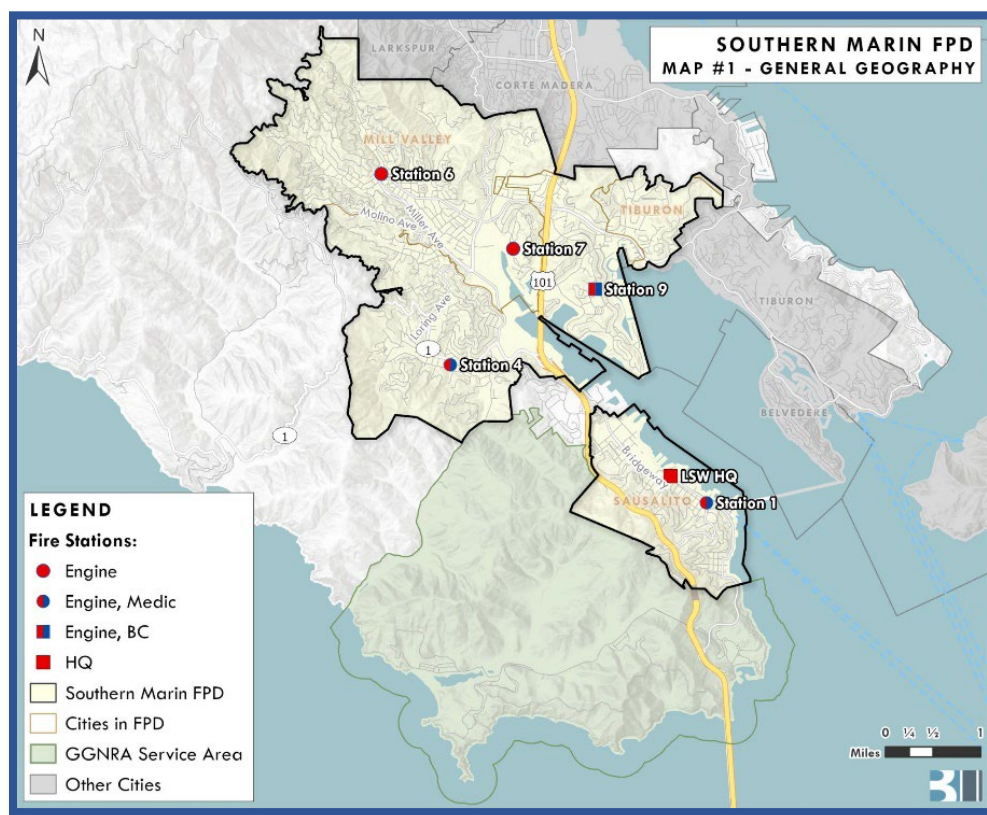
Table 15-2: Southern Marin Fire Protection District Board of Directors

Member	Position	Term Expiration
Pete Fleming	President	November 2026
Clifford Waldeck	Vice President	November 2029
Kurt Chun	Director	November 2026
Cristine Soto DeBerry	Director	November 2026
Tom Perazzo	Director	November 2026
Cathryn Hilliard	Director	November 2029
Ashley Raveche	Director	November 2029

Staffing and District Operations

Operations for the full-service area are divided into six distinct zones to streamline responses and shorten response times. Zone 1 includes the City of Sausalito and the Marin Headlands area of the Golden Gate National Recreation Area. Zone 4 covers Tamalpais Valley and Homestead Valley. Zone 9 encompasses the Alto and Strawberry areas. Additionally, Zones 6 and 7 both cover Mill Valley, ensuring comprehensive coverage for this region. Across all zones there are 93 full-time staff employees including a fire chief, 2 Deputy Fire Chiefs, 1 Fire Marshal, 1 Deputy Fire Marshal, 4 Battalion Chiefs, 15 Fire Captains, 17 Engineer Firefighters, 17 Engineer Paramedics, 7 Firefighter Paramedics, 12 Firefighters, 1 HR Manager, 1 HR Assistant, 1 Finance Manager, 1 Finance Assistant, 1 Communications Coordinator, 1 IT Coordinator, 1 Administrative Aide, 3 Fire Inspector/Plan Reviewers, 2 Wildfire Mitigation Specialists, and 2 Vegetation Management Specialists, and 1 NRG Coordinator. A map of the zone division is reflected below in Figure 15-3.

Figure 28: Southern Marin Fire Protection District Station Geography



15.5 ACCOUNTABILITY AND TRANSPARENCY

The Southern Marin Fire Protection District offers a very informative website. The website (smfd.org) gives members of the public access to the District's financial, operational, historical, and preventative information. It offers a wealth of different offerings for disaster preparation instructions for homes, families, and businesses, as well as access to Pulse Point, which is a 911-connected app that offers real-time information on emergencies occurring locally. The District also contracts with a private firm to ensure that the website is ADA-compliant and that all links throughout the website are functional.

Meeting and Agendas

The SMFPD Board of Directors meets regularly on the 4th Wednesday of each month at 6:00 p.m. at the SMFPD Administration Headquarters located at 28 Liberty Ship Way, Suite 2800, in Sausalito. Special meetings are held as needed to go over specific topics. Meeting agendas and minutes can be found on the SMFPD website (<https://www.smfd.org/our-district/district-overview/board-of-directors/meeting-documents>).

Annual Budget Review

The District's budget, adopted no later than the June Board meeting each year, provides overall control of revenue and expenditures, including appropriations on a line-item basis and the means of financing them. The CFO, Alyssa Schiffman, produces monthly reports on expense activity that assist the Chief in monitoring activities and programs. These reports are reported to the Board every month to ensure budgetary compliance.

15.6 FINANCIAL OVERVIEW

There was a steady increase in net position over the course of four years leading up to 2020, reflecting the department's strong financial performance and growth. However, in July 2023, the financial landscape of the department underwent a significant shift due to the consolidation of the Southern Marin Fire Protection District (SMFPD) and Mill Valley Fire. This merger altered the department's financial structure, bringing together resources, liabilities, and assets from both entities, and resulting in a change in its overall financial makeup moving forward. As a result of this consolidation, the financial section of the SMFPD profile will be different than others in order to reflect more recent audits that account for the combined operations and fiscal health of the newly merged department.

Please note that this draft reflects Fiscal Year 2023–2024, rather than Fiscal Year 2021–2022, as it more accurately and fairly represents the agency's standing after recent changes resulting from the annexation of the City of Mill Valley.

Revenues and Expenditures

The primary revenue source for the SMFPD comes primarily from the portion of the 1% property tax on residents within its district boundaries. Of the 1% Current Secured property tax, the SMFPD receives between 10.8% and 17.9% depending upon the area of the District. Property tax revenue in FY 2024–25 is anticipated to grow by 6% compared to FY 2023–24, reflecting a significant 43% overall increase resulting from the annexation of the City of Mill Valley's Fire Department.

The District's total operational revenues for FY 2023-24 were \$37,119,204. Other fundamental sources of annual revenue for the District include the charges for service, special assessments, and interest income. The charges for service saw an increase of \$1.02 million from FY 2022-23 to FY 2023-24. The special assessment line item also saw an increase between FY 2019-20 and 2020-21 of \$3,127,923, thanks to the passage of Measure U in November of 2018 that went into effect July of 2019. Measure U is a special tax that is levied annually at a rate of \$200 per residential parcel, \$150 per undeveloped parcel, and \$0.18 per improved square foot of business parcels. In FY 2021-22, the special assessment revenues totaled 4,025,021. Measure U was passed with an agreed upon automatic 5% annual elevator to account for inflation which can be adjusted by the Board of Directors to be less than that amount if deemed appropriate.

The primary expense for the District comes in the form of personnel costs (salaries, benefits, overtime), accounting for approximately 78% of the District's \$33.2 million in Operating & Equipment expenditures in FY 2023-24. The other primary expenditures annually for the

District are materials and services, equipment, capital outlay, and debt service. Expenses and revenues over the course of three previous fiscal years can be seen above in Table 15-3.

Table 15-3: SMFPD Revenues and Expenditures from 3 fiscal years

	Revenues	Expenditures	Net Difference
FY 2021-2022	\$26,749,304	\$22,908,870	\$3,840,434
FY 2022-2023	\$26,560,006	\$24,597,843	\$2,755,684
FY 2023-2024	\$37,119,204	\$34,003,154	\$3,226,867

Debt

In FY 2022-2023, the SMFPD entered into a finance purchase agreement in the amount of \$793,137 for the purchase of a fire engine⁶³. Additionally, with the annexation of the City of Mill Valley's Fire Department, the District acquired an additional two lease agreements for apparatus (not reflected below). GASB 75 also requires the disclosure of the District's long-term lease with Harrison Holdings for the Administrative Headquarters building in Sausalito, listed below.

Figure 29: SFMPD Long-Term Debt Liability

	Balance at 6/30/2022	Additions	Deletions	Balance at 6/30/2023	Due within One year	Due in More Than One Year
Lease Liability	\$ 4,759,052	\$ -	\$ (239,994)	\$ 4,519,058	\$ 260,435	\$ 4,258,623
Equipment Finance Purchase	-	793,137	(160,876)	632,261	151,615	480,646

The SMFPD also provides a pension plan for employees and is part of the Marin County Employees' Retirement Association (MCERA). MCERA provides retirement, disability, and death benefits based on the employee's years of service, age, and final compensation. As of June 30, 2023, the SMFPD Net Pension Liability⁶⁴ was \$7,896,94.4. In addition to the pension plan, the SMFPD previously provided other post-retirement health care benefits (OPEB) to its retirees. In 2014, the District ceased providing OPEB benefits and switched to offering its employees the option of retiree health savings accounts (RHS) as a means of trying to address its OPEB liability. As of June 30, 2023, the District carried a Net OPEB liability⁶⁵ total of \$5,039,563. The District currently has 73 employees, both active and inactive, in their OPEB plan. The District also carries a total of \$1,620,216 in compensated absences as of 6/30/23.

Financial Audit

The Southern Marin Fire Protection District annually contracts with an outside accounting firm, most recently Badawi & Associates, to audit the District's financial statements. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–

⁶³ SMFPD Comprehensive Annual Financial Report for the Year Ended June 30th, 2023

⁶⁴ [Ibid](#)

⁶⁵ [Ibid](#)

22, it should be noted that the District is current with its audits. The most recent audited financial statement made publicly available on the District's website was prepared for the fiscal year ending June 30, 2023. The Southern Marin Fire Protection District has also received the Government Finance Officers Association's Certificate of Achievement for Excellence for its Annual Comprehensive Financial Report (ACFR), a detailed, audited financial report that goes beyond basic annual statements to provide a full picture of a government's financial performance and condition. They have received this Achievement each year since 2021.

15.7 WILDLAND FIRE PREPAREDNESS

Local agencies such as the Southern Marin Fire Protection District play a critical role in protecting natural resources and the environment. Extended periods of drought, changing climate patterns, wind, and low humidity have the potential to increase the occurrence and severity of wildland fires which could threaten structures and lives in the Wildland Urban Interface.

The SMFPD participated in the Community Wildfire Protection Plan that was published in 2016 by way of a \$123,200 grant from the State Resource Area Fire Prevention Fee Fund. The plan was most recently updated again in 2020. This was a collaborative effort among fire agencies in the county, local fire organizations including FIRESafe Marin, land management agencies, and community stakeholders. Through this effort, areas of concern throughout the county were identified based on population, fire behavior, vegetation, and other factors.

The SMFPD, with a significant area within its jurisdictional boundary being a part of the wildland-urban interface, is taking steps on multiple fronts to aid in the safeguarding of the communities it serves. Some of these efforts include (but are not limited to) the following:

- Targeted vegetation management program
- Conducting multiple public education events annually
- Providing inspection services
- Processing and permitting new construction and improvement projects
- Partnering with the Southern Marin Community Emergency Response and NRG teams
- Offering neighborhood chipper events
- Creating fuel breaks and buffer zones in high-risk areas

16.0 STINSON BEACH FIRE PROTECTION DISTRICT

16.1 OVERVIEW

The Stinson Beach Fire Protection District (SBFPD) was established in March of 1958⁶⁶ as an independent special district. The SBFPD boundary surrounds just over 5.8 square miles of the Stinson Beach area of Marin County’s Pacific Coast. The district serves a population of approximately 541 persons. The last Municipal Service Review that included the SBFPD was conducted in 2022 as part of the West Marin Region Service Review and Sphere of Influence Update.

The primary function of SBFPD is to provide structural fire, emergency medical response, and disaster planning and response to the census-designated place (CDP) of Stinson Beach. In addition to serving the CDP, the District also responds to all-risk emergencies within Marin County, Mount Tamalpais State Park, and the Golden Gate National Recreation Area through uncontracted mutual aid and good faith response, recognizing the remote nature of the area. The SBFPD also participates in the Marin County and California Mutual Aid System with nearby fire districts and responds to wildland fires as needed. The District is also a member agency of the Marin Wildfire Prevention Authority (MWPA). MWPA aids local fire agencies throughout Marin County with funding for fuel removal projects, defensible space evaluations, and other helpful resources. SBFPD is allocated .68% of MWPA’s total annual funding.

Table 16-1: Stinson Beach Fire Protection District Overview

Stinson Beach Fire Protection District			
Primary Contact:	Chief Jesse Peri	Phone:	(415)-868-0622 ext. 3
Headquarters:	3410 Shoreline Highway, Stinson Beach, CA		
Formation Date:	March 7, 1958		
Services Provided:	Fire Protection, Emergency Response, Disaster Planning		
Service Area:	3,754 acres	Population Served:	541

16.2 FORMATION AND DEVELOPMENT

The Stinson Beach Fire Protection District (SBFPD) was established as an independent Special District whose legal authority and responsibilities are contained in the State of California Health and Safety Code Sections 13800-13970. While the official formation of the SBFPD took place on March 7, 1958, historical documents show that the Stinson Beach Fire Department was most likely formed in 1921 and was the first organization created in Stinson Beach. This action was taken at the time by property owners within Stinson Beach who had structures on their properties contributing to a fund for the purchase of a large chemical fire extinguisher apparatus. The contributions ranged from \$10 to \$250. As it was not conjoined to any specific vehicle, the

⁶⁶ Stinson Beach Fire Protection District, *Our Story*, <https://stinsonbeachfire.org/our-story>.

apparatus had to be towed to the necessary location for fire suppression efforts. The first firehouse was built by volunteers with materials that were purchased with funds raised in the community's 4th of July carnivals. The building was completed, and the fire truck moved inside in June of 1949. The building was remodeled and expanded to hold three vehicles in 1970. The second firehouse was built in 1980 by an additional volunteer effort. The first officially named Fire Chief of the district was William Airey in 1947. The Volunteer Ambulance Corps, overseen by the District, was established in 1962, as of 2021 the Volunteer Ambulance Corps has been formally appropriated into SBFPD

In 2022, SBFPD created and began to implement a 5-year strategic plan to transition the department from a volunteer-based agency to a combination department to enhance its current emergency response abilities⁶⁷. Following this 5-year plan, Measure R and Q were passed in 2024. Measure R is a \$.42 per square foot parcel tax that aims to generate approximately \$530,000 annually, with Measure Q modifying the appropriations limit to adjust for this increase in revenue. In addition to the Measure R revenue increase, the district is launching a three-year capital campaign to fund the development of a new fire station, which will replace the current one built in 1949⁶⁸. This new firehouse will allow for the accommodation of full-time staff, modernize outdated facilities, and increase seismic safety standards. The proposed new firehouse is estimated to cost approximately \$16.6 million. Given the district's relatively small year-round population, due in part to the high number of seasonal residents and tourists, its local funding base is limited. As such, the district may need to seek additional financial support through the three-year capital campaign fund they have launched.

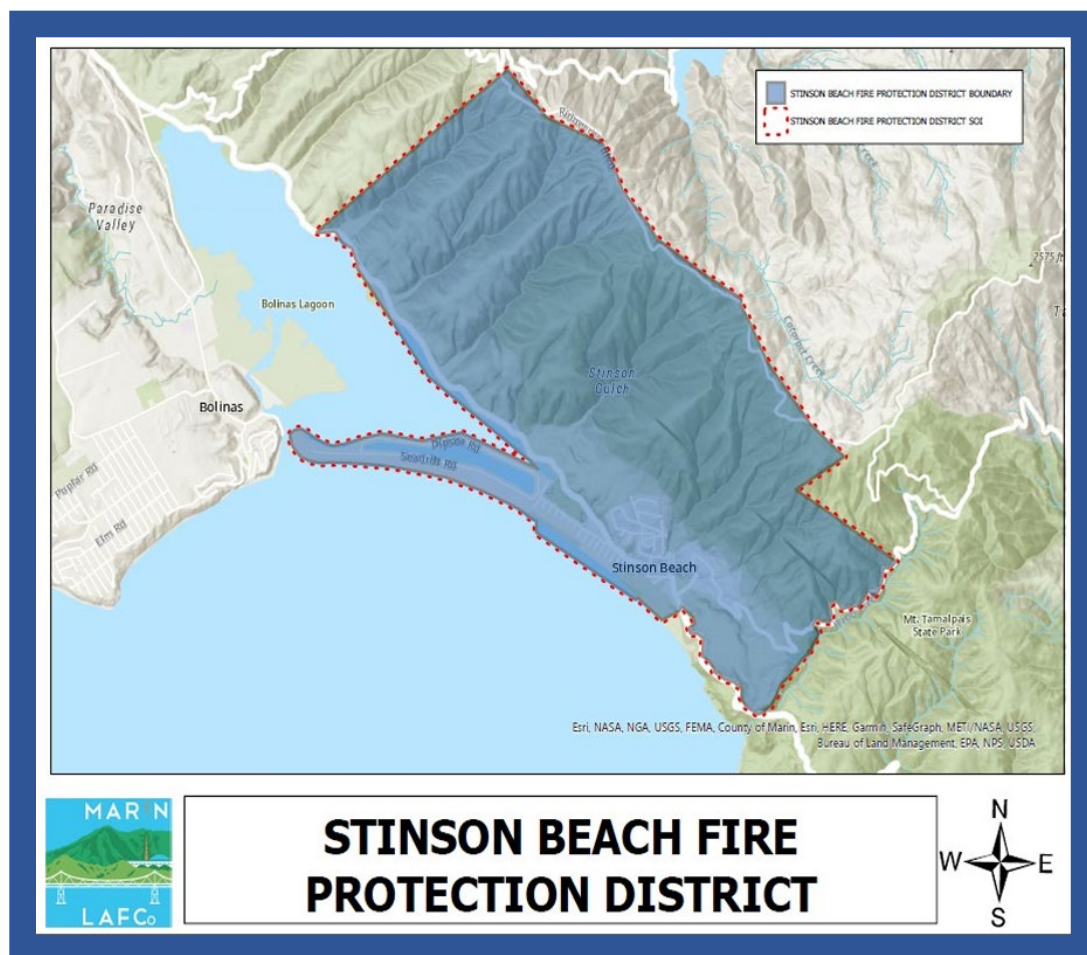
District Boundary and Sphere of Influence

Stinson Beach Fire Protection District's service boundary, which currently encompasses just under 6 square miles, includes all of the residential areas of the census-designated place of Stinson Beach, including the Seadrift area, and stretches to encompass a majority of Ridgecrest Boulevard to the north. The SBFPD's northwestern boundary is contiguous with the Bolinas Fire Protection District's southeastern boundary. The area also encompasses privately and publicly owned parklands, including portions of the Golden Gate National Recreation Area and the Mount Tamalpais State Park. The District's sphere of influence is coterminous with its jurisdictional boundary. The sphere of influence was last updated in December of 2022.

⁶⁷ [Stinson Beach Fire Protection District Five-Year Strategic Plan](#)

⁶⁸ <https://stinsonbeachfire.org/firestation>

Figure 30: Stinson Beach Fire Protection District Boundary and Sphere of Influence



Growth and Population

The Stinson Beach Fire Protection District encompasses the census-designated place (CDP) of Stinson Beach. According to the 2020 U.S. Census Redistricting Data, the population of the CDP is 541, which is approximately a 14% decrease from the 2010 population of 632⁶⁹. However, Stinson Beach receives around 600,000 visitors annually⁷⁰. The most recent census data shows the CDP has 751 total housing units, with only 290 of those units occupied. With the Stinson Beach area having numerous weekend residents, it is difficult to ascertain the actual full-time population. Due to this, the number of registered voters is another measurement of population that is used. According to the 2020 U.S. Census Redistricting Data, the number of registered voters in Stinson Beach is 505.

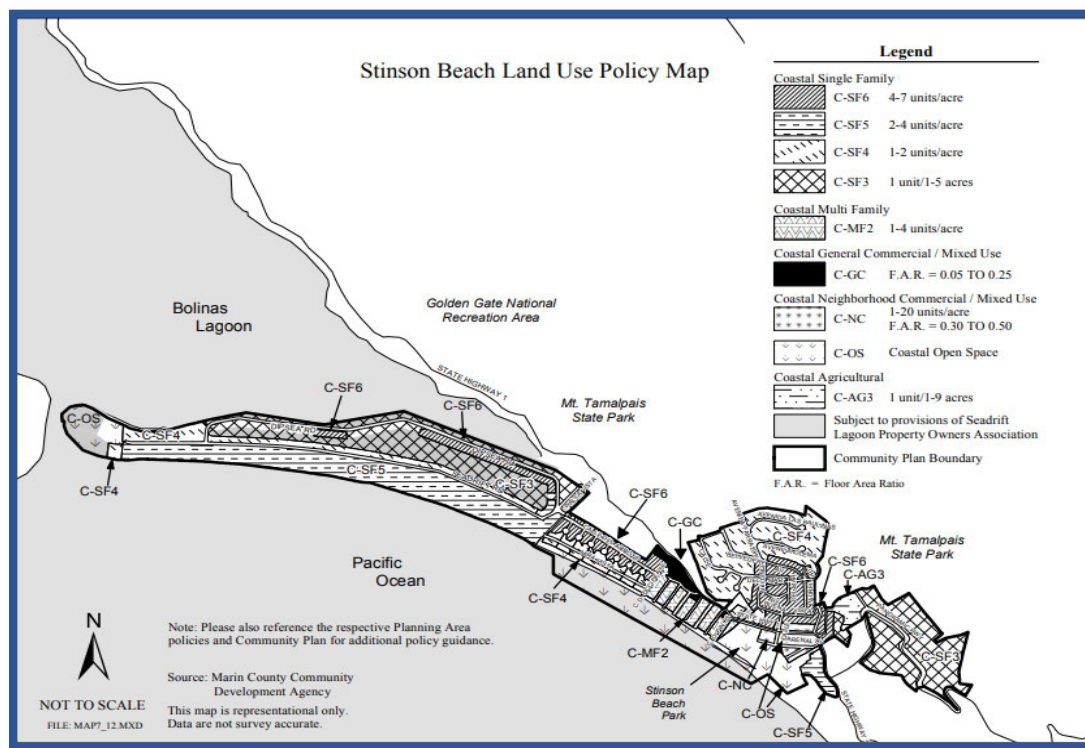
According to the Stinson Beach Community Plan, Stinson Beach has limited opportunity for future expansion since federal and state lands (Golden Gate National Recreation Area and Mount

⁶⁹ [2020 US Census Redistricting Data](#)

⁷⁰ *Marin County Community Development Agency. Stinson Beach Adaptation & Resilience Collaboration Study Report.* Marin County, June 2025. PDF file. Marin County public access portal

Tamalpais State Park), and the Pacific Ocean surround the community. As such, all future residential and commercial development will occur within the existing developed area. Stinson Beach is already extensively developed, and there remain few infill opportunities for growth. A map with the current zoning for the area is shown below in Figure 16-2.

Figure 31: Stinson Beach Land Use Policy Map



16.3 MUNICIPAL SERVICES

Fire Protection and Emergency Response

The SBFPD provides fire protection, emergency medical response, and disaster planning and response services. Incident call types fielded by the agency include rescue/emergency medical response, fire, service calls, good intention calls, severe weather and natural disasters, false alarm, and hazardous conditions (no fire). The District has one station that is staffed by two paid personnel 24/7. The District has an additional annex facility that houses apparatus. In an effort to transition to a combination department, the district has increased its minimum staffing requirements to include 6 full-time operational employees (3 Fire Captains and 3 Engineers), 2 full-time administrative employees (1 Fire Chief and 1 Administrative Manager), and 15 volunteer firefighters. The Fire Chief oversees the general operations of the District in accordance with the policy direction of the Board of Directors.

On April 1, 2021, Stinson Beach Fire Protection District was given a Class 4/4x Public Protection Classification (PPC) rating by the Insurance Services Office (ISO). This organization independently evaluates municipal fire-protection efforts throughout the United States. Ratings

range on a scale of 1 to 10. Class 1 generally represents superior property fire protection, and class 10 indicates that the area’s fire suppression program does not meet ISO’s minimum criteria.⁷¹ SBFPD’s rating of 4/4x puts the district in the top 30% of fire protection agencies in the country.

The SBFPD received an average of 317 calls between 2022 and 2024, with the majority being for Rescue and Emergency Medical Service. Table 16-2 presents call log data, organized by jurisdiction, showing that a significant portion of SBFPD’s calls occur outside the district’s boundaries. The District contracts with the Marin County Fire Department to provide both ALS and BLS assessment-level emergency medical services to the greater Stinson Beach area, as well as BLS transport services when staffing allows. Primary ALS transport services are provided by the Marin County Fire Department as outlined by CSA 28. The nearest full-time ALS transport unit responds from the Marin County Fire station in Point Reyes. During the high-visitation summer months in the area, a part-time ALS ambulance is staffed by the Marin County Fire Department to serve the areas of Stinson Beach, Bolinas, and Mount Tamalpais State Park.

With a large portion of the District’s boundary being beachfront and the area being a popular visitation destination, the District has developed a surf rescue program and provides the area with water rescue service. Water-based emergencies are responded to by way of tube and fin, paddleboard, or the District’s water rescue craft.

Table 16-2: Response Call Data Based on Jurisdiction

Agency Jurisdiction	2022	2023	2024
Bolinas - Private Property	13	10	11
Highways - Panoramic / Shoreline / Ridgecrest	46	63	62
Marin County Open Space - Beach, Village Green, Lagoon etc.	13	22	14
NA⁷²	10	9	5
National Park Service/Federal Responsibility Area	33	33	35
Other	24	14	16
State Responsibility Area	24	20	37
Stinson Beach – Private Property	134	158	145

Facilities and Apparatus

The Stinson Beach Fire Protection District owns, operates, and maintains two fire stations, with one concurrently used as its administrative building, and the other operating as an unstaffed annex. The stations are:

- Station 1 – 3410 Shoreline Highway, Stinson Beach, CA 94970
- Station 2 (Annex) – 100 Calle Del Arroyo, Stinson Beach, CA 94970

⁷¹ [How the PPC Program Works](#)

⁷² NA and Other include ocean rescues and minor public assists and interventions. Correspondence with SBFPD, 2025

The SBFPD also has a variety of apparatus that serve the community, ranging from support vehicles to paramedic trucks. SBFPD's apparatus listed by station is provided below.

Station 1: 1 Type 1 Engine, 2 4x4 Utility Pickup Trucks

Station 2 (Annex): 1 Type 1 Engine, 1 Type 3 Engine, 1 Water Tactical Water Tender, 1 Off-Road Utility Vehicle, 1 Rescue Watercraft, and 1 Ambulance

16.4 ORGANIZATION STRUCTURE

Board of Directors

The Stinson Beach Fire Protection District has a five-member board that is elected to four-year terms through an at-large election. All directors are required to live within the District's jurisdictional boundary. The Board of Directors maintains current certificates for the AB 1234 Ethics Training Compliance as well as AB 1666 Sexual Harassment Prevention Training. Certificates for each of the board members can be requested by contacting the SBFPD office. The Board of Directors meets regularly on the 4th Monday of each month at 4:00 p.m. at the Stinson Beach Fire Protection District Headquarters located at 3410 Shoreline Highway in Stinson Beach.

Figure 32: Stinson Beach Fire Protection District Board of Directors

Member	Position	Term Expiration
Ariel Poler	Director	November 2028
James Ritchie	President	November 2028
Michele Sileo	Director	November 2028
Mark White	Director	November 2026
Christophe Bertrand	Director	November 2026

16.5 ACCOUNTABILITY AND TRANSPARENCY

The Stinson Beach Fire Protection District makes a concerted effort to maintain high accountability and transparency with all its activities. The SBFPD website (www.stinsonbeachfire.org) provides information on Board meetings, financial reports, stations, history, apparatus, disaster preparedness, and more.

Meeting and Agendas

The SBFPD Board of Directors meets regularly on the 4th Monday of each month at 4:00 p.m. at the Stinson Beach Fire Protection District Headquarters at 3410 Shoreline Highway in Stinson Beach. Special meetings are held as needed to go over specific topics such as the annual budget. Meeting agendas and minutes can be found on the SBFPD website (www.stinsonbeachfire.org/boardmeetings).

Annual Budget Review

The District's budget, adopted no later than the June Board meeting each year, provides overall control of revenue and expenditures, including appropriations on a line-item basis and the means of financing them. The Bookkeeper produces monthly reports on expense activity that assist the Chief in monitoring activities and programs. These reports are reported to the Board every month to ensure budgetary compliance.

16.6 FINANCIAL OVERVIEW

Approximately 81% of all annual district revenue⁷³ comes from property taxes. Additional revenue comes from operational and grant funding (14%), Cal OES, and rental revenue. Overall revenues increased by 3.46% in FY '21-'22. The Stinson Beach Fire Protection District maintains a goal of providing a high level of community service while maintaining sustainable fiscal practices. Over the past three years of available audited financial statements, the District has ended with budget surpluses that have helped to bolster the District's net position. This year-over-year increase in net position is due primarily to a steady rise in home sales in the area over the past decade, which in turn has increased property tax revenue.

In 2024, voters approved Measure R, a parcel tax, and Measure Q to amend the district's appropriations limit. To accommodate the impending changes in staffing and modernization, SBFPD also launched a three-year capital campaign to fund a new fire station.

Revenue

Revenue sources for the SBFPD come primarily from a portion of the 1% property tax on residents within its district boundaries. Of the 1% property tax, the SBFPD receives an average of 8.7% which amounts to approximately \$1.0 million for FY 2021-22. The other primary source of revenue for the District is the transient occupancy tax funding it receives, as well as an annual disbursement from the Marin Wildfire Prevention Authority by way of the voter-approved Measure C parcel tax. A breakdown of the most recent 5-year span currently available of audited actuals for expenditures and revenues for the district is available below in Table 16-3.

Table 16-3: Stinson Beach Fire Protection Revenues and Expenditures

Fiscal Year	Revenues	Expenditures	Net Difference
FY 2017-18	\$876,659	\$520,930	\$355,729
FY 2018-19	\$955,069	\$590,905	\$364,164
FY 2019-20	\$1,811,137	\$1,838,271	(\$27,134)
FY 2020-21	\$1,370,198	\$1,006,084	\$364,114
FY 2021-22	\$1,417,635	\$931,858	\$485,777

⁷³ [SBFPD Fiscal Year Ending in June 2022 Audit Report](#)

Debt

The Stinson Beach Fire Protection District carries a long-term debt in the form of lease liability amounting to \$103,102 at the end of FY '22. Any large-scale purchases, like the recent acquisition of a parcel of land in Stinson Beach, are paid for by way of the District's reserves and grant funding. Additionally, there are no current pension or other post-employment benefit (OPEB) obligations, as the agency offers retirement benefits to just its 4 full-time employees. These benefits are provided through the International City/County Management Association (ICMA) and are paid for annually in full. While the District currently has no official reserve fund policy for maintaining a specific level of reserve funds, SBFPD has consistently maintained reserves of approximately 15% of annual operating costs over recent years. The District is currently contracted with a private firm to assist in building out its formal policies and bylaws.

Financial Audit

The Stinson Beach Fire Protection District has its financial statements audited on a biennial basis. The District contracts with an outside accounting firm, most recently Maher Accountancy, to conduct the audit. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2024

Table 16-4: Stinson Beach Fire Protection District Financial Audit Summary

Revenues	FY 2021-2022 Audit
Property Taxes	\$1,155,250
Fire Services – Cal OES	\$56,597
Operating and Capital Grant Funding	\$209,529
Rental Revenue	\$4,184
Other Revenues	\$11,103
Total Revenues	\$1,417,635
Expenditures	FY 2021-2022 Audit
Capital	\$22,410
Debt Services	\$13,200
Salaries	\$519,474
Employee Benefits	\$78,028
Materials and Services	\$298,746
Total Expenditures	\$931,858
Excess of revenues over expenditures	\$485,777

16.7 WILDLAND FIRE PREPAREDNESS

Local agencies such as the Stinson Beach Fire Protection District play a critical role in protecting natural resources and the environment. Extended periods of drought, changing climate patterns, wind, and low humidity have the potential to increase the occurrence and severity of wildland fires which could threaten structures and lives in the Wildland Urban Interface.

The SBFPD participated in the Community Wildfire Protection Plan that was released in 2020. This was a collaborative effort among fire agencies in the county, local fire organizations including FIRESafe Marin, land management agencies, and community stakeholders. Through this effort, areas of concern throughout the county were identified based on population, fire behavior, vegetation, and other factors. Additionally, several goals were stated and associated action items were created to better prepare the county for wildland fires. One such goal is to “Increase awareness, knowledge, and actions implemented by individuals and communities to reduce human loss and property damage from wildland fires, such as defensible space and fuels reduction activities, and fire prevention through fire safe building standards”. The SBFPD is working towards providing more education to the community about this topic. The District offers guidelines on its website for community members to create a personal preparedness plan to help residents stay informed and be ready to evacuate quickly if necessary. SBFPD is a member of MWPA, which aids in fire prevention work on the area. The District has also prioritized projects aimed towards defensible space, such as chipper days to help reduce fire hazards throughout neighborhoods in Stinson Beach, and the mowing of the Highlands to help create a greater fuel break.

17.0 TIBURON FIRE PROTECTION DISTRICT

17.1 OVERVIEW

The Tiburon Fire Protection District (TFPD) was established in April of 1941 as an Independent Special District comprised of seventeen volunteer firefighters. The TFPD boundary surrounds just over 4 square miles of the Tiburon Peninsula in southeastern Marin County. This area includes a majority of the Town of Tiburon boundary and all of the unincorporated space along the peninsula's eastern shore. While not currently within the district's jurisdictional boundary, the District has a contractual agreement with the City of Belvedere to offer fire protection and emergency services. The district serves a population of approximately 10,500 persons. The last Municipal Service Review, including the TFPD, was conducted in June of 2020 as part of the Tiburon Peninsula Region Service Review and Sphere of Influence Update.

The primary function of TFPD is to provide structural fire and emergency medical response to the Town of Tiburon, City of Belvedere, and surrounding areas, as shown in Figure 17-1. The TFPD also participates in the Marin County and California Mutual Aid System with nearby fire districts and responds to wildland fires as needed.

Table 17-1: Tiburon Fire Protection District Overview

Tiburon Fire Protection District			
Primary Contact:	Chief Thomas Hellyer	Phone	(415)-435-7200
Office Location:	1679 Tiburon Blvd, Tiburon, CA 94920		
Formation Date:	1941		
Services Provided:	Fire Protection and Emergency Response		
Service Area:	2,579 acres	Population Served:	≈10,500

17.2 FORMATION AND DEVELOPMENT

The Tiburon Fire Protection District's formation was the result of serious fires that damaged the Northwestern Pacific Railroad's railroad yard and several homes in the late 1930s. In 1941, community members petitioned the Marin County Board of Supervisors for organized fire protection, and in April 1941, a measure was approved for a new fire district, and three fire commissioners were elected. The original district was made up of seventeen volunteer firefighters. The fire district was established as an independent Special District whose legal authority and responsibilities are contained in the State of California Health and Safety Code Sections 13800-13970.

Growth and Population

The Tiburon Fire Protection District jurisdictional boundary encompasses the boundaries of the Town of Tiburon. The District encompasses some surrounding unincorporated spaces as well.

According to the 2020 U.S. Census Redistricting Data, the population of the Town of Tiburon is 9,146, which is a 2% increase from the 2010 population number of 8,962. Under their contract with the City of Belvedere, they also oversee their population of 2,126 as of the 2020 census. Currently, the city has a total of 4,047 housing units, with 333 being vacant.

District Boundary and Sphere of Influence

Tiburon Fire Protection District's service boundary, which currently encompasses just over 4 square miles, includes all of the incorporated area of Tiburon that lies south of Turtle Rock Court as well as all of the space to the east, both incorporated and unincorporated, along Paradise Drive. The current Sphere of Influence encompasses 4.65 square miles. The Sphere of Influence includes all of the City of Belvedere, with which the District contracted services beginning in 1981. The Sphere of Influence was last amended and adopted in June 11, 2020.

Additionally, despite the area being outside of the District's service boundary, TFPD finds itself regularly being the agency tasked with the initial response for both fire protection and medical emergencies on Angel Island. While a majority of the island is within the jurisdictional boundary of the Town of Tiburon, it also has the designation of State Park Land. At the same time, the land technically falls under the jurisdiction of the Marin County Fire Department (CSA 31) for fire protection; however, the burden of response regularly falls to TFPD simply as a matter of its staff's physical proximity to the area. Currently, TFPD receives no funding from either the State of California, Marin County, or the Town of Tiburon for extending its services outside of its current boundary to Angel Island. Since 2007, the District has carried an average cost annually for Angel Island service call responses of \$173,370.

There are County and city-designated land uses in and around the TFPD's service boundary. Within the Town of Tiburon boundary, land use authority falls under town jurisdiction. Unincorporated areas within the District are subject to the Marin County Land Use Authority. Land use within the town is predominantly residential but also includes commercial and mixed-use areas, business and industrial areas, and open space and natural resource lands. The predominant land uses in unincorporated district territory are generally comprised of open space and low-density residential lands.

Figure 33: Tiburon Fire Protection District Boundaries and Sphere of Influence



17.3 MUNICIPAL SERVICES

Fire Protection and Emergency Response

The TFPD provides fire protection, emergency response, and paramedic services. Incident call types include rescue/emergency medical response, fire, service calls, good intention calls, natural disasters, false alarms, and hazardous materials/conditions. The District has two stations with personnel covering three shifts. The District has 34 full-time employees (20 career safety, 4 administrative personnel, 3 prevention personnel, and 7 firefighter trainees) staffing 2 companies, which include structure engines, wildland engines, and support units. The Fire Chief oversees the general operations of the District in accordance with the policy direction of the Board of Directors. The Fire Chief is supported by an Administrative Battalion Chief, a Finance Officer, an Administrative Officer, and two acting a Training Officer, Logistics Officer, and an Operations Officer.

Tiburon Fire Protection District has been awarded a Class 1 Public Protection Classification rating by the Insurance Services Office (ISO). This organization independently evaluates municipal fire-protection efforts throughout the United States. An ISO rating of 1 is the highest possible that can be given to any fire department using this metric. Insurance companies often use ISO information combined with other factors to establish local property insurance rates – generally offering lower fire policy premiums in communities with better protection.

The TFPD receives an average of 2,206 calls per year (2021-2025) with the majority being for Rescue/Emergency Medical. The call volume increased from 2,224 to calls in 2021/22 to 2,431 in 2023/25. Of the total 2,431 calls in FY '23-'25, 61% were for emergency medical services and 1.4% were for fires.

Facilities and Apparatus

The TFPD owns, operates, and maintains two fire stations, with one concurrently used as its administrative building. The stations are:

- Station 10 – 4301 Paradise Drive, Tiburon, CA 94920
 - Temporary Station - 445 Greenwood Beach Rd., Bldg A, Tiburon, CA 94920
- Station 11 – 1679 Tiburon Boulevard, Tiburon, CA 94920

Station 10 is currently undergoing an overhaul renovation to replace the original station built in the 1960's. This renovation project also includes the development of a 20-foot-tall training structure.

The TFPD also has a variety of apparatus that serve the community ranging from support vehicles to paramedic trucks. TFPD's apparatus listed by station is provided below.

Station 10: 1 Type 1 Engine, 1 Ambulance, 1 4x4 Utility Pickup Truck

Station 11: 1 Type 1 Engine, 1 Type 3 Engine, 1 Type 1 reserve Engine, 1 Medium-Duty Rescue Unit, 1 B/C Command Vehicle, 2 Prevention Vehicles, 1 Chief's Light Duty Truck, 1 Day BC Light Duty Truck, 1 Utility 4x4 Pickup

Waterfront: 1 Type 2 Fireboat

Angel Island: 1-Patient Transport Vehicle, 1 Type 3 Engine

The Fire Chief drives an SUV capable of responding "Code 3" when a life or property emergency exists. The Battalion Chiefs share a 4x4 pickup truck for daily response. There is a reserve Battalion SUV command vehicle at Station 11. Additionally, the Prevention Division utilizes a "Code 3" capable SUV for inspections, investigations, fire response, community service events, public education, and meetings.

The District has a preventative maintenance program, and for new equipment, a purchasing committee is formed to review or write specifications, seek public bids, and follow the vehicle through the build-up and delivery process. In addition to the maintenance program, a comprehensive vehicle replacement plan is in place to maintain a state-of-the-art fleet. Based on

frequency of use, apparatuses are replaced in a timely fashion to ensure the highest levels of in-service vehicle availability.

Other Service Providers

The TFPD is a member of the Marin Emergency Radio Authority (MERA), which is a countywide public safety and emergency radio system that allows emergency response agencies to communicate effectively with each other.

The TFPD serves as an alternate Emergency Operations Center (EOC) location for the Town of Tiburon and the City of Belvedere. During a major emergency or disaster, the EOC provides a central location of authority and information with face-to-face coordination among personnel.

Board of Directors

The Tiburon Fire Protection District has a five-member board that is elected to a four-year term through an at-large election. The Board of Directors maintains current certificates for the CA Local Agency Ethics. Certificates for each of the board members can be found on the TFPD website. The Board of Directors meets regularly on the 2nd Wednesday of each month at 4:00 p.m. at the Tiburon Fire Protection District Headquarters Station 11, 1679 Tiburon Boulevard.

Table 17-2: Tiburon Fire Protection District Board of Directors

Member	Position	Term Expiration
Joy Ho	President	2024-2026
Rick Jones	Director	2022-2026
Brett Tucker	Vice President	2024-2028
Cheryl Woodford	Secretary	2022-2026
Mark Capell	Director	2024-2028

17.4 ACCOUNTABILITY AND TRANSPARENCY

The TFPD has consistently made it a priority to maintain high accountability and transparency with all its activities. The TFPD website (www.tiburonfire.gov) provides information on Board meetings, financial reports, stations, history, apparatus, and more.

Meetings and Agendas

The TFPD Board of Directors generally meets on the 2nd Wednesday of each month at 4:00 p.m. at the Tiburon Fire Protection District Headquarters Station 11, 1679 Tiburon Boulevard in Tiburon. Special meetings are held as needed to go over specific topics such as the annual budget. Meeting agendas and minutes can be found on the TFPD website (www.tiburonfire.gov/board-of-directors).

Annual Budget Review

The district maintains extensive budgetary controls. The budget, adopted no later than the September Board meeting each year, provides overall control of revenue and expenditures, including appropriations on a line-item basis and the means of financing them. The Finance

Officer produces monthly reports on expense activity that assist Officers in monitoring activities and programs. These reports are also reviewed by the Fire Chief and the Finance Committee to ensure budgetary compliance.

17.5 FINANCIAL OVERVIEW

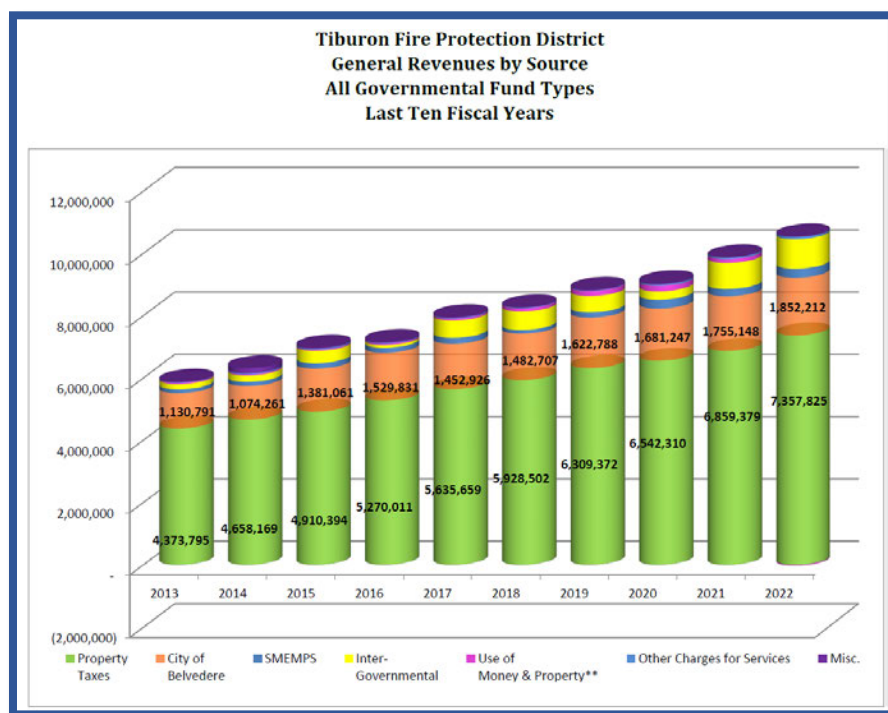
Approximately 70% of all annual district revenue comes from property taxes. Additional revenue comes from the district's contract with the City of Belvedere (18%), Intergovernmental and other reimbursements and fees (9%), and Southern Marin Emergency Paramedic Service (3%). The Tiburon Fire Protection District maintains a goal of providing a high level of community service while maintaining sustainable fiscal practices. Over the past three years, the District has ended with budget surpluses that have helped to bolster the general fund reserves.

Revenue and Expenditures

Revenue sources for the TFPD come primarily from a portion of the 1% property tax on residents within its district boundaries. Of the 1% property tax, the TFPD receives an average of 12% which amounts to approximately \$7.4 million for FY 2021-22. The other major source of revenue for the District is the funding it receives through its contracted services to the City of Belvedere. The contracted funds from the City totaled approximately \$1.85 million for FY 2021-22. Other sources of revenue for the district include, but are not limited to, charges for services, operating grants and contributions, and payments from the Southern Marin Emergency Medical Paramedic System (SMEMPS). An illustration of the District's revenue sources over the last ten fiscal years can be viewed in Figure 17-2 below.

The majority of TFPD expenses are dedicated to employee salaries, which increased by 8.2% from \$88,698,012 to \$9,414,504. The next highest allocations go towards CEPPT Funding and services and supplies. For FY '22, TFPD utilized \$10,350,179 in operating expenses. An increase of \$5,824,000 in net position for the year was due to the net effect of the District's pension liability, which decreased due to market gains. The total net position for FY '22 was \$8,769,135.

Figure 34: Tiburon Fire Protection District General Revenues by Source



Debt

The TFPD didn't expend any funds on debt for principal or interest in FY '22. Previous debt obligations include the lease of a Type 1 engine as well as payments to the Marin Emergency Radio Authority (MERA). In 2018, the Tiburon Fire Protection District had approximately \$237,824 in outstanding debt for Equipment Capital Leases, but as of 2021, that debt is at 0.

The TFPD also provides a pension plan for employees and is part of the California Public Employees Retirement System (CalPERS). CalPERS provides retirement, disability, and death benefits based on the employee's years of service, age, and final compensation. As of June 30, 2019, the TFPD Net Pension Liability was \$1,582,814. The TFPD pension funded ratio is 75.9%. In addition to the pension plan, the TFPD provides post-retirement health care benefits to its retirees. As of June 30, 2022, the District carried a Net OPEB liability total of \$651,035. The District currently has 29 employees, both active and inactive, in their OPEB plan.

Financial Audit

The Tiburon Fire Protection District annually prepares a Comprehensive Annual Financial Report (CAFR) in-house to review the District's financial statements in accordance with established governmental accounting standards. The District contracts with an outside accounting firm, Maher Accountancy, to audit the CAFR. While this financial review and evaluation in the Fire Services Special Study concludes with fiscal year 2021–22, it should be noted that the District is current with its audits. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2024.

Table 17-3: Tiburon Fire Protection District Revenues and Expenditures from the Past 5 years

Fiscal Year	Revenues	Expenditures	Net Difference
FY 2017-2018	\$8,258,024	\$8,220,351	\$37,673
FY 2018-2019	\$8,826,383	\$8,490,001	\$336,382
FY 2019-2020	\$9,030,550	\$9,023,524	\$7,026
FY 2020-2021	\$9,863,785	\$9,640,912	\$222,873
FY 2021-2022	\$10,505,915	\$10,350,179	\$ 155,736

17.6 WILDLAND FIRE PREPAREDNESS

Local agencies such as the Tiburon Fire Protection District play a critical role in protecting natural resources and the environment. Extended periods of drought, changing climate patterns, wind, and low humidity have the potential to increase the occurrence and severity of wildland fires, which could threaten structures and lives in the Wildland Urban Interface.

The TFPD participated in the Community Wildfire Protection Plan, which was released in 2016 and updated in 2020. This was a collaborative effort among fire agencies in the county, local fire organizations including FIRESafe Marin, land management agencies, and community stakeholders. Through this effort, areas of concern throughout the county were identified based on population, fire behavior, vegetation, and other factors. Additionally, several goals were stated and associated action items were created to better prepare the county for wildland fires. One such goal is to “Increase awareness, knowledge, and actions implemented by individuals and communities to reduce human loss and property damage from wildland fires, such as defensible space and fuels reduction activities, and fire prevention through fire safe building standards”. The TFPD is working towards providing more education to the community about this topic.

Additionally, TFPD provides an illustration on their website of how to create the necessary defensible space around residents’ homes. In partnership with the Town of Tiburon Public Works Department TFPD provides “Chipper Events” to residents in the District. This allows residents the opportunity to drop off their vegetation cuttings and slash for chipper removal free of charge. The efforts have removed upwards of 700 tons of vegetation from the Peninsula.

18.0 NOVATO FIRE PROTECTION DISTRICT

18.1 OVERVIEW:

The Novato Fire Protection District (NFPD) was established in 1926 as an independent special district from what was originally a volunteer fire department. The NFPD boundary encompasses approximately 71 square miles in northern Marin County, California. This includes all of the City of Novato and the surrounding unincorporated areas to the east, north, and west. The District has a population of approximately 66,000 persons. The last Municipal Service Review for the NFPD was conducted in 2020 as part of the Novato Regional Municipal Service Review.

Currently, the primary NFPD function is to provide structural fire and emergency medical response to the City of Novato and surrounding areas, as shown in Figure 18-1. The NFPD also participates in many automatic and mutual aid agreements with nearby fire districts and responds to wildland fires as needed. Some of these mutual aid agreements are with Lakeville Volunteer Fire Co., Marinwood CSD, Petaluma FD, San Antonio VFD, and CSA 31. Novato Fire is a member of MWPA. The main administration building is also the site of the City of Novato and NFPD Joint Emergency Operations Center (EOC) during major disasters.

The NFPD has close community ties, and many of its members voluntarily support several Novato Fire Foundation programs, including youth programs, toy drives, and education activities. As part of its community outreach program, the NFPD hosts an annual open house and participates in and provides medical services at the Novato Chamber of Commerce Art & Wine Festival, where the community can visit any station to view equipment and interact with personnel.

Table 18-1: Novato Fire Protection District Overview

Novato Fire Protection District			
Primary Contact	Chief Dan Peters	Phone	(415) 878-2690
Office Location:	95 Rowland Way, Novato, CA 94945		
Formation Date	1926		
Services Provided	Fire Protection and Emergency Response		
Service Area	~71 square miles	Population Served	~66,000

18.2 FORMATION AND DEVELOPMENT:

NFPD formation resulted from community interest in providing basic services even before the town of Novato was created. Before the NFPD, a small volunteer fire department formed in 1894 and served the area with hose carts and a chemical engine. After Novato was granted township status, the NFPD was established, and its first commissioners were appointed on July 7, 1926. It was established as an independent Special District whose legal authority and responsibilities are contained in the State of California Health and Safety Code Sections 13800 – 13970.

District Boundary And Sphere of Influence:

NFPD's service boundary, which currently encompasses 71 square miles, includes all of the City of Novato and outlying areas east to San Pablo Bay and up to the Sonoma County line. In 1977 the Hamilton Air Force Base was detached from the NFPD boundary, however, in 1999 the Ninth Circuit U.S. Court of Appeals determined that the detachment was not valid. In 2009, Marin LAFCo rescinded the action on the "Hamilton Field and Rafael Village Detachment" with LAFCo Board Resolution No. 09-03. This action rescinded the NFPD boundary change but did not account for the SOI which was determined after the 1977 decision making the NFPD boundary larger than the SOI. In December of 2023, a resolution was passed to amend the Novato SOI to make the boundaries conterminous.

There are County and city-designated land uses in and around the NFPD's service boundary. Within the City of Novato boundary, land use authority falls under city jurisdiction. Unincorporated areas within the District are subject to the Marin County Land Use Authority. Land use within the city is predominantly residential but also includes commercial and mixed-use areas, business and industrial areas, and community and natural resource lands. The predominant land use in unincorporated district territory are generally comprised of agricultural, public facilities, open space, rural residential, and low-density residential lands Figure 18-1.

Figure 35: NFPD District Boundary and Sphere of Influence



Growth and Population:

The Novato Fire Protection District jurisdictional boundary encompasses the boundaries of the City of Novato. The District encompasses unincorporated spaces as well, such as the census-designated places of Indian Valley, Bel Marin Keys, Burdell and other surrounding unincorporated areas. According to 2020 U.S. Census Redistricting Data, the population of the City of Novato CCD is 60,314, which is a 16% increase from the 2010 population number of 51,904. Currently, the city has a total of 24,184 housing units, with 822 vacant.

18.3 MUNICIPAL SERVICES

Fire Protection and Emergency Response

The NFPD provides fire protection, emergency response, and paramedic services. Incident call types include emergency medical response, fire, service calls, good intention calls, natural disasters, and hazardous materials/conditions. The District has five stations with personnel covering three shifts. Each shift has one Battalion Chief, five Captains, and five engine companies, including a cross-staffed truck and Type 3 engines. Staffing includes two front-line paramedic ambulances, each staffed with two firefighters/paramedics. The District also has a Prevention division, as well as Training and EMS divisions.

NFPD has been awarded a Class 1 Public Protection Classification rating by the Insurance Services Office (ISO), an organization that independently evaluates municipal fire protection efforts throughout the United States. An ISO rating of 1 is the highest possible classification that can be given to any fire department using this metric. Insurance companies often use ISO information combined with other factors to establish local property insurance rates – generally offering lower fire policy premiums in communities with better protection.

The NFPD receives an average of 5,921.5 calls per year (2013 – 2023) with the majority being for Rescue/ Emergency Medical. The call volume has increased steadily over the last five years from 5,996 calls in 2018/19 to 7,680 in 2023/24⁷⁴. A summary of call numbers over the last 10 years is shown below in Figure 18-2 and calls by type in Figure 18-3. The average reported response time was 5 minutes 47 seconds for emergency medical services and 6 minutes 39 seconds for fires.

⁷⁴ Correspondence with NFPD; July 24, 2025

Figure 36: NFPD Total Incidents by Station: YTD Comparison

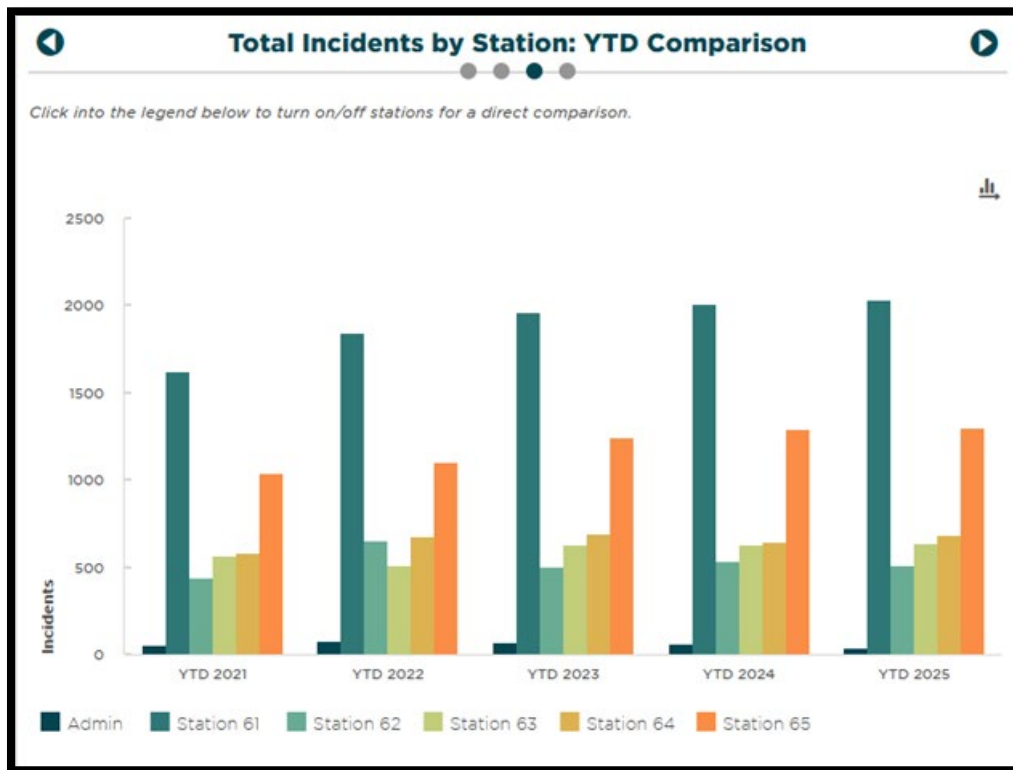
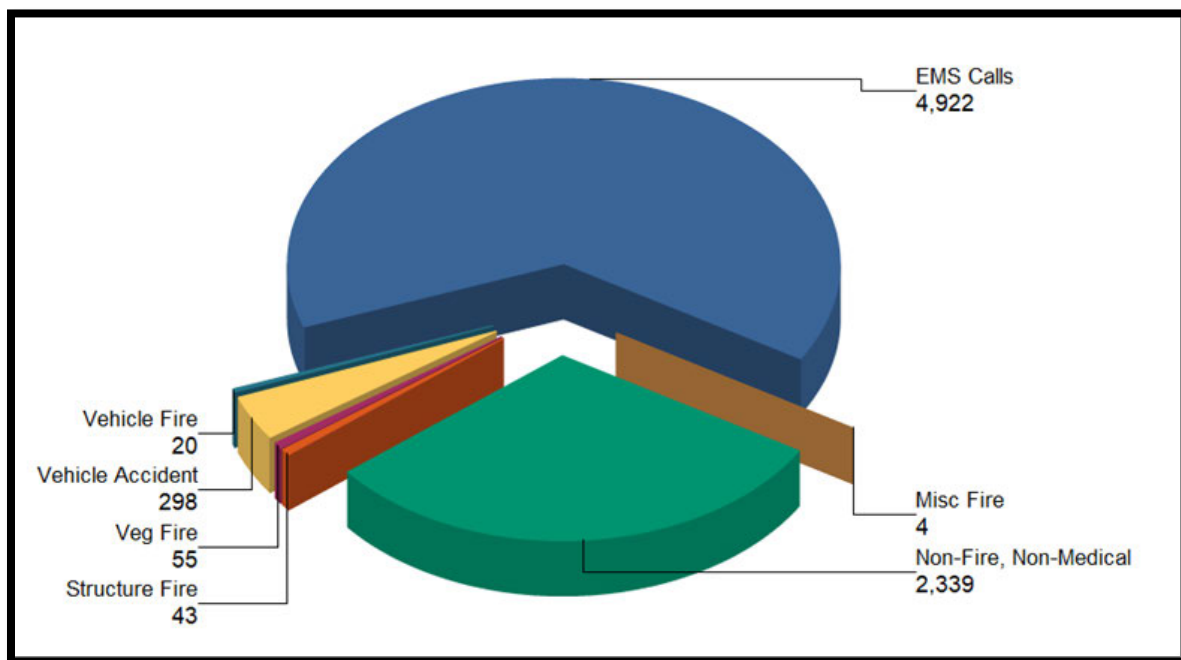


Figure 37: NFPD 2024 Incidents by Type⁷⁵



⁷⁵ Correspondence with NFPD; July 24, 2025

Facilities and Apparatus:

The NFPD owns, operates, and maintains one administrative building and five stations as listed below:

- Administration Building - 95 Rowland Way, Novato, CA 94945
- Station 61 - 7025 Redwood Boulevard, Novato, CA 94945
- Station 62 - 450 Atherton Avenue, Novato, CA 94945
- Station 63 - 65 San Ramon Way, Novato, CA 94945
- Station 64 - 319 Enfrente Road, Novato, CA 94949
- Station 65 - 5 Bolling Drive, Novato, CA

A facilities assessment was conducted in 2014 for all NFPD-owned buildings. The evaluation identified the current building status and upcoming repair and/or replacement needs. Station 64 was not included in this assessment as it was being rebuilt at the time of the evaluation.

During the assessment, many of the buildings were found to be in fair to good condition, with lifecycle replacements of building systems needed within the next 10 years. Having these assessments allows the NFPD to plan for major facility upgrades. Currently, the NFPD has completed the renovation of Fire Station 62's kitchen and full replacement and upgrade of the station's septic system. In addition to Fire Station 62's training tower, which was completed in 2021, two new training classrooms were completed in 2022 and 2023.

The NFPD has a variety of apparatus that serve the community, ranging from support vehicles to paramedic trucks. The NFPD's apparatus listed by station is provided below as of June 2023.

5 front-line type 1 engines include a rescue pumper, 2 type 1 reserve engines, 1 type 1 training engine, 1 Truck, 3 Type III, 3 first out ambulances, 2 reserve ambulances, 9 command vehicles, 1 reserve command vehicle, 1 water tender, 11 administrative pool vehicles, 3 utility pick-ups, 1 van, 2 UTV's, 1 training forklift

The NFPD utilizes a Vehicle Replacement Plan to ensure that all vehicles remain in sound working order and are replaced when needed. Operations vehicles are replaced based on years of front-line service and are then placed in reserve. Having a Vehicle Replacement Plan allows the NFPD to plan for upcoming replacement costs adequately and ensures that service needs can be fulfilled.

Other Service Providers

The NFPD is a member of the Marin Emergency Radio Authority (MERA) which is a countywide public safety and emergency radio system that allows emergency response agencies to communicate effectively with each other.

The NFPD jointly operates an emergency operations center with the City of Novato at the NFPD administrative office. During a major emergency or disaster, the EOC provides a central location of authority and information with face-to-face coordination among personnel.

To the north of Novato is the City of Petaluma which provides emergency response services in Sonoma County and participates in an automatic aid agreement with the NFPD for the response to wildland fires in the Mutual Threat Zone. To the south of Novato is the San Rafael region which

has multiple emergency response agencies including Marinwood CSD, adjacent to the NFPD boundary, and the City of San Rafael.

Several automatic and mutual aid agreements are in place to ensure a high level of service to area residents. The NFPD currently has agreements with Lakeville Volunteer Fire Company; Marinwood Community Services District; Petaluma Fire Department; San Antonio Volunteer Fire Company; Marin County Fire Department. The NFPD also is a party in a Mutual Threat Zone agreement with CalFire, Marin County Fire Department, and Sonoma County Fire – San Antonio that outlines a joint response to vegetation fires in the area of Highway 101 near the Sonoma and Marin County line. In the event of extraordinary events, the NFPD is also a party to the Marin County Fire Chiefs Mutual Aid Agreement, which provides county-wide mutual assistance and mobilization during emergencies.

Additional public services in the area include water service provided by the North Marin Water District and sewer service provided by Novato Sanitary District. The City of Novato provides a range of municipal services, including parks and recreation and police services.

18.4 ORGANIZATIONAL STRUCTURES

Board of Directors

The NFPD has a five-member board that is elected to a four-year term. Elections for Board members are now by district elections so that each Board member represents a specifically defined area within the NFPD. The Board of Directors maintains current certificates for the CA Local Agency Ethics and California Sexual Harassment Prevention for Supervisors programs. Certificates for each of the board members can be found on the NFPD website.

According to the Board of Directors’ policy (Policy 225), members are paid a sum of \$200 per meeting (effective November 2019), workshop, study session, special meeting, and committee meeting up to a maximum of 4 meetings per month. Information on meeting dates and payments is provided on the NFPD website.

Table 18-2 - Novato Fire Protection District Board Members

Member	Position	Term Expiration
Lj Silverman	President	2024-2028
Michael Handfield	Vice-President	2024-2028
Shane Francisco	Director	2024-2028
William “Bill” Davis	Director	2022-2026
Bruce Goines	Secretary	2022-2026

Staffing and District Operations

The NFPD currently employs 88 staff members, excluding reserves, who work at five fire stations and one administrative building. Stations are regularly staffed with a combination of battalion chiefs, captains, engineers, and firefighters/paramedics.

The Wildfire Mitigation Specialists are responsible for conducting hazard assessments, providing vegetation management assessments and prescriptions, and drafting fuel reduction plans for the wildland-urban interface areas of the NFPD. The Training Captain would be responsible for creating and implementing a fire training program. The NFPD is currently looking into long-term strategies to fund these additional positions.

18.5 ACCOUNTABILITY AND TRANSPARENCY

Over the past several years, the NFPD has made it a priority to maintain high accountability and transparency with all its activities. The NFPD website (www.novatofire.org) provides information on Board meetings, financial reports, stations, history, employment, and more.

Meetings and Agendas

The NFPD Board meets on the first Wednesday of every month at 10:00 am at the Novato Fire District, Admin Building at 95 Rowland Way in the Heritage Conference Room. Special meetings are held as needed to go over specific topics such as the annual budget. Meeting agendas and minutes can be found on the NFPD website (www.novatofire.org).

Annual Budget Review

The NFPD prepares and adopts annual budgets covering revenues, operating, and capital expenses and fund balances. The NFPD takes into consideration five distinct divisions when preparing the annual budget: Emergency Medical Services, Risk Reduction Prevention & Mitigation, Operations, Organization Resources & Support, and Training. The NFPD vision statement is “To position the Fire District operationally and financially to create a sustainable future”.

18.6 FINANCIAL OVERVIEW

Approximately 80% of the district’s annual revenue comes from property taxes. Other revenue sources include charges for services, intergovernmental and interest on income. The NFPD aims to provide a high level of community service while maintaining sustainable fiscal practices. As is shown in Table 18-3, the past five years of audits show budget surpluses that help build the general fund.

Table 18-3 - Novato Fire Protection District Five-Year Fiscal Overview

Fiscal Year	Revenues	Expenditures	Net Difference
FY 2017-2018	\$30,785,044	\$30,363,720	\$421,324
FY 2018-2019	\$31,711,122	\$28,315,248	\$3,395,874
FY 2019-2020	\$35,555,545	\$28,924,918	\$4,630,627
FY 2020-2021	\$37,724,528	\$31,114,726	\$6,609,802
FY 2021-2022	\$39,314,379	\$35,393,952	\$3,920,418

Revenue and Expenditure

Revenue sources for the NFPD come primarily from a portion of the 1% property tax and a parcel tax originally approved by voters in 1991 and later amended in 2002. Of the 1% property tax, the NFPD receives approximately \$31 million for FY 2021-22. Other revenues include the voter-approved parcel tax Measure C, charges for services, and more. Other sources of revenue for the district include but are not limited to ambulance service charges, plan check and fire inspection fees, capital grants and contributions, investment earnings, and state and federal reimbursements for mutual aid.

The majority of NFPD expenses are dedicated to employee salaries, which comprise 73% of their total expenditures, with the next highest allocations going toward materials and services at 22% of the total expenditures, followed by debt services. For FY '22 NFPD expensed \$35,393,952. An increase of \$12,953,282 in net position for the year was in part due to an increase in revenues of expenses.

Financial Audit

The NFPD prepares an annual report on the Department's financial statements in accordance with established governmental accounting standards. The most recent audited financial statement was prepared by the independent certified accounting firm, Maze & Associates, which issued an unqualified or "clean" opinion of the Department's financial statements for the fiscal year ending June 30, 2022⁷⁶.

⁷⁶ [NFPD Fiscal Year Audit ending on June 31, 2022.](#)

Figure 38: NFPD Fiscal Year '22 Statement of Revenues and Expenditures⁷⁷

NOVATO FIRE PROTECTION DISTRICT STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE GOVERNMENTAL (GENERAL) FUND FOR THE YEAR ENDED JUNE 30, 2022	
REVENUES:	
Property taxes	\$31,273,366
Measure C revenue - MWPA	1,932,731
MWPA - Core fund reimbursement	624,047
Charges for services	3,209,478
Interest income	19,705
Intergovernmental	1,792,315
Miscellaneous	462,728
Total Revenues	<u>39,314,370</u>
EXPENDITURES:	
Current:	
Public Safety	
Salaries and benefits	26,133,581
Services and supplies	7,000,471
Capital outlay	1,681,954
Debt service	
Principal	548,374
Interest and fiscal charges	29,572
Total Expenditures	<u>35,393,952</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>3,920,418</u>

Debt

The NFPD expended approximately \$577,946⁷⁸ in the year-end of June 2022 on debt service, including principal and interest payments. In 2013, the District borrowed \$2,135,000 to refinance the debt on the administration building, and in 2015, it borrowed \$3,000,000 to finance the construction of Station 64. The District is committed to paying off the notes on the administration building and Station 64 by 2023 and 2024, respectively. As of June 30, 2022, the FPD had approximately \$1,030,000 in outstanding debt.

The NFPD also provides a pension plan for employees and is part of the Marin County Employees' Retirement Association (MCERA). MCERA provides retirement, disability, and death benefits based on the employee's years of service, age, and final compensation. As of June 30th, 2022, the Net Pension Liability (Asset) increased from approximately \$11 million Net Pension Asset to approximately \$22 million Net Pension Liability as of June 30, 2023. The NFPD pension funded ratio is 70.4%. For the fiscal year end of June 2022, NFPD contributed \$1,232,285 to the plan, which has 77 active members and 98 inactive employees or beneficiaries that are currently receiving benefit payments.

⁷⁷ Ibid

⁷⁸ Ibid

The NFPD maintains a District credit card with a credit limit of \$80,000. As of July 11, 2022, the available credit was approximately \$36,800. The card balance is typically paid in full every month so that no interest is accrued.

The NFPD contracts with an outside accounting firm, currently Maze & Associates, to prepare an annual report for each fiscal year to review the District's financial statements in accordance with established governmental accounting standards. The most recently audited financial statement was prepared for the fiscal year ending June 30, 2022.

Financial Planning/Capital Improvement

The NFPD maintains several designated reserve accounts, additionally maintaining a committed fund that provides contingency funding in situations where actual revenue is 15% or more below expected revenue, or when a state of emergency is declared by the District Board or County of Marin for an area that falls within District boundaries. As of June 30, 2022, the balance for that fund was \$11,192,974 or 32% of the expenditures.

18.7 WILDLAND FIRE PREPAREDNESS

The Novato Fire Protection District (NFPD) plays a vital role in safeguarding natural resources and the community from the growing threat of wildland fires. With prolonged drought, shifting climate patterns, high winds, and low humidity, the risk of severe wildfires, especially in the Wildland Urban Interface (WUI), continues to rise.

In 2020, NFPD participated in the development of the Community Wildfire Protection Plan (CWPP), a collaborative effort involving county fire agencies, FIRESafe Marin, land management organizations, and local stakeholders. This plan identified high-risk areas based on population density, vegetation, and fire behavior, and outlined strategic goals and action items to enhance wildfire preparedness.

One key goal is to increase public awareness and encourage proactive measures—such as creating defensible space, reducing fuels, and adopting fire-safe building standards—to minimize loss of life and property. To support this, NFPD is expanding community education efforts and strengthening its Prevention Division which includes the following strategies:

- **Vegetation Management** – Identifying and reducing hazards, maintaining shaded fuel breaks, fire roads, and evacuation routes. Key projects include the Greater Novato Shaded Fuel Break, Ignacio Valley, Bahia, and city open space projects.
- **Evacuation Route Maintenance** – Clearing overgrown vegetation to keep evacuation corridors accessible and safe.
- **Home Assessments and Grants** – Offering free wildfire risk assessments and providing grants for vegetation management and home hardening (e.g., ember-resistant vents, fire-resistant materials).

- **Defensible Space and Home Hardening** – Promoting fire-resistant landscaping and structural improvements, with an emphasis on “Zone Zero”—the first five feet around a home.
- **Public Outreach and Education** – Engaging residents through workshops, demonstration gardens, and neighborhood wildfire preparedness initiatives.

NFPD’s vegetation management program is supported by a dedicated team that oversees these projects throughout the Novato area, often in partnership with FIRESafe Marin, other fire agencies, and community groups. Since 2020, the program has expanded evacuation routes, reduced fuel loads in open spaces, and established demonstration gardens to showcase fire-smart landscaping.

These efforts reflect both **strategy and action consistent with MWPA** funding and coordination, while NFPD delivers direct, on-the-ground programs tailored to Novato’s specific needs. The district remains committed to working with partner agencies to ensure the highest level of safety, resilience, and service for all Marin County residents.

19.0 VOLUNTEER AND PRIVATE FIRE DEPARTMENTS

19.1 OVERVIEW

Volunteer fire departments are vital to Marin County, but are specifically prevalent in West Marin, where they provide emergency services to rural and semi-rural communities. Muir Beach Volunteer Fire Department, Nicasio Volunteer Fire Department, Tomales Volunteer Fire Company, and the Skywalker Ranch Fire Brigade (private) are primarily staffed by volunteer firefighters trained to respond to wildland fires, structure fires, medical emergencies, and rescue situations. These departments are primarily funded by donations, fundraisers, and grants to provide emergency services as well as fire prevention and emergency preparedness programs. These volunteer fire departments are key to Marin County's emergency response system, ensuring safety and readiness across diverse landscapes and specifically rural areas of West Marin.

19.2 SKYWALKER RANCH FIRE BRIGADE

Overview

The Skywalker Ranch Volunteer Fire Department, established in 1985 by George Lucas, was created to protect the Skywalker Ranch property in Nicasio, California. This private fire brigade was formed to address the unique needs of the Ranch, which houses Lucasfilm's headquarters and a range of residential and recreational facilities. Over time, the department became an integral part of the local firefighting network, offering mutual aid to nearby communities such as Marinwood. In addition to providing emergency services, the brigade has made significant contributions to local firefighting efforts. For example, in 2012, Lucas donated a Type 3 wildland fire engine from the Ranch to the Muir Beach Volunteer Fire Department, bolstering their firefighting capabilities.

Skywalker Ranch Fire Brigade is stationed at 5858 Lucas Valley Road, Nicasio, and focuses on emergency medical services, fire suppression, and prevention. The Battalion Chief leads the department, overseeing operations, training, and coordination with local emergency services. The department also engages in community outreach, promoting fire safety through events like Fire Prevention Week.

Service Area

The Skywalker Ranch Fire Brigade operates in Nicasio, California, within Marin County, serving the expansive Skywalker Ranch property. This includes Lucasfilm's headquarters, production facilities, and surrounding residential and recreational structures.

Operations Overview

The Skywalker Ranch Fire Department is comprised of both career and volunteer firefighters. The department is led by a Battalion Chief, who oversees daily operations, including training, fire prevention activities, and coordination with other local emergency services. This

combination of professional and volunteer staff allows the department to maintain an elevated level of readiness while engaging with the local community.

The Skywalker Ranch Fire Brigade is a private fire services provider run by Lucasfilm management and operates under the oversight of the company's leadership. As a private fire department, it is not directly governed by local or county fire authorities. However, it is integrated into the Marin County mutual aid system, which means it collaborates with and provides support to neighboring fire departments in emergencies. While it is independently managed, its operations are aligned with local firefighting standards and protocols for coordination and mutual assistance.

19.3 MUIR BEACH VOLUNTEER FIRE DEPARTMENT

Overview

The Muir Beach Volunteer Fire Department began in the early 1940s when residents formed a volunteer fire brigade due to the lack of fire protection. It officially became a recognized department in the 1950s and built a new fire station in 1965 to meet the community's growing needs. The department currently operates at 1760 Shoreline Hwy, Muir Beach.

In 2012, the Skywalker Ranch Fire Brigade donated a Type 3 wildland fire engine to enhance Muir Beach's firefighting capabilities. Today, the department is a volunteer-based organization, providing fire suppression, emergency medical services, and community education. It operates under the Muir Beach Community Services District and works closely with other Marin County fire agencies through the mutual aid system.

Currently, Muir Beach Volunteer Fire Department provides fire suppression, emergency medical services, and community education. The Muir Beach Community Services District oversees the department and continues to work closely with neighboring departments, including the Skywalker Ranch Fire Brigade and others in the Marin County mutual aid system.

Service Area

The Muir Beach Fire Department serves Muir Beach in West Marin County. The department's service area is primarily the community of Muir Beach, but also includes residential and recreational properties, and extends to the surrounding coastal and wildland regions. The department also provides mutual aid to nearby communities, particularly in the event of larger incidents, such as wildfires, as part of the county's mutual aid system.

Operations Overview

Muir Beach firefighters train alongside Marin County Firefighters at the Throckmorton station and are required to maintain certification as Emergency Medical Responders (E.M.R.) and State Volunteer Firefighters. The crew includes Emergency Medical Technicians (E.M.T.s) and a Physician.

Chief: *Chris Grove*

The Crew: *David Taylor (MD, EMR) – Assistant Chief, Maurice Conti (EMR), Brad Eigsti (EMR), Sefton Murray (EMR), Jonathan Rauh (EMR), Jeff Rediger (MD, EMR), Chris Vallee (EMR)*

Interns: *Jackson Sward, Stella Eigsti, Anna Rauh*

Muir Beach Volunteer Fire Association

The Muir Beach Volunteer Fire Association supports the department through fundraising for its operations and the purchase of emergency response equipment. The Association's primary fundraising activities include the annual Muir Beach Firemen's BBQ and engaging in grant writing to secure further financial support. Additionally, the Association helps coordinate the community's emergency preparedness efforts, ensuring residents have access to disaster preparedness.

Association Board of Directors:

- *Lisa Eigsti*
- *Michael Kaufman (Vice President)*
- *Debra Ketchum (Secretary)*
- *Brenda Kohn*
- *Denise Lamott (President)*
- *Ellen Litwiller*
- *Frank Schoenfeld (Treasurer)*
- *Nina Vincent*

19.4 NICASIO VOLUNTEER FIRE DEPARTMENT

Overview

The Nicasio Volunteer Fire Department (NVFD) was established in 1946 to provide fire protection, emergency medical response, and fire prevention to the rural community of Nicasio. It operates primarily with volunteers out of its station at 1 Old Rancheria Rd, Nicasio, CA 94946. Today, NVFD is a part of the Marin County mutual aid system, enhancing its ability to respond to large-scale emergencies. The department continues to serve Nicasio, funded through local donations, grants, and fundraising events. It remains a vital community resource, with volunteers dedicated to protecting the area and maintaining its legacy of community service.

Service Area

The NVFD, in cooperation with Marin County Fire, responds to a 40-square-mile area, from Big Rock to the Nicasio Dam and Moon Hill to Rocky Hill.

Operations Overview

The Nicasio Volunteer Fire Department is structured with a combination of volunteer firefighters and paid personnel. The department is led by Fire Chief Kent Grady, who is responsible for overseeing operations, training, and coordination with other local agencies.

19.5 TOMALES VOLUNTEER FIRE COMPANY

Overview

Tomales Volunteer Fire Company (TVFC) is a volunteer fire organization in West Marin. TVFC provides support to the Marin County Fire Department (MCFD) in the form of trained volunteers who respond along with MCFD staff to medical emergencies, fires, vehicle accidents, rescues, and disasters that occur within their primary service area or by MCFD request in areas across Marin or in adjacent counties as mutual aid. TVFC also provides staffing for Water Tender WT1590, based at MCFD's Tomales Fire Station. TVFC is also involved with community safety education and disaster preparedness in our primary service area.

Service Area

The TVFC primary service area is the same as the primary service area of MCFD's Tomales Fire Station, which extends north from the town of Tomales to the Marin / Sonoma county line, west to the Pacific Ocean (including the town of Dillon Beach), south to just below the community of Marshall, and portion of the area east to the Marin / Sonoma county line including significant areas of the Chilen Valley. TVFC also provides support to other areas of Marin County upon request from MCFD. TVFC coordinates with other nearby fire agencies or districts by providing mutual aid when it has been requested by MCFD.

Operations Overview

TVFC is a fully volunteer-based company that works in cooperation with Marin County Fire. The Company is overseen by Chief Eric Cutler. Current TVFC staffing consists of seven volunteers. These volunteers have all successfully completed training to be either an Emergency Medical Responder or an Emergency Medical Technician. These volunteers have also successfully completed an extensive series of emergency medical, firefighting, rescue, and disaster training exercises conducted by either TVFC or MCFD. All of our current volunteers have multiple years of experience as TVFC volunteers, and some have decades of experience. TVFC is currently actively recruiting additional volunteers to expand its staffing.

All TVFC apparatus and equipment are provided by MCFD. This includes Water Tender WT1590, which has a 2000-gallon water capacity, and contains structural and wildland firefighting equipment, and Basic Life Support (BLS) medical equipment. All TVFC volunteers are issued structural and wildland firefighting and foul-weather protective clothing, along with associated personal equipment.

20.0 CONCLUSION

This study identified several countywide themes regarding how fire protection services in Marin are organized, governed, and delivered. Throughout the county, governance structures remain varied and fragmented. In the county, there are 12 fire service providers that directly respond to incidents. These providers comprise several different service models, including city departments, fire districts, Joint Power Agreements (JPA's), and shared services contracts. While these governance models vary, they collectively support a countywide system characterized by strong mutual aid coordination, operational collaboration, and shared commitment to regional service delivery. Strong mutual aid in the county allows for an almost seamless delivery of services across jurisdictions, which can mask structural differences between agencies that are less visible to the public.

Providers across the county, through collaborative efforts, have helped maintain reliable emergency response despite varied organizational models. Although mutual aid and service agreements are at times relied upon by agencies to operate within a landscape of varied governance structures and to cover for numerous unincorporated pockets within incorporated spaces, these cooperative frameworks have thus far led to an effective response system. Agencies also demonstrate a strong commitment to countywide initiatives for wildfire preparedness, public safety, fiscal and operational transparency, and emergency response. Collectively, these efforts show dedication and commitment to protecting and preserving the integrity of urban and rural landscapes that make up Marin County.

Marin LAFCo's aim with this study is to shed light on the efforts and hard work of agencies to provide a reliable, coordinated response throughout the county and to support successful change. This change will require early and sustained engagement from LAFCo and fire service providers. Shared services and mutual aid are proven first steps in enhancing governance and service delivery, but they do not always address long-term structural or fiscal challenges. Marin LAFCo's intention is to support agencies by fostering collaboration, sharing information, and helping identify opportunities for thoughtful, locally driven change.

The work presented in this report highlights the dynamic of Marin's fire system being operationally cohesive, yet structurally diverse. This has supported effective delivery thus far, but also presents questions regarding long-term alignment between governance structures and evolving service demands. The following questions were considered by Marin LAFCo throughout the curation of the report and the recommendations section. They are now presented for consideration, not directives, for fire agencies, policymakers, and the public:

- Are current governance structures sustainable over the long term?
- How might existing shared services, Joint Powers Authorities, or regional partnerships evolve over time to further enhance service delivery and operational efficiency?
- How might agencies evaluate the effectiveness of current governance structures as service demands and regional partnerships evolve?
- Where could shared administrative or operational services reduce strain?

- Are there opportunities to build on existing regional or joint models?
- How can prevention and suppression efforts be better supported countywide?

The above questions are reflected in our recommendations section (pg. 11), which identified opportunities to strengthen fire service provisions across the county. These recommendations emphasize the importance of regional coordination, evaluation of governance structure, enhancement of opportunities in delivery through shared services, facility planning, and potential structural changes where appropriate.

History reflects that within Marin County and other jurisdictions, changes in governance and delivery models can be gradual. An example of this is the consolidation of the City of Mill Valley into the Southern Marin Fire Protection District, which spanned many years, beginning with a 2015 cost-sharing agreement. From then on, SMFPD and the City of Mill Valley progressively expanded shared services, creating a unified management structure in 2020 and ultimately full annexation into the District, approved by Marin LAFCo in December 2022 and implemented in July 2023. Over time, through sustained collaboration with Marin LAFCo, the SMFPD, and the City of Mill Valley evolved, demonstrating that effective change can occur incrementally rather than through immediate consolidation. It is Marin LAFCo's intention to support sustainable changes, like this consolidation, through the facilitation of informed, locally driven actions to increase efficiency and sustainable service delivery.

Moving forward, this study acts as a path forward and a foundation for continued collaboration and progress. Through this study, Marin LAFCo hopes to provide data, analysis, and process support to inform discussions. It is recognized that progress will occur incrementally, and Marin LAFCo aims to act as a partner in open conversations with agencies to maintain trust and partnership, serving as a facilitator of change rather than the driver.

Source of Comment	Section / Page Reference	Comment Summary	Staff Response
Commission Comments from 12/25 Meeting	pg. 27-33	Request to include a clear section on Marin Wildfire Prevention Authority (MWPA).	Staff added a section within the Marin County Fire Overview about what it does, how/what it funds, and how it connects to agency prevention programs, noting MWPA does not provide direct fire suppression services.
	pg 8-10	Executive Summary that not only summarizes the report's key findings and countywide fire service context ("what" and "now what"), but also provides greater synthesis of the broader implications and considerations ("so what").	The section provides a high-level overview of countywide fire service delivery, governance structures, staffing, facilities, operational collaboration, and key themes identified throughout the study. Additional synthesis and contextual discussion were incorporated to better address the broader "so what" implications and potential paths forward identified during Commission discussion.
	pg. 146-147	Add a neutral conclusion that synthesizes potential governance and service delivery options (e.g., shared services, JPAs, mergers) and highlights key conditions needed for successful collaboration. The section should reference relevant in-county examples to illustrate processes and timelines while avoiding language that targets specific agencies for consolidation. Feedback emphasized maintaining a neutral tone that presents options or "call to action" rather than directing consolidation, and adding more synthesis to help readers better understand the broader implications and potential paths forward	Conclusion section was added to the V2 Draft which, synthesizes countywide themes, governance and service delivery models, and considerations for future collaboration while maintaining a neutral, non-directive tone consistent with LAFCo's role. The revised language frames shared services, JPAs, mergers, and other governance models as potential options rather than recommendations, incorporates discussion of conditions that support successful change, and references relevant in-county examples to provide context regarding process and timelines without identifying specific agencies as consolidation targets.
Chu		Review and revise references to agency indebtedness or financial risk to ensure they include sufficient context and objective benchmarks. Feedback suggested removing or reworking statements that may read as unsupported opinions unless supported by deeper analysis.	References to agency indebtedness and financial risk were reviewed and revised throughout the V2 Draft. Language identified as potentially subjective was either removed or reframed to maintain a neutral and analytical tone consistent with LAFCo's role.
Burdo	pg. 23-25	Include a brief, high-level overview of paramedic/EMS governance structures and related JPAs to provide additional context regarding regional service coordination within Marin County.	A section was added to provide contextual information regarding EMS service delivery models and regional coordination while clarifying that EMS services largely fall outside LAFCo's direct jurisdiction. Language was limited in scope to avoid detailed operational or governance analysis beyond the intent of the study and staff expertise.
Staff		The following recommendation will be added to the Special Study if/when the Novato Area Municipal Service Review is approved:	Marin LAFCo recommends that the Novato Fire Protection District and the Marinwood CSD engage in discussions to determine each agency's willingness to enter into a joint feasibility study to explore the possibility of consolidating Marinwood CSD's fire and emergency medical services provision into the NFPD
San Rafael Fire		SRFD provided detailed comments requesting clarification of MWPA governance and emergency preparedness roles, clerical updates to apparatus inventories and organizational information, expanded descriptions of services provided to Marinwood CSD under the JPA agreement, and revisions related to ongoing discussions between SRFD and Marinwood regarding future fire service coordination and potential consolidation.	Staff acknowledged and incorporated any clerical updates and clarifications where appropriate, while noting that prior Commission-adopted recommendations from earlier MSRs cannot be substantively revised within this study. LAFCo also clarified that, while SRFD provides extensive services to Marinwood CSD through contractual agreements, Marinwood CSD remains the legally responsible service provider and must continue to be identified as such within the agency profile. Additionally, LAFCo requested clarification regarding SRFD's statements referencing a long-term objective toward consolidation, as previous discussions with City leadership had indicated no current interest in pursuing a formal consolidation process. Since the release of the Public Draft, the City of San Rafael has indicated that it is willing to work with Marinwood CSD and LAFCo to determine whether there is a better governing structure for fire services in the greater San Rafael area. The Fire Study Recommendations "Status Update" will be revised accordingly.
Inverness Public Utility District		clerical updates to recent changes in staffing	all clerical updates were made
Tiburon Fire Protection District		clerical updates to staffing, apparatus inventory, stations and board members	all clerical updates were made



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Item No. 10 (Business Item)

TO: Local Agency Formation Commission

FROM: Jason Fried, Executive Officer

SUBJECT: Discussion and Possible Decision on CALAFCO Membership for FY 26-27

Background:

At our April meeting, we continued our discussion about what has occurred within CALAFCO over the past year and whether we wanted to continue our membership with the association in FY 26-27. The Commission did not make a decision and wanted staff to bring this back at our June meeting, for an analysis of the benefits of being CALAFCO members.

In FY 26-27, our dues for CALAFCO will be \$5,703. With membership, we get several benefits which include, but are not limited to: discounted rates to the Annual Conference, Staff workshop, and free access to CALAFCO U; access to various listservs; Mentorship program; access to responses to CALAFCO surveys; and the legislative committee to help us understand actions occurring at the state capital. In addition, they are testing out this year doing an SB 827 training. If successful, they may look to do other trainings in the future. The SB 827 training is being offered to all members for free.

Since our last meeting, the CALAFCO staff workshop has occurred. During that workshop, a session was held about the regional structure. From that discussion, the committee assigned to review a possible change in regions is reviewing all the information received and should have the next steps by August. The CALAFCO Board also held a meeting on May 15. During the meeting, a couple of key discussions occurred about the future of CALAFCO. First, after much discussion, the Board agreed to create a committee to review the dues structure. There was, however, a discussion about when this group would start. The committee was created with just current CALAFCO Board members, but they plan to open the committee to others to join, with approving new non-board members at its next meeting in August. Some of the Board wanted to start meeting to start this committee meeting ASAP, while others thought that this committee should not start until the new fiscal year or until its August meeting, when non-board members would be approved to serve. As of the writing of this, no meeting has been announced for this group. The second item was around the cost charged to non-members to attend CALAFCO activities like the conference and CALAFCO U. The exact increase is not known, but the Board approved giving the Executive Director the ability to increase what CALAFCO charges non-members to attend events it holds in the future. One board member suggested not allowing non-CALAFCO members to attend certain events, such as the staff workshop.

To help answer the question the Commission raised on a cost analysis of CALAFCO, staff did a cost breakdown for items that have monetary value and a review of non-monetary items. For

monetary items such as the Conference, Staff Workshop, and CALAFCO U, we could still attend but would pay a higher price. FY 26-27 prices are not known for these items, so to keep an apples-to-apples comparison, our FY 25-26 CALAFCO dues are \$5,537. For FY 25-26 Conference, nonmembers paid \$300 more to attend the whole conference and \$200 more if you attend just one day. The staff workshop that just occurred saw a \$290 difference in price between members and non-members. Normally, we have 2-3 staff/commissioners attend the Conference, and 2-3 staff attend the workshop. At a \$300 per person difference, that means we would be paying \$600-\$900 more than we do now to attend each Conference or workshop at the current price difference. In an average year attendance, that means \$1,200-\$1,800 we would pay to attend the conferences and workshops. Now, while we do average 2-3 attendees per conference, a few years ago at the conference we did have 5 people attend the full conference, and 1 person attended just for one day, which at today's pricing would have been \$1,700 if we were to repeat that. The unknown at this point is what the cost will be in the future, given the recent board approval to increase future costs for nonmembers. The suggestion seems to make staff believe that they will look to double the cost for nonmembers' attendance, so using the same calculations as above could mean, for conferences, \$1,600-\$2,400 and for staff workshops, \$1,340-\$2,010 would be the difference for 2-3 people to attend each one, which is what our current attendance rate is. This is just a guess for now since we don't have actual numbers to look at or a discussion about whether we should send as many people if we are not members.

While the conference and staff workshop can be calculated, CALAFCO U is a little more difficult. The CALAFCO U is free for members, and this year it is \$125 for non-members. Staff tend to sign up for these since they are free, but not sure how staff would sign up for it if there was a cost associated with them. In addition, Commissioners sign up on their own for CALAFCO U, so not sure how many of you sign up for these and how many would if it costs money.

For the other items, we would likely need to find alternatives or go without. The listserv is a good place for staff to ask questions of others to see how they deal with an item or get general information. Staff could email the other LAFcos outside of the listserv, but other LAFcos may or may not give the same level of response. Right now, we have not had staff sign up to be a mentee in the Mentorship program, so in the future, if we had new staff, we could, in theory, ask other LAFco staff we have relationships with to be a mentor outside of the program, but we would likely not be there to get the assistance the program now offers. The legislation activities are probably the biggest item we would not easily be able to replace. The four southern LAFco have formed their own group and have hired their own lobbyist. If they would be willing to allow others to join, and in our case, at a lower rate than what they pay, would be a question that would only be answered if we were to formally ask them. Alternatively, it is staff understanding that we could sign up for the same bill tracking system CALAFCO uses for \$100 to track up to 50 bills, but we would need to identify which bills to track, which can be a huge task, not to mention not knowing when spot bills change to something we need to track. For trainings, in areas like SB 827, we do have access to free trainings through our membership with CSDA, so this new area of CALAFCO we have historically covered through other means.

Since our last LAFco meeting, Fresno LAFco has decided to leave CALAFCO. No other LAFco has said they are leaving, and no other LAFco has said they are returning. This means if

nothing else changes, LA LAFCo will be returning, and Fresno LAFCo will be leaving the association.

Finally, attached is the latest CALAFCO member update for your review of recent activities of CALAFCO.

Staff Recommendation for Action

Staff views membership in CALAFCO as a policy decision for the Commission to make. The Commission does need to instruct staff at this meeting if we should continue our membership, so we know if we should pay membership dues in July.

Attachments:

1. CALAFCO Member Update May 2026

Since the March Quarterly Newsletter, CALAFCO has stayed busy on the work that matters most to members: education and training, legislative advocacy, communications improvements, governance implementation, and day-to-day support for LAFCOs of every size and region.

One thing has become especially clear this year: members truly value staying connected with colleagues across California. Workshops, trainings, and committee discussions give commissioners, staff, and partners, whether you are new to LAFCO work or have decades of experience, the chance to share ideas, learn from one another, and build lasting relationships.

HERE'S WHERE THAT STANDS.

Board Governance and Strategic Planning:

Following the Special Membership Meeting in February, the Board has been putting into place the governance changes the membership approved earlier this year.

Those changes take effect with the 2026 election cycle.

In February, the Board also held a full-day strategic planning workshop focused on governance, communications, education, and strengthening member involvement and statewide coordination.

Staff will begin distributing election materials this summer as CALAFCO prepares for the 2026 Board election cycle under the newly adopted governance structure.

Educational Programs Continue to Grow:

Interest in CALAFCO's education and training programs keeps growing.

In February, CALAFCO-U hosted LAFCO 101 with more than 100 registrants, and in April, LAFCO 201 drew another 100-plus participants for a deeper look at governance, legal, and operational topics. It is great to see so many members learning side by side.

CALAFCO also launched free, on-demand SB 827 ethics compliance training in partnership with BBK and Regional Government Services. The training is available to every member through December 31, 2026. If your team hasn't completed it yet, there is still plenty of time.

Staff Workshop in Pismo Beach: The 2026 CALAFCO Staff Workshop was held May 6-8 in Pismo Beach with approximately 85 attendees from throughout California, and was a huge success!

The workshop centered on practical, hands-on discussions and peer learning, giving LAFCO staff from large multi-county offices to single-staff LAFCOs time to connect and work through the day-to-day challenges so many of us share.

A special thank you again to San Luis Obispo LAFCO for serving as the host LAFCO and helping make the workshop a success.

2026 Biennial Survey: CALAFCO also completed its 2026 Biennial Survey of California LAFCOs, with 51 LAFCOs participating.

The survey offers valuable statewide insight into staffing models, budgets, workloads, shared services, and operational trends. LAFCOs of all sizes use the results for benchmarking, organizational planning, budget development, and compensation discussions.

Legislative Engagement Remains Strong: CALAFCO's Legislative Committee is actively reviewing legislation that affects LAFCOs and the local government services communities rely on across California. This work draws on the combined efforts of CALAFCO staff, Board members, Executive Officers, and our lobbying team. There is always room for more members to weigh in, and we welcome your input.

The CALAFCO Legislative Committee also formally opposed AB 2083 (Jackson, 2026) due to concerns regarding consistency with existing Cortese-Knox-Hertzberg processes and the broader precedent the legislation could create for future LAFCO proceedings statewide.

Membership and Organizational Sustainability: At the May Board meeting, the Board approved CALAFCO's FY 2026-27 operating budget and approved moving forward with additional discussions regarding CALAFCO's long-term dues and membership structure.

The Board also approved the creation of a Membership and Dues Review Committee, with appointments expected later this summer. The review will look closely at CALAFCO's membership and dues structure with fairness, predictability, member value, and long-term financial stability all on the table. We especially want to hear from LAFCOs of every size as this work moves forward, and there will be several opportunities for members to share their perspectives.

Communications and Website Improvements: Staff have also started implementing several practical website and communications improvements in response to member feedback. Current efforts are focused on simplifying key pages, improving the visibility of events and updates, and organizing information more clearly to make the website easier for members to navigate and use.

Planning Ahead: The Board also approved the locations for the 2027-2029 Staff Workshops and Annual Conferences, allowing staff to continue long-range planning for future events and contracts. Planning is also underway for the 2026 CALAFCO Annual Conference in Sacramento, October 21-23. The Board approved updated Achievement Award nomination materials, including several new categories that recognize emerging leaders, creative partnerships, and project-based work across the LAFCO community. We encourage every LAFCO to consider nominating a colleague. Great work happens at organizations of all sizes. Nomination materials will be distributed in June.

SO, WHAT'S NEXT:

Between now and the Annual Conference, CALAFCO's focus remains straightforward:

- 1) Put the membership-approved governance changes fully into effect.
- 2) Keep improving our communications and website so information is easy to find.
- 3) Strengthen financial reporting and day-to-day operations.
- 4) Expand practical education and training opportunities for members at every level.
- 5) Prepare for the 2026 Annual Conference and 2026 Board election cycle.

CALAFCO There's still important work ahead, but CALAFCO is clearly moving in a positive direction. Our focus remains on doing the work well, communicating openly, following through, and delivering practical support and real value to LAFCOs of every size across California.

What makes CALAFCO valuable is the willingness of commissioners, staff, and partners throughout California to stay involved, share ideas, and support one another. Whether your LAFCO is large or small, urban or rural, your voice and participation strengthen the whole community.

As always, I'm grateful for the support, participation, and engagement of LAFCOs across California. I warmly welcome those of you who are newer to CALAFCO or simply looking for ways to get more involved.

Michelle McIntyre



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11, 2026

Item No. 11 (Business Item)

TO: Local Agency Formation Commission

FROM: Mala Subramanian, General Counsel

SUBJECT: Third Amendment to Executive Officer's Employment Agreement

Background

The Commission approved an Employment Agreement for Executive Officer's Services with Jason Fried, effective January 2, 2019. Over the years, there have been numerous amendments to the Employment Agreement, and the Commission entered into a new Employment Agreement with Mr. Fried effective July 1, 2023 ("Employment Agreement"). The Commission entered into a First Amendment to the Employment Agreement, effective July 1, 2024, and a Second Amendment to the Employment Agreement, effective June 12, 2025. The Commission now desires to amend the Employment Agreement to extend the term and provide for a bonus.

Discussion

The term of the Agreement expires on June 30, 2026. The Third Amendment provides for a three-year extension of the term to June 30, 2029.

The Agreement provides that the Executive Officer is eligible to earn and be considered for a performance-based bonus each fiscal year. The Board has decided to award the Executive Officer a \$2,060 bonus for Fiscal Year 25/26.

Recommendation

Authorize the Chair to execute the Third Amendment to the Employment Agreement.

Attachments:

1. Executive Officer Employment Agreement
2. First Amendment to the Employment Agreement
3. Second Amendment to the Employment Agreement
4. Third Amendment to the Employment Agreement

Administrative Office

Jason Fried, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E: staff@marinlafco.org
www.marinlafco.org

Dennis Rodoni, Vice-Chair
County of Marin

Eric Lucan, Regular
County of Marin

County of Marin

Barbara Coler, Chair
Town of Fairfax

Steve Burdo, Regular
Town of San Anselmo

Rachel Farac, Alternate
City of Novato

Lew Kiou, Regular
Almonte Sanitary District

Craig Murray, Regular

Cathryn Hilliard, Alternate

Larry Chu, Regular
Public Member

Roger Smith, Alternate
Public Member

423

AGREEMENT

This Agreement (hereinafter referred to as “Agreement”), made and entered into on the latest date of signature below by and between the Marin Local Agency Formation Commission, an Agency established by the State of California (hereinafter referred to as “Commission”) and Jason Fried (hereinafter referred to as “Employee”), to appoint Employee as the duly appointed EXECUTIVE OFFICER of the Commission shall be effective July 1, 2023.

RECITALS

1. Through action of its membership on December 13, 2018, the Commission voted to extend Employee appointment as EXECUTIVE OFFICER of the Commission effective January 2, 2019.
2. The Commission and the EXECUTIVE OFFICER have entered into numerous amendments to the Employment Agreement that was effective January 2, 2019 and desire to enter into a new Agreement to provide certain benefits, establish certain conditions of employment, and set working conditions of said EXECUTIVE OFFICER.
3. In consideration of the mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

Section 1. Duties.

The powers and duties of the EXECUTIVE OFFICER shall be as those described generally in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 codified at Section 56000 et seq. of the California Government Code, and any local standards, policies, guidelines or procedures adopted by the Commission. In addition the Commission may direct the EXECUTIVE OFFICER to perform other legally permissible and proper duties and functions as the Commission shall from time to time assign to carry out the functions of the Commission.

Section 2. Salary.

Commission agrees to pay Employee for his services rendered pursuant hereto an annual base salary of \$177,625.76 (ONE HUNDRED SEVENTY-SEVEN THOUSAND SIX HUNDRED TWENTY-FIVE DOLLARS AND SEVENTY-SIX CENTS), payable in accordance with the Commission’s standard payroll practices. Effective Fiscal Year 2024/25 and thereafter, Employee shall be entitled to receive any cost-of-living salary adjustments (COLA) that are awarded to Commission staff, as of the effective date any such COLA is made effective for staff. As part of the annual performance evaluation, Employee shall also be eligible for merit-based increases in compensation, if any, as determined by the Commission.

Hours of Work

Employee is expected to generally be working and available during regular business hours, as well as at any other time needed to carry out the duties of the position. In accordance with Section 6.2a of the Personnel Policy Handbook, Employee generally works a 9/80 schedule. In light of his exempt status and the nature of his position, Employee's schedule of work each day and week may vary in accordance with the work required to be performed and in accordance with any specific direction provided by the Commission. Employee understands and agrees that he is an exempt executive management employee, and that he shall not be entitled to any additional compensation and/or time off as a result of working more than 40 hours in any given week. It is recognized that work in some weeks may exceed 40 hours and, conversely, work in other weeks may be less than 40 hours. Employee is expected to work the hours required to get the job done.

Section 3. Full Energy and Skills; Conflicts

Employee shall faithfully, diligently, and to the best of Employee's abilities, perform all duties that may be required under this Agreement. Employee agrees that Employee has a duty of loyalty and a general fiduciary duty to the Commission. Absent advance written permission from the Commission, Employee shall devote the whole of Employee's working time, skill, experience, knowledge, ability, labor, energy, attention, and best effort exclusively to the Commission's business and affairs.

Employee shall not engage in any employment, activity, consulting service, or other enterprise, for compensation or otherwise, which is actually or potentially in conflict with, inimical to, or which interferes with the performance of Employee's duties.

Section 4. Paid Leave – Vacation, Sick Leave, and Holidays.

Employee shall accrue vacation, sick leave, and holidays, as provided in the Commission's Personnel Policy Handbook. The terms and conditions of accrual, use, and payment of those types of paid leave for Employee are set forth in the handbook policies for each type of leave, as those policies may be amended from time to time.

Section 5. Benefits.

The Commission agrees to provide to Employee a benefit package consistent with County of Marin unrepresented employees with a similar classification (bargaining group 21-01) to be used to pay the cost of benefits which include, but are not limited to disability, health, life, vision, and dental plans. Employee recognizes and agrees that Employee contributions to the dental, vision services and basic life insurance plans are mandatory. Health insurance contributions are

also mandatory absent Employee providing annual documentation demonstrating qualifying alternative coverage.

Section 6. Pension and Retiree Health Care.

Employee is a mandatory member of the Marin County Employees Retirement System (MCERS or MCERA), in Tier 3 thereof, for the purposes of pension and retiree health care, as the terms and provisions of such Tier 3 exist upon the execution of this Agreement. Notwithstanding the preceding, it is anticipated that the Commission will explore the option of enrolling Employee in a defined benefit plan administered by CalPERS in lieu of continued participation in MCERS or MCERA.

Section 7. Expenses, Phone and Mileage.

The Commission agrees to reimburse Employee for work-related expenses for purposes including, but not limited to, professional dues and subscriptions, professional development, meal expenses, travel to approved conferences or seminars, and general expenses of a job related and non-personal nature subject to reasonable control and budgetary approval by the Commission. All reimbursements must be based on receipts and similar documentation. Commission shall provide, at its expense, a cell phone and cell phone service package to Employee for Commission business. Commission shall provide an auto allowance of \$350 per month, paid as wages and subject to appropriate withholdings and deductions, for expenses incurred for mileage due to job-related local travel.

Section 8. Performance Evaluation.

A. The Commission shall review and evaluate the performance of the Employee at least once annually, around the time of his anniversary date. Said review and evaluation shall be in accordance with specific criteria developed jointly by the Commission and Employee, consistent with Commission's adopted Policies, Procedures and Guidelines. Said criteria may be added to or deleted from as the Commission may from time to time determine, in consultation with Employee. Further, the Chair of the Commission shall provide Employee with a written summary statement of findings of the Commission and provide an adequate opportunity for the Employee to discuss his evaluation with the Commission. In its discretion, the Commission can also provide Employee with informal evaluations or performance feedback at any time deemed appropriate by the Commission.

B. Annually, the Commission and Employee shall define such goals and performance objectives that they determine necessary for the proper operation of the Commission and shall further establish a relative priority among those various goals and objectives.

Section 9. Term, Termination, and Potential Severance.

A. This Agreement shall expire on June 30, 2026 unless terminated earlier in accordance with this provisions.

B. Employee recognizes and agrees that the position of EXECUTIVE OFFICER to the Commission is “at will,” that he serves at the pleasure of the Commission, and that he has no property interest in such employment but rather may be terminated or asked to resign by the Commission at any time, with or without cause, and with or without advance notice. Either party may terminate this Agreement at any time upon two (2) weeks written notice to the other party in the sole discretion of the party seeking to terminate this agreement.

C. Subject to this subsection and subsection D below, should Employee be terminated or asked to resign in lieu of termination he shall receive four (4) pay periods of salary, subject to payroll deductions and withholdings. Any payments provided under this section are expressly conditioned on Employee’s written release of any and all claims against the Commission, its Board members, officers and employees, in a form prepared by the Commission. Further, any payments under this section are subject to and must comply with the limitations set forth in Government Code Sections 53260 and 53243-53243.4.

D. If the termination of Employee is the result of gross mismanagement and/or an act or acts of moral turpitude, Employee shall not be eligible for or paid any severance pay. In such an instance, Employee’s sole remedy shall be a judicial action in declaratory relief to determine whether there was substantial evidence of gross mismanagement and/or an act or acts of moral turpitude. If the court determines there was not substantial evidence, Employee shall receive the severance pay provided in this Section 12, but no other damages.

Section 10. Indemnification.

In accordance with statutory indemnification applicable to the EXECUTIVE OFFICER through Marin County Code and/or State and Federal statutes, the Commission, shall defend, hold harmless and indemnify Employee against any tort, professional liability claim or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance by Employee of his duties. The Commission may, in its discretion, compromise and settle any such claim or suit, and will pay the amount of any settlement or final judgment rendered against Employee occurring in the performance of his duties as EXECUTIVE OFFICER.

Section 11. Other Terms and Conditions.

The Commission, with the mutual consent of Employee, may fix any such other terms and conditions of employment, as it may determine from time to time, provided such terms and

conditions are not inconsistent with or in conflict with the provisions of this Agreement or any law.

Section 12. Notices.

Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, First Class postage prepaid, or by traceable overnight delivery service (FedEx or equivalent), addressed as follows:

A. COMMISSION:

Chair
Marin Local Agency Formation Commission
1401 Los Gatos Drive, Suite 220
San Rafael, CA 94903

B. EXECUTIVE OFFICER:

Jason Fried
[Address on file]

Alternatively, notices required pursuant to this agreement may be personally served in the same manner as if applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service, or as of the date of deposit of such written notice with the United States Postal Service or overnight delivery service.

Section 13. General Provisions.

A. The text of this Agreement shall constitute the entire agreement between the parties, and it supersedes any and all prior or contemporaneous agreements, representations and understandings of the parties. This Agreement may be amended at any time by mutual agreement of the parties, but any such amendment must be in writing, dated, and signed by the parties.

B. Employee may not assign this Agreement in whole or in part.

C. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.

D. This agreement shall become effective on the latest date of signature below.

E. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Employee and City agree that venue for any dispute shall be in Marin County, California.

F. If any provision or any portion thereof contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this agreement or portion thereof shall be deemed severable, shall not be affected and shall remain in full force and effect.

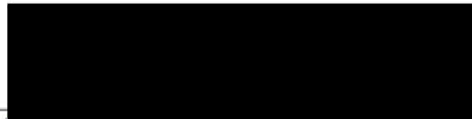
G. The headings on each of the sections and subsections of this Agreement are for the convenience of the parties only and do not limit or expand the contents of any such section or subsection.

IN WITNESS WHEREOF, the Marin Local Agency Formation Commission has caused this agreement to be signed and executed on its behalf by its Chair.



LEW KIOUS, CHAIR
MARIN LOCAL AGENCY FORMATION
COMMISSION

Date: 8/10/23



JASON FRIED, EMPLOYEE

Date: 8/10/23

Approved as to form:



MALA SUBRAMANIAN,
COMMISSION COUNSEL

Date: 8-10-23

FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

This First Amendment to the Employment Agreement for Executive Officer ("First Amendment") is made and entered into as of June 13, 2024, by and between the Marin Local Agency Formation Commission, an Agency established by the State of California (hereinafter referred to as "Commission") and Jason Fried (hereinafter referred to as "Employee") and duly appointed EXECUTIVE OFFICER of the Commission.

RECITALS

The Commission and Employee entered into an agreement, effective July 1, 2023 to provide certain benefits, establish certain conditions of employment, and set working conditions of Employee to serve as EXECUTIVE OFFICER ("Agreement").

The Commission and Employee now desire to amend the Agreement in order to increase compensation.

In consideration of the mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

1. **Salary.** The first paragraph of Section 2 entitled "Salary" is hereby amended in its entirety as follows:

"Effective July 1, 2024, Commission agrees to pay Employee for his services rendered pursuant hereto an annual base salary of \$179,402.02 (ONE HUNDRED SEVENTY-NINE THOUSAND FOUR HUNDRED TWO DOLLARS AND TWO CENTS), payable in accordance with the Commission's standard payroll practices. In addition, effective Fiscal Year 2024/25 and thereafter, Employee shall be entitled to receive any cost-of-living salary adjustments (COLA) that are awarded to Commission staff, as of the effective date any such COLA is made effective for staff. As part of the annual performance evaluation, Employee shall also be eligible for merit-based increases in compensation, if any, as determined by the Commission."

2. Except as amended herein, all provisions of the Agreement shall remain in full force and effect and shall govern the actions of the parties under this First Amendment.

3. This First Amendment may be signed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment as of the date first herein above written.

By: 
BARBARA COLER, CHAIR
MARIN LOCAL AGENCY FORMATION
COMMISSION

By: 
JASON FRIED, EMPLOYEE

SECOND AMENDMENT TO EMPLOYMENT AGREEMENT

This Second Amendment to the Employment Agreement for Executive Officer (“Second Amendment”) is made and entered into as of June 12, 2025, by and between the Marin Local Agency Formation Commission, an Agency established by the State of California (hereinafter referred to as “Commission”) and Jason Fried (hereinafter referred to as “Employee”) and duly appointed EXECUTIVE OFFICER of the Commission.

RECITALS

The Commission and Employee entered into an agreement, effective July 1, 2023 to provide certain benefits, establish certain conditions of employment, and set working conditions of Employee to serve as EXECUTIVE OFFICER (“Agreement”).

On June 13, 2024, the Commission adopted a First Amendment to the Agreement (“First Amendment”) to increase compensation.

The Commission and Employee now desire to further amend the Agreement to provide for a bonus.

In consideration of the mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

1. **Performance Evaluation.** Subsection C. of Section 8 of the Agreement entitled “Performance Evaluation” is hereby added in its entirety as follows:

“C. Based on Employee’s performance, Employee is eligible to earn and be considered for a performance-based bonus each fiscal year. In connection with Employee’s annual performance evaluation, the Board may determine to award Employee a bonus based his performance rendered in the prior year. When making this determination (both as to whether to award a bonus and, if so, the appropriate amount), the Board may consider the following criteria:

- Employee’s attainment of identified goals and objectives;
- Leadership ability in providing oversight and direction to the LAFCO employees;
- Responsiveness to Board, relevant stakeholders, and members of the public;
- Other relevant factors as determined by the Commission.

The determination of a bonus (and, if a bonus is awarded, the amount of the bonus) is committed to the Board’s exclusive discretion. Even with a positive performance evaluation, Employee is not guaranteed the receipt of any bonus in any amount.

2. **Fiscal Year 2024/25 Bonus:** In consideration of the above criteria, the Board determines that Employee shall receive a bonus in the amount of \$1,000.00 for FY 24/25, payable with the next regularly scheduled payday following the execution of this Second Amendment.

3. Except as amended herein, all provisions of the First Amendment and the Agreement shall remain in full force and effect and shall govern the actions of the parties under this Second Amendment.

4. This Second Amendment may be signed in counterparts, each of which shall constitute an original.

[Signatures on following page]

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Employment Agreement as of the date first herein above written.

By: _____

BARBARA COLER, CHAIR
MARIN LOCAL AGENCY FORMATION
COMMISSION

By: _____

JASON FRIED, EMPLOYEE

THIRD AMENDMENT TO EMPLOYMENT AGREEMENT

This Third Amendment to the Employment Agreement for Executive Officer (“Third Amendment”) is made and entered into as of June 11, 2026, by and between the Marin Local Agency Formation Commission, an Agency established by the State of California (hereinafter referred to as “Commission”) and Jason Fried (hereinafter referred to as “Employee”) and duly appointed EXECUTIVE OFFICER of the Commission.

RECITALS

The Commission and Employee entered into an agreement, effective July 1, 2023 to provide certain benefits, establish certain conditions of employment, and set working conditions of Employee to serve as EXECUTIVE OFFICER (“Agreement”).

On June 13, 2024, the Commission adopted a First Amendment to the Agreement (“First Amendment”) to increase compensation.

On June 12, 2025, the Commission adopted a Second Amendment to the Agreement (“Second Amendment”) to provide for a bonus.

The Commission and Employee now desire to further amend the Agreement to extend the term and provide for a bonus.

In consideration of the mutual promises and covenants hereinafter contained, the parties do hereby agree as follows:

1. **Term.** Subsection A. of Section 9 of the Agreement entitled “Term, Termination, and Potential Severance” is hereby amended in its entirety as follows:

“A. This Agreement shall expire on June 30, 2029 unless terminated earlier in accordance with this Section.”

2. **Fiscal Year 2025/26 Bonus:** In consideration of the performance evaluation criteria, the Commission determines that Employee shall receive a bonus in the amount of \$2,060.00 for FY 25/26, payable with the next regularly scheduled payday following the execution of this Third Amendment.

3. Except as amended herein, all provisions of the Second Amendment, First Amendment and the Agreement shall remain in full force and effect and shall govern the actions of the parties under this Third Amendment.

4. This Third Amendment may be signed in counterparts, each of which shall constitute an original

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to the Employment Agreement as of the date first herein above written.

By: _____
BARBARA COLER, CHAIR
MARIN LOCAL AGENCY FORMATION
COMMISSION

By: _____
JASON FRIED, EMPLOYEE



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11, 2026

Executive Officer Report – Section A

TO: Local Agency Formation Commission

FROM: Jason Fried, Executive Officer

SUBJECT: Budget Update for FY 2025-2026

Background

LAFCo adopted a budget for FY 2025-2026 totaling \$704,953.00. From July 1, 2025, through May 31, 2026, LAFCo has spent \$583,412.11. This report covers 11 months, which is about 92% of the year. We have already spent 83% of our budget this year. You will note that three items are higher than the expected amount for where we are, being eleven months into the FY. One line item, Office Lease/Rent (45), is because this includes the June rent check, so no more money will be spent in this FY for this line item. The second line item, Conferences (10), will end up \$471.54 over budget by year's end. When the budget committee met earlier this year, we knew this line item may go over budget by a few hundred dollars. Instead of adjusting line items, the Committee decided that if we go over budget that we should acknowledge this slight overage. Now that all costs are in for the staff workshop attendance, we will be slightly over for this line item for the year due to increase in costs to attend conferences. The third line over budget for this time of year is County of Marin – Group Health (120), which covers the various benefits the commission provides to staff which is just over at 100%. When we do our budget, we do not know what the following calendar year's benefits costs exact amount will be, so we use a generic estimate. That estimate was a little low for the increases we have seen for 2026 benefit costs. We still have one more month of payments left which will likely put us \$3,000 to \$4,000 over budget on this line item.

Overall, even with 2 line items being over budget, we should still be under budget as a whole for this FY.

Attachment:

1. FY 2025-2026 Budget Report

Marin Local Agency Formation Commission
FY26 Budget Report
July 1, 2025 - June 30, 2026

Account	Actual	Budget	Over/ (Under) Budget	% of Budget
Income				
400 Agency Contributions	605,170.01	605,170.00	0.01	100%
410 Prior Year Carryover	99,783.00	99,783.00	0.00	100%
Total Income	\$704,953.01	\$704,953.00	\$0.01	100%
Expenses				
Salary and Benefit Costs				
100 Salaries	356,981.12	419,000.00	(62,018.88)	85%
120 County of Marin - Group Health	39,375.82	39,250.00	125.82	100%
130 MCERA / Pension	44,038.77	52,000.00	(7,961.23)	85%
140 Retiree Health	1,450.00	6,000.00	(4,550.00)	24%
Total for Salary and Benefit Costs	\$441,845.71	\$516,250.00	-\$74,404.29	86%
Services and Supplies				
05 Commissioner Per Diems	6,375.00	9,000.00	-2,625.00	71%
10 Conferences	10,471.54	10,000.00	471.54	105%
15 General Insurance	6,972.98	7,500.00	-527.02	93%
20 IT & Communications Services	20,241.64	26,000.00	-5,758.36	78%
25 Legal Services	15,601.29	35,000.00	-19,398.71	45%
30 Memberships & Dues	7,409.00	8,500.00	-1,091.00	87%
35 Misc Services	3,017.99	3,500.00	-482.01	86%
40 Office Equipment Purchases	0.00	4,139.00	-4,139.00	0%
45 Office Lease/Rent	38,364.00	38,364.00	0.00	100%
50 Office Supplies & Postage	1,466.47	3,500.00	-2,033.53	42%
55 Professional Services	30,491.62	36,500.00	-6,008.38	84%
60 Publications/Notices	224.00	1,500.00	-1,276.00	15%
70 Training	49.00	1,700.00	-1,651.00	3%
75 Travel - Mileage	881.87	3,500.00	-2,618.13	25%
Total for Services and Supplies	\$141,566.40	\$188,703.00	-\$47,136.60	75%
Total for Expenses	\$583,412.11	\$704,953.00	-\$91,648.20	83%
Net Operating Income	\$121,540.90	\$0.00	-\$183,767.94	

Marin Local Agency Formation Commission
FY26 Budget Report
July 1, 2025 - June 30, 2026

Account	Actual	Budget	Over/ (Under) Budget	% of Budget
Other Income				
800 Interest Earnings	3,456.45	0.00	3,456.45	
810 Fees for Services	6,840.02	0.00	6,840.02	
820 Belvedere/Tiburon Special Study	25,683.09	0.00	25,683.09	
830 Remubursed GIS Apps	660.00	0.00	660.00	
Total for Other Income	\$36,639.56	\$0.00	\$36,639.56	
Other Expenses				
920 Belvedere/Tib Special Study	22,785.97	0.00	22,785.97	
930 Reimburseable GIS Apps	660.00	0.00	660.00	
Total for Other Expenses	\$23,445.97	\$0.00	\$23,445.97	
Net Other Income	\$13,193.59	\$0.00	\$13,193.59	
Net Income	\$134,734.49	\$0.00	\$134,734.49	



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Executive Officer Report B

TO: Local Agency Formation Commission

FROM: Claire Devereux, Clerk/Jr. Policy Analyst

SUBJECT: Current and Pending Proposals

Background

The Commission is invited to discuss the item and provide direction to staff on any related matter as needed for future discussion and/or action.

File #1396: This application, submitted by the Novato Fire Protection District, which proposes the annexation of unincorporated land into the Novato Sanitary District. We are currently waiting on updated Map and Legal Description.

Attachment

1. Chart of Current and Pending Proposals

Current and Pending Proposals

File #	Status	Proposal	Description	Government Agency	Latest Update
1396	Pending	Annexation of 450 Atherton Ave., Novato into Novato Sanitary District	Landowners are requesting approval to annex one parcel, approximately 4.56 acres, to the Novato Sanitary District. The application has situs addresses of 450 Atherton Ave., Novato, with APN 143-350-47	Novato Sanitary District	Currently waiting on corrected Map and Legal Descriptions
1395	Approved	Annexation of 673 Atherton Ave., Novato into Novato Sanitary District	Landowners are requesting approval to annex one parcel, approximately 1.06 acres, to Novato Sanitary District. The application has situs addresses of 673 Atherton Ave., Novato with APN 143-101-34	Novato Sanitary District	Approve on 2/12/26
1394	Approved	Annexation of 2349 Novato Blvd. into Novato Sanitary District	Landowners (Sheedy) are requesting approval to annex two parcels, approximately 8.3 acres, to Novato Sanitary District. The application has situs addresses of 2349 Novato Blvd, Novato with APN's 132-031-04 & -08	Novato Sanitary District	Approved on 10/09/25
1393	Approved	Annexation of 280 Mesa Rd. into Bolinas Community Public Utility District	Landowner (Monroe) is requesting approval to annex one parcel, approximately 9.95 acres, to Bolinas Community Public Utility District to gain water connection after the purchase of water rights. The parcel has a situs address of 280 Mesa Rd. and APN: 188-170-53	Bolinas Community Public Utility District	Approved on 8/14/25
1392	Approved	Annexation of 4301 Paradise Dr into Sanitary District No. 2 of Marin County	Tiburon Fire Protection District is requesting approval to annex one parcel approximately .69 acres, for the remodel and update of the firehouse. The parcel has a situs address of 4301 Paradise Dr and APN 034-291-28 & 38	Sanitary District No. 2 of Marin County	Approved on 8/14/25



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

June 11th, 2026

Executive Officer Report C

TO: Local Agency Formation Commission

FROM: Jason Fried, Executive Officer
Jeren Batchelder-Seibel, Deputy Executive Officer
Claire Devereux, Clerk/Jr. Policy Analyst

SUBJECT: Marin LAFCo Work Plan

Background

The Commission is invited to discuss the item and provide direction to staff on any related matter as needed for future discussion and/or action.

Updates from the last meeting are highlighted in Orange.

The following significant changes were made to the chart:

1. As was discussed at our last Commission meeting, the three member agencies that make up the Central Marin Sanitation Agency (CMSA), which include Ross Valley Sanitary District (RVSD), Sanitary District #2 (SD2), and San Rafael Sanitary District (SRSD), have all approved similar resolutions requesting LAFCo take a lead role in a possible consolidation of all four groups into one agency. Staff is currently working with the agencies to create a shared cost agreement and understanding of responsibilities. Staff is looking to bring this agreement to a future Commission meeting review and approval.
2. When RVSD was approving the aforementioned resolution in item 1, its board separately also authorized its staff to work with the County and LAFCo on the consolidation of the San Quentin Village Sewer Maintenance District (SQVSMD) into RVSD. As part of the approval, RVSD board instructed staff to do this annexation without the prison being part of the application. We have not started work on this item yet but anticipate this work starting soon.
3. While not needing LAFCo approval, the County Flood District has started the process to dissolve Zone 10 (West Marin) as was recommended by LAFCo as one option in our West Marin MSR.
4. The initial archival upload phase for applications has been completed. Applications from 2023, dating back to 2000, are now on the website.
5. The Marin County Fire Services draft has been updated to incorporate commissioner comments and additions. It was presented on today's agenda and has been released for public comment.
6. The Novato Area MSR is being presented at this evening's meeting.

Attachment

1. Marin LAFCo Work Plan

Administrative Office
Jason Fried, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E: staff@marinlafco.org
www.marinlafco.org

Dennis Rodoni, Vice-Chair
County of Marin

Eric Lucan, Regular
County of Marin
Stephanie Moulton-Peters, Alternate
County of Marin

Barbara Coler, Chair
Town of Fairfax

Steve Burdo, Regular
Town of San Anselmo
Rachel Farac, Alternate
City of Novato

Lew Kiou, Regular
Almonte Sanitary District

Craig Murray, Regular
Las Gallinas Valley Sanitary District
Cathryn Hilliard, Alternate
Southern Marin Fire Protection District

Larry Chu, Regular
Public Member

Roger Smith, Alternate
Public Member

Staff currently working on			
Possible Consolidation of Ross Valley Sanitary District (RVSD), Sanitary District 2 (SD2), San Rafael Sanitation District. (SRSD) into one district	Jason	LAFCo has mentioned in pervious MSR that the three members of Central Marin Sanitary Agency (CMSA) should consolidate into one larger agency. Last year the staff of the three agencies started discussion about what that could look like asking LAFCo staff some questions. This year LAFCo staff was asked to join a meeting on this. The conclusion of that meeting is that staff for each agency will take to there agency board in April a resolution in support of such an concept.	All agencies involved have passed resolutions requesting LAFCo take a lead role in the possible consolidation. Staff is currently working with the agencies to create a share cost agreement and understanding of responsibilities. Staff is looking to bring to the Commission at a future meeting items for its review and approval.
Novato Area MSR	Jeren	Novato Area Municipal Service Review	Public comment closed on the draft on May 15th, and the final draft is being presented at today's meeting.
Countywide Fire Study	Claire	Perform a phased review of fire services in Marin County.	The Marin County Fire Services draft has been updated to incorporate commissioner comments and additions, it was presented on today's agenda, and has been released for public comment.
Parcel Boundary Adjustment Tracking	Jeren	In collaboration with the GIS team for the County of Marin, staff is working to track each of the adjustments to parcel boundaries within the County over the course of the next year that impact the boundaries of agencies that Marin LAFCo oversees in order to both confirm that the impacted agencies are aware as well as to garner a better understand of how prevalent these occurrences	Project is ongoing and is updated on a monthly basis.
Split Parcel Project	Jeren/Claire	Following the completion of the GIS topology project, the County GIS staff provided LAFCo staff with 104 instances of split parcels along boundaries of agencies that Marin LAFCo oversees. Staff will now work with the agencies to ensure boundaries are corrected or confirm that they are correct as currently shown.	This project has a lower priority and will be worked on as time permits.
Property Tax Review For Special Districts	Jason/Claire	This is a low-level item for staff to work on. Currently, when parcels are annexed into a district, they get zero of the current ad valorem, so staff will research if there are options, without changing the Master Tax Exchange Agreement, for the district to get additional revenue to cover the cost of service that they get from current parcels from the 1% ad valorem.	This has been a low priority item. Staff will work to complete once fire study is done.
Boundary Fixes	Jason/Claire	Staff has been worked with SD2 earlier this year on a boundary clean-up and presentation to the Marin Sanitary District Association (MSDA) on May 19th around cleaning up shared boundaries of districts along with any internal boundary discrepancies.	Recently, SRSD reached out expressing interest in participating in a boundary clean-up. Staff has met with SRSD reviewed initial steps as well as located parcels needing to be addressed, parcels already formally annexed but not reflected, as well as pulled and reviewed their foreign parcel list. Staff will update this workplan as the process progresses.
Digital Library	Claire	Streamline launched an automatic remediation "plug-in" that we have opted into as we move away from Equidox and manual remediation.	Our website is now compliant with existing web documents. The initial archival upload phase for applications has been completed. Applications from 2023 dating back to 2000 are now on the website.

Strawberry Recreation District (SRD) Reorganization of Dredging Services	Jason	Staff identified in Tiburon Peninsula MSR that SRD has dredging services that are an activity that State Government Code does not explicitly give to a recreation district. SRD and the County, with LAFCo help, are working to see if a County Service Area (CSA) can be created to cover those services.	Staff has meet with the district and volunteer leaders who work on the dredging issue. Since the County has said they have no interest in creating a new CSA they are looking at various independent district options. Staff has provided them a couple of options to look at and the volunteers are reviewing those options to see what makes the most sense for them.
Tiburon Fire Protection District (TFPD) OSA with Belvedere	Jason	As identified in the Tiburon Peninsula MSR, the City of Belvedere currently has an OSA with the TFPD to cover services. In the MSR staff suggests that TFPD boundaries should be extended to cover Belvedere.	Some issues have arisen as Citygate has been doing its review. The report itself has been put on hold as all sides review items to see if a possible annexation is possible.
Las Gallinas Valley Sanitary District (LGVSD) OSA Review	Jason/Jeren	As identified in the Central Marin Wastewater MSR, LGVSD staff has informed LAFCo staff of service being provided to parcels outside of the District's boundary. The District claims to have outside service agreements with the parcel owners, however, at this time LAFCo has no official record of the agreements and needs to collect further information and documentation	Staff has contacted LGVSD staff regarding the necessitated information/documentation and is waiting on a response.
San Quentin Village Sewer Maintenance District (SQVSM) consolidation with RVSD	Jason/Claire	Based on the Central Marin Wastewater MSR, work with district staff on the possibility of consolidating services with RVSD.	On April 22, 2026 RVSD board authorized staff to resume discussions with the County and LAFCo on this item.
Items being monitored by LAFCo staff but not currently working on or Items waiting for something else to occur first			
North Marin Water District (NMWD) OSA Review	Jason	NMWD, back in the late 1970s through the 1980s, requested and received approval for Out of Service Agreements for several parcels in Sonoma County that were too far removed from the NMWD boundary to be annexed into the district, so LAFCo gave approval for OSAs to NMWD to service the properties since the main water line that brings water to the district passed by these parcels. Since then, the City of Petaluma water system has expanded and is now near some of these parcels. NMWD and Marin LAFCo want to see if, given the expansion of the Petaluma system since these approvals were given, it makes more sense now for the City to take on some of these customers.	Staff and NMWD have met last year with the City of Petaluma staff. In January, staff reached back out to the City, which requested more time to review the Urban Growth Boundary issues and whether they can serve any of the parcels in question.
Ross Valley Fire	Jason	As identified in the Upper Ross Valley MSR currently fire services are provided by a JPA in the region. There is a desire to see if there is a different model that would work for the area.	Staff presented at the November meeting of the fire board. Staff will assist as requested in the future.
Flood Zone 10	Jason	When doing the West Marin MSR it was noted that FZ10 was created to deal with an event that occurred in the area. It was given a pot of funds that are mostly spent. As noted in the MSR the zone does not have a funding source so the Flood District, with help form its CAB, should determine if there is work that the local community is willing to fund.	While not needing LAFCo approval the County Flood District has started the process to dissolve Zone 10 (West Marin) as was recommended by LAFCo as one option in our West Marin MSR.
Flood Zone 3	Jason	As noted in Golden Gate MSR there are some issues within the FZ. While not directly LAFCo related staff may be needed to help be a neutral advisor on dealing with these issues.	Staff will monitor this issue as it moves through review process and will assist as requested.
Marin RCD boundary	Jason	As noted in West Marin MSR LAFCo suggested to look at their current boundaries and make some adjustments.	MRCD is currently working on a 5 year plan. Once they have completed that 5 work plan will revisit this item.

Stinson Beach Fire boundary	Jason	As noted in West Marin MSR LAFCo suggested to look at their current boundaries and make some adjustments.	Currently working on others items, they will revisit this once other items are completed and they have time to review.
Dillon Beach Sewer	Jason	Staff has been invited by both the County and NMWD to advise on the possible creation of a new sewer system for the residents of Dillon Beach Village which would require annexation of the area into NMWD	Early planning meetings are occurring and staff is attending as needed. Receiving additional analysis during multi-regional MSR.
San Rafael Sanitary District	Jason	SRSD is currently looking at other staffing models that would have them possibly lead to another agency overseeing its day to day operations with a possible long term goal of consolidation of itself with another agency.	Staff attended the July CMSA meeting to address an interest by one of its members agency on LAFCo ability to do review of staffing issues. Staff will attend any future meeting as requested by our member agencies.
Items that had been worked on where staff has stopped work because they are not likely to happen at this time.			
Paradise Drive	n/a	As identified in the Tiburon Peninsula MSR, Paradise Drive goes through areas that are both incorporated and unincorporated as multiple unincorporated islands exist along it. The road itself does not reflect the parcels around it as far as which jurisdiction it is in.	Not currently working on
San Rafael Area Fire Working group	n/a	Based on San Rafael Area MSR the concept of merging fire services was mentioned. This working group will determine if it is possible and in the best interest of the public and all agencies providing services.	Not currently working on
Angel Island Fire Service	n/a	There are two different, but similar, issues around fire services. One is, while Angel Island falls into CSA 31 service area, Tiburon FPD actually provides those services but does not get reimbursed for those services. Second is the Town of Tiburon pays to the State Parks an annual fee to cover fire protection cost but the Town offers no fire protection services.	Not currently working on
Unincorporated Islands	n/a	Work to remove unincorporated islands throughout Marin County	Not currently working on
Future Shared Staffing between the 4 single-service SASM districts	n/a	Facilitate shared services discussions amongst the 4 single-service SASM special districts in preparation for possible future opportunities when current management level staff members depart.	Not currently working on
Items Completed			
OSA Confirmation between Tamalpais Community Service District (TCSD), Homestead Valley Sanitary District (HVSD), and Almonte Sanitary District (ASD)	Jeren/Jason	Work with TCSD to retrieve necessary documentation on parcels within its district receiving service from HVSD and Almonte showing the needed criteria for exemption from an outside service agreement.	TCSD has submitted the needed information and based on LAFCo Policy 4.9 (B) the Executive Officer has determined this item falls under 56133(e) which allows for this OSA to occur.

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May 6, 2026

Marin LAFCO
Attn.: Jason Fried, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, CA 94903

SUBJECT: MCCMC/City Selection Committee Appointment to Marin LAFCO

Dear Mr. Fried:

The MCCMC / Marin County City Selection Committee, at its meeting of April 22, 2026, voted to reappoint Fairfax Councilmember Barbara Coler to serve as one of its two City Members on the Marin County Local Agency Formation Commission, for a new four-year term commencing May 4, 2026 and expiring May 6, 2030.

Councilmember Coler's contact information is as follows:

City Member, Term expiring May 6, 2030: Barbara Coler, Fairfax
Councilmember Coler can be reached at bcoler@townoffairfaxca.gov

Please let me know if you require any further information. I can be reached at 415-927-5085 or via email, MCCMCSecretary@mccmc.org.

Sincerely,

Rebecca Vaughn
MCCMC Secretary/Treasurer

Cc: Barbara Coler, Fairfax Councilmember