

ROSS VALLEY PARAMEDIC AUTHORITY
BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014

A Joint Powers Agency of the
Town of Fairfax
Kentfield Fire Protection District
City of Larkspur
County of Marin
Town of Ross
Town of San Anselmo
Sleepy Hollow Fire Protection District

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**ROSS VALLEY PARAMEDIC AUTHORITY
 BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2014**

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
of the Ross Valley Paramedic Authority
Larkspur, California

Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities and the General Fund of the Ross Valley Paramedic Authority (Authority) as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the Authority as of June 30, 2014, and the respective changes in financial position and the respective budgetary comparisons listed as part of the basic financial statements for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 4C, the Authority restated accounts receivable and fund balance as of July 1, 2013.

The emphasis of this matter does not constitute a modification to our opinions.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis is presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements as a whole. The Supplemental Information as listed in the Table of Contents is presented for purposes of additional analysis and is not required parts of the basic financial statements.

The Supplemental Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplemental Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Maze & Associates

Pleasant Hill, California
April 22, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Authority is issuing its financial statements in the format prescribed by the provisions of Government Accounting Standards Board Statement 34 (GASB 34), which requires the Authority to provide this overview of its financial activities for the fiscal year.

Please read this overview in conjunction with your reading of the accompanying Basic Financial Statements.

THE PURPOSE OF THE AUTHORITY

The Authority is a joint-powers authority of seven municipal entities in Marin County, California that provides paramedic services to its members' citizens. The Authority's operations are financed by a special tax on residential and commercial property and transport billings.

FISCAL 2013-2014 FINANCIAL HIGHLIGHTS

Financial highlights of the year ended June 30, 2014 include the following:

Authority-wide:

- The Authority's total net position was \$732,728, of which \$657,867 was cash and investments and \$80,861 was capital assets.
- Total Authority revenues, included \$729,253 in transport billings and \$1,097,976 in special taxes.
- The Authority Board of Directors voted to increase the special assessment for FY 13/14 to \$48.00 per unit to maintain pace with expenses and insure a proper reserve balance.

Fund Basis:

- General Fund assets totaled \$755,347, of which \$719,934 was cash and investments.
- General Fund revenues were \$1,829,399, very close to budgeted revenues.
- General Fund expenses of \$2,067,500 included \$1,363,869 in paramedic contract services, \$175,713 in paramedic training expenses, and \$119,373 in ALS back up payments.
- The decrease in the fund balance of the General Fund was \$238,101.

The Basic Financial Statements

With the implementation of GASB 34, the Authority now issues Authority-wide and individual Fund financial statements, called Basic Financial Statements. Since the Authority has only one fund, the difference between these two statements is limited to the recording of the Authority's capital assets in the Authority-wide statements only.

The Authority-wide Financial Statements provide a longer-term view of the Agency's activities as a whole and comprise the Statement of Net Position and the Statement of Activities. The Statement of Net Position provides information about the financial position of the Agency as a whole, including all its capitals assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all the Agency's revenues and all its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of each of the Agency's programs.

The Fund Financial Statements report the Authority's operations in more detail than the government-wide statements and focus primarily on the short-term activities of the Authority's General Fund and other Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Comparisons of Budget and Actual financial information are also presented for the General Fund.

CAPITAL ASSETS

Under GASB 34, the Authority is required to record all its capital assets at their historical cost, and to depreciate these assets over their estimated useful lives. Capital assets of \$80,861 at June 30, 2014 represent machinery and equipment costing \$391,141, with associated accumulated depreciation of \$310,280. Further detail on capital assets may be found in Note 3 to the financial statements.

CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

These Basic Financial Statements are intended to provide citizens, taxpayers, investors, and creditors with a general overview of the Authority's finances. Questions about this Report should be directed to the Finance Department, at 400 Magnolia Avenue, Larkspur, California 94939.

ROSS VALLEY PARAMEDIC AUTHORITY

**STATEMENT OF NET POSITION
AND STATEMENT OF ACTIVITIES**

The purpose of the Statement of Net Position and the Statement of Activities is to summarize the entire Authority's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the Authority's assets and deferred outflows of resources and all its liabilities and deferred inflows of resources, as well as all its revenues and expenses. This is known as the full accrual basis—the effect of all the Authority's transactions is taken into account, regardless of whether or when cash changes hands, but all material internal transactions between Authority funds have been eliminated.

The Statement of Net Position summarizes the financial position of all the Authority's financial position in a single column.

The Statement of Activities reports increases and decreases in the Authority's net position. It is also prepared on the full accrual basis, which means it includes all the Authority's revenues and all its expenses, regardless of when cash changes hands. This differs from the "modified accrual" basis used in the Fund financial statements, which reflect only current assets, current liabilities deferred outflows/inflows of resources, available revenues and measurable expenditures.

The Statement of Activities presents the Authority's expenses first, listed by program. Program revenues—that is, revenues which are generated directly by these programs—are then deducted from program expenses to arrive at the net expense of each governmental program. The Authority's general revenues are then listed in the Governmental Activities, and the Change in Net Position is computed and reconciled with the Statement of Net Position.

These financial statements along with the fund financial statements and footnotes are called *Basic Financial Statements*.

ROSS VALLEY PARAMEDIC AUTHORITY
STATEMENT OF NET POSITION
JUNE 30, 2014

ASSETS

Cash and investments (Note 2)	\$719,934
Accounts receivable	27,968
Interest receivable	132
Prepaid items	7,313
Capital assets, net of accumulated depreciation (Note 3)	<u>80,861</u>
Total Assets	<u>836,208</u>

LIABILITIES

Accounts payable	99,345
Deposits payable	<u>4,135</u>
Total Liabilities	<u>103,480</u>

NET POSITION (Note 4)

Net investment in capital assets	80,861
Unrestricted net position	<u>651,867</u>
Total Net Position	<u><u>\$732,728</u></u>

See accompanying notes to financial statements

ROSS VALLEY PARAMEDIC AUTHORITY
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014

Program Expenses:	
General government	\$2,104,905
Program Revenues:	
Charges for services	729,253
Operating contributions from member agencies	1,097,976
Total Program Revenues	1,827,229
Net Program Expense	277,676
General Revenues:	
Investment earnings	2,170
Total General Revenues	2,170
Change in Net Position	(275,506)
Net Position-Beginning (As Restated)	1,008,234
Net Position-Ending	\$732,728

See accompanying notes to financial statements

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FUND FINANCIAL STATEMENTS

Major funds are defined generally as having significant activities or balances in the current year.

The Authority's **General Fund** is its only fund and is therefore a major fund. It is used to account for all financial resources. General operating expenditures, fixed charges and capital costs are paid from this fund.

ROSS VALLEY PARAMEDIC AUTHORITY
GOVERNMENTAL FUND
BALANCE SHEET
JUNE 30, 2014

	General Fund
ASSETS	
Cash and investments (Note 2)	\$719,934
Accounts receivable	27,968
Interest receivable	132
Prepaid items	7,313
Total Assets	\$755,347
LIABILITIES	
Accounts payable	\$99,345
Deposits payable	4,135
Total Liabilities	103,480
FUND EQUITY	
Fund balances (Note 4):	
Nonspendable	7,313
Unassigned	644,554
Total Fund Equity	651,867
Total Liabilities & Fund Equity	\$755,347

See accompanying notes to financial statements

ROSS VALLEY PARAMEDIC AUTHORITY
Reconciliation of the
GOVERNMENTAL FUND -- BALANCE SHEET
with the
STATEMENT OF NET POSITION
JUNE 30, 2014

Total fund balance reported on the governmental funds balance sheet \$651,867

Amount reported for Governmental Activities in the Statement of Net Position
are different from those reported in the Governmental Funds above because of the following:

CAPITAL ASSETS

Capital assets used in Governmental Activities are not current assets or financial resources and
therefore are not reported in the Governmental Fund.

80,861

NET POSITION

\$732,728

See accompanying notes to financial statements

ROSS VALLEY PARAMEDIC AUTHORITY
GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2014

REVENUES

Parcel tax revenue from member agencies:	
Town of Fairfax	\$180,833
Kentfield Fire Protection District	136,765
City of Larkspur	364,512
County of Marin Service Area #27	36,154
Town of Ross	46,357
Town of San Anselmo	289,124
Sleepy Hollow Fire Protection District	44,231
Transport billing	729,253
Investment earnings	<u>2,170</u>
Total Revenues	<u>1,829,399</u>

EXPENDITURES

Meeting stipends	4,950
Accounting and auditing	45,750
Transport billing	40,810
Legal and consulting services	729
Physio-Control - Defibrillation Units	17,992
Paramedic contractual services	1,363,869
Tax collection service	8,317
Disposable medical supplies	55,543
EMS training/supply reimbursement	70,736
Paramedic training program	175,713
ALS back up	119,373
Insurance	3,680
Rent	12,735
Automotive fuel and repairs	118,954
Miscellaneous	27,490
Capital outlay	<u>859</u>
Total Expenditures	<u>2,067,500</u>

NET CHANGE IN FUND BALANCE (238,101)

FUND BALANCE, BEGINNING OF YEAR (AS RESTATED) 889,968

FUND BALANCE, END OF YEAR \$651,867

See accompanying notes to financial statements.

ROSS VALLEY PARAMEDIC AUTHORITY
 Reconciliation of the
 NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUND
 with the
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2014

The schedule below reconciles the Net Changes in Fund Balance reported on the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance, which measures only changes in current assets and current liabilities on the modified accrual basis, with the Change in Net Position of Governmental Activities reported in the Statement of Activities, which is prepared on the full accrual basis.

NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUND	(\$238,101)
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Amounts reported for governmental activities in the Statement of Activities are different because of the following:

CAPITAL ASSETS TRANSACTIONS

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is capitalized and allocated over their estimated useful lives and reported as depreciation expense.

Depreciation expense is deducted from the fund balance	<u>(37,405)</u>
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CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>(\$275,506)</u></u>
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See accompanying notes to financial statements

ROSS VALLEY PARAMEDIC AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2014

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Parcel tax revenues from member agencies:				
Town of Fairfax	\$181,300	\$181,300	\$180,833	(\$467)
Kentfield Fire Protection District	137,000	137,000	136,765	(235)
City of Larkspur	368,000	368,000	364,512	(3,488)
County of Marin Service Area #27	36,000	36,000	36,154	154
Town of Ross	45,867	45,867	46,357	490
Town of San Anselmo	288,000	288,000	289,124	1,124
Sleepy Hollow Fire Protection District	44,000	44,000	44,231	231
Transport billing	775,000	775,000	729,253	(45,747)
Investment earnings	5,000	5,000	2,170	(2,830)
	<u>1,880,167</u>	<u>1,880,167</u>	<u>1,829,399</u>	<u>(50,768)</u>
EXPENDITURES				
Meeting stipends	10,000	10,000	4,950	5,050
Accounting and auditing	46,000	46,000	45,750	250
Transport billing	45,000	45,000	40,810	4,190
Legal and consulting services	7,000	7,000	729	6,271
Physio-Control - Defibrillation Units	18,000	18,000	17,992	8
Paramedic contractual services	1,296,400	1,296,400	1,363,869	(67,469)
Tax collection service	8,700	8,700	8,317	383
Disposable medical supplies	75,000	75,000	55,543	19,457
EMS training/supply reimbursement	90,000	90,000	70,736	19,264
Paramedic training program	198,000	198,000	175,713	22,287
ALS back up	145,000	145,000	119,373	25,627
Insurance	4,000	4,000	3,680	320
Office supplies	200	200		200
Postage	800	800		800
Rent	26,200	26,200	12,735	13,465
Automotive fuels and repairs	112,500	112,500	118,954	(6,454)
Miscellaneous	7,650	7,650	27,490	(19,840)
Capital outlay	6,400	6,400	859	5,541
	<u>2,096,850</u>	<u>2,096,850</u>	<u>2,067,500</u>	<u>29,350</u>
NET CHANGE IN FUND BALANCE	<u>(\$216,683)</u>	<u>(\$216,683)</u>	<u>(238,101)</u>	<u>(\$21,418)</u>
FUND BALANCE, BEGINNING OF YEAR (AS RESTATED)			<u>889,968</u>	
FUND BALANCE, END OF YEAR			<u>\$651,867</u>	

See accompanying notes to financial statements

ROSS VALLEY PARAMEDIC AUTHORITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Ross Valley Paramedic Authority is a joint powers authority created in 1982 by the Town of Fairfax, Kentfield Fire Protection District, City of Larkspur, County of Marin, Town of Ross, Town of San Anselmo and Sleepy Hollow Fire Protection District. The purpose of the Authority is to provide paramedic services to the citizens of these entities. The Authority is controlled by a seven member board consisting of one member from each of the participating entities. None of the entities exercise specific control over the budgeting and financing of the Authority's activities. The County of Marin Fire Department by contract provides full-time County employees including supervision by County fire department officers to render the paramedic services. Administrative and accounting services are provided by the City of Larkspur.

The Authority's operations are financed by a parcel tax on each residential unit and an equivalent amounts for commercial property and transport billings. During the fiscal year ended June 30, 2014, the tax rate was \$48 per unit, including a collection fee of \$0.50 levied by the County of Marin.

The accounting policies of the Ross Valley Paramedic Authority conform with generally accepted accounting principles as applicable to governments. The following is a summary of the significant policies:

B. Basis of Presentation

The Authority's Basic Financial Statements are prepared in conformity with accounting principles generally accepted in the United States of America. The Government Accounting Standards Board is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States of America.

These Statements require that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Position and the Statement of Activities include the financial activities of the overall Authority. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Authority and for each function of the Authority's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and *contributions* that are restricted to meeting the operational needs of a particular program and (c) fees, grants and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Authority's fund. The emphasis of fund financial statements is on major individual governmental fund displayed in a column.

ROSS VALLEY PARAMEDIC AUTHORITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Major Fund

The Authority's **General Fund** is its only fund. It is used to account for all financial resources. General operating expenditures, fixed charges and capital costs are paid from this fund.

D. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the full *accrual basis* of accounting. Revenues are recorded when *earned* and expenses are recorded at the time liabilities are *incurred*, regardless of when the related cash flows take place. Basis of accounting refers to *when* revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Thus, fund revenues are recognized when they become measurable *and* available as net current assets. Measurable means the amount of the transaction can be determined and available means the amount is collectible within the current period or soon enough thereafter (generally sixty days) to be used to pay liabilities of the current period. Amounts which could not be measured or were not available were not accrued as revenue in the current fiscal year.

Governmental funds are reported using the *current financial resources* measurement focus and the *modified accrual* basis of accounting. Under this method, revenues are recognized when *measurable* and *available*. The Authority considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Governmental capital asset acquisitions are reported as *expenditures* in governmental funds. Proceeds of governmental long-term debt and acquisitions under capital leases are reported as *other financing sources*.

Those revenues susceptible to accrual are interest revenue and charges for services. Fines and forfeitures are not susceptible to accrual because they are not measurable until received in cash.

Non-exchange transactions, in which the Authority gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

E. Budgets and Budgetary Accounting

The Authority follows these procedures in establishing the budgetary data reflected in the financial statements:

- a. Prior to the end of the fiscal year, a proposed operating budget is submitted to the Board of Directors for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. The budget is legally enacted through passage of a resolution.

ROSS VALLEY PARAMEDIC AUTHORITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- b. Formal budgetary integration is employed as a management control device during the year. Budgets are adopted on a basis consistent with generally accepted accounting principles.
- c. The budget is legally enacted through passage of a resolution before July 1.

E. *Estimates and Assumptions*

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

The Authority's cash is controlled and invested by the City of Larkspur. Investments are carried at fair value. At June 30, 2014, all of the Authority's cash was invested in the California Local Agency Investment Fund, an investment pool which is administered by the State Treasurer's office.

The Authority is a participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The Authority reports its investment in LAIF at the fair value amount provided by LAIF, which is the same as the value of the pool share. The balance is available for withdrawal on demand, and is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Included in LAIF's investment portfolio are collateralized mortgage obligations, mortgage-backed securities, other asset-backed securities, loans to certain state funds, and floating rate securities issued by federal agencies, government-sponsored enterprises, United States Treasury Notes and Bills, and corporations. At June 30, 2014, these investments matured in an average of 232 days.

NOTE 3 - CAPITAL ASSETS

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Contributed capital assets are valued at their estimated fair market value on the date contributed.

The purpose of depreciation is to spread the cost of capital assets equitably among all users over the life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets.

Depreciation is provided using the straight-line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The Authority has assigned the useful life of 10 years with a capitalization threshold of \$5,000.

ROSS VALLEY PARAMEDIC AUTHORITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 3 - CAPITAL ASSETS (Continued)

Changes in the Capital Assets are as follows:

	Balance June 30, 2013	Additions	Balance June 30, 2014
Capital assets being depreciated:			
Machinery & Equipment	\$391,141		\$391,141
Less accumulated depreciation for:			
Machinery & Equipment	(272,875)	(\$37,405)	(310,280)
	\$118,266	(\$37,405)	\$80,861

NOTE 4 - NET POSITION AND FUND BALANCES

A. Net Position

Net Position is the excess of all the Authority's assets over all its liabilities, regardless of fund. Net Position is divided into three captions. These captions apply only to Net Position, which is determined only at the Government-wide level, and are described below:

Net Investment in Capital Assets describes the portion of Net Position which is represented by the current net book value of the Authority's capital assets.

Unrestricted describes the portion of Net Position which is not restricted to use.

B. Fund Balance

Governmental fund balances represent the net current assets of each fund. Net current assets generally represent a fund's cash and receivables, less its liabilities.

The Authority's fund balances are classified in accordance with Governmental Accounting Standards Board Statement Number 54 (GASB 54), Fund Balance Reporting and Governmental Fund Type Definitions, which requires the Authority to classify its fund balances based on spending constraints imposed on the use of resources. For programs with multiple funding sources, the Authority prioritizes and expends funds in the following order: Restricted, Committed, Assigned, and Unassigned. Each category in the following hierarchy is ranked according to the degree of spending constraint:

Nonspendable represents balances set aside to indicate items do not represent available, spendable resources even though they are a component of assets. Fund balances required to be maintained intact and assets not expected to be converted to cash, such as prepaids, are included. However, if proceeds realized from the sale or collection of nonspendable assets are restricted, committed or assigned, then Nonspendable amounts are required to be presented as a component of the applicable category. As of June 30, 2014 the Authority had nonspendable fund balance in the amount of \$7,313 for prepaid items.

Restricted fund balances have external restrictions imposed by creditors, grantors, contributors, laws, regulations, or enabling legislation which requires the resources to be used only for a specific purpose. As of June 30, 2014 the Authority does not have any restricted fund balance.

ROSS VALLEY PARAMEDIC AUTHORITY
Notes to Basic Financial Statements
For the Year Ended June 30, 2014

NOTE 4 – NET POSITION AND FUND BALANCES (Continued)

Committed fund balances have constraints imposed by formal action of the Board which may be altered only by formal action of the Board. Nonspendable amounts subject to Board commitments are included along with spendable resources. As of June 30, 2014, the Authority does not have any committed fund balance.

Assigned fund balances are amounts constrained by the Authority’s intent to be used for a specific purpose, but are neither restricted nor committed. Intent is expressed by the Board or its designee and may be changed at the discretion of the Board or its designee. This category includes Nonspendables, when it is the Board’s intent to use proceeds or collections for a specific purpose, and residual fund balances, if any, which have not been restricted or committed. As of June 30, 2014 the Authority does not have any assigned fund balance.

Unassigned fund balance represents residual amounts that have not been restricted, committed, or assigned. This includes the residual general fund balance and residual fund deficits, if any, of other governmental funds. As of June 30, 2014 the General Fund had an unassigned fund balance in the amount of \$644,554.

C. Restatement of Fund Balance

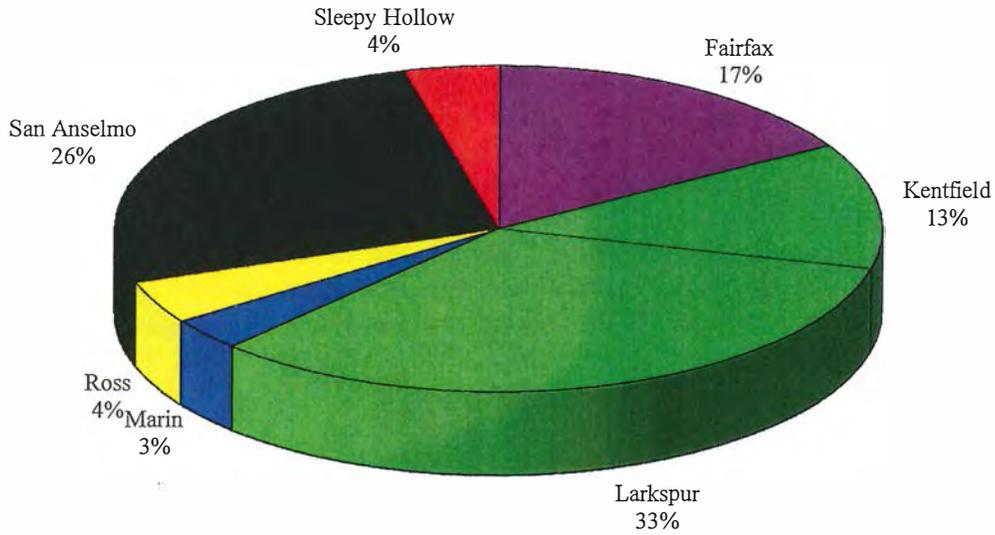
During fiscal year 2014, the City determined that accounts receivable in the General Fund had been received and recognized as revenue in previous fiscal years in the amount of \$269,735. As a result, as of July 1, 2013 accounts receivable has been restated and decreased and fund balance has been restated and reduced in that amount.

NOTE 5 - INSURANCE COVERAGE

The Authority’s insurance coverage is as follows:

Type	Limits
Commercial Umbrella	\$1,000,000
Business Automobile	1,000,000
Emergency Service Management	1,000,000
Business Property	32,021
Employee Dishonesty	100,000
General Liability	1,000,000

ROSS VALLEY PARAMEDIC AUTHORITY
 CHART OF REVENUES FROM MEMBER AGENCIES
 FOR THE YEAR ENDED JUNE 30, 2014



PARCEL TAX REVENUE	General Fund
Town of Fairfax	\$180,833
Kentfield Fire Protection District	136,765
City of Larkspur	364,512
County of Marin Service Area #27	36,154
Town of Ross	46,357
Town of San Anselmo	289,124
Sleepy Hollow Fire Protection District	44,231
Total Member Contributions	\$1,097,976