



**Southern Marin Fire Protection District Southern Marin
Emergency Medical Paramedic System
Special Meeting Agenda**

28 Liberty Ship Way, Sausalito, CA 94965

Monday, April 27, 2026

1:00 pm

1. CALL TO ORDER

Kurt Chun
James Devitt
Brett Tucker

2. PUBLIC OPEN TIME for items not on the agenda

This portion of the meeting is reserved for persons who want to address the Agency on any matter not listed on the agenda. The Ralph M. Brown Act prohibits discussion of items that are not duly placed on the agenda. Speakers are limited to three minutes. Please Note: the Chair will allow time for public comment on each agenda item.

3. BUSINESS ITEMS

3.1 Receive Report and Presentation by Citygate Associates, LLC

[Staff Report \(DOCX\)](#)

[Attachment 1- Citygate Resource and Fiscal Review Update \(PDF\)](#)

[PowerPoint Presentation \(PPT\)](#)

3.2 Presentation, Discussion, and Possible Action to Approve and Authorize Execution of Amended and Restated Joint Powers Agreement, and Recommend Adoption to Member Agency Governing Bodies.

[Staff Report \(DOCX\)](#)

[Attachment 1- Amended and Restated Joint Powers Agreement \(DOCX\)](#)

[Attachment 1- Revised- Amended and Restated Joint Powers Agreement \(PDF\)](#)

[Attachment 2- Plan of Operations Exhibit "A" to JPA Agreement \(DOCX\)](#)

[Attachment 3- Draft Resolution \(DOCX\)](#)

[PowerPoint Presentation \(PPT\)](#)

- 3.3 Receive and accept the FY 25 Audit Report, and Approve Related Member Agencies' Disbursements

[Staff Report \(DOCX\)](#)

[Attachment 1- Plan of Operations - Exhibit A to the Proposed JPA Agreement \(DOCX\)](#)

[Attachment 2- FY 25 Audit Report \(PDF\)](#)

- 3.4 Receive a Report and Adopt the S.M.E.M.P.S. Accounts Payable Policy, and Depreciation Policy

[Staff Report \(DOCX\)](#)

[Attachment 1- S MEMPS Accounts Payable Policy \(DOCX\)](#)

[Attachment 2- S MEMPS Depreciation Policy \(DOCX\)](#)

4. CHIEF'S REPORT

- 4.1 Liaison Chief's Report

[Chief's Report](#)

5. **BOARD OF DIRECTORS**

Board of Directors questions and comments to staff

6. **ADJOURNMENT**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the headquarters office of S MEMPS at 415-432-8832. Notification at least 48 hours prior to the meeting will enable S MEMPS to make reasonable arrangements.

DECLARATION OF POSTING

This Notice is posted in accordance with Government Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the Souther Marin Emergency Medical Paramedic System website at www.smemps.org. Under penalty of perjury, this Agenda was posted to the public at least 72 hours prior to the meeting.



Staff Report

Date: April 27, 2026
To: Board of Directors
From: Chief Tubbs – Liaison Chief
Subject: Citygate Report

Background: In 2025, the SMEMPS Board authorized Citygate Associates, LLC to conduct an updated Resource and Fiscal Review of the Southern Marin Emergency Medical Paramedic System. The scope included an assessment of SMEMPS’s ability to meet long-term operational needs while adhering to current best practices in EMS delivery and ensuring long-term fiscal sustainability. The review also examined the existing governance model in light of recent partner agency consolidations. This work updates Citygate’s prior 2018 analysis, which focused primarily on ambulance needs and payments.

Citygate’s review encompassed a detailed examination of governing documents, budgets, operational data, and interviews with SMEMPS chief officers. Following the technical analysis completed in mid-2025, Citygate provided ongoing support to the SMEMPS Fire Chiefs as they collaborated on implementation strategies for the report’s recommendations.

Report Summary: The attached Citygate report presents findings and recommendations across several key areas, including:

- JPA Agreement and Governance
- Financial Management Policy
- Operations, Apparatus, and Staffing
- Revenue Share Policy

A particularly important component is Exhibit 1, which documents the Fire Chiefs’ consensus plan for updating the revenue allocation method. This plan incorporates a contemporary deployment model built around ALS engines, a performance-based approach, and a revised, equitable reimbursement formula (28% per fully staffed ambulance, 6% for the cross-staffed ambulance, and 2% per ALS engine/rescue company). Citygate fully endorses this collective work by the Chiefs as consistent with best practices for an EMS delivery JPA.

Presentation: Mr. Stewart W. Gary, Public Safety Principal with Citygate Associates, will present the key findings and recommendations from the report to the Board at this meeting. His presentation will include an overview of the governance and fiscal recommendations, as well as the Chiefs' proposed updates to deployment and revenue distribution.

Next Steps: The draft Citygate report concluded that the Joint Powers Authority Agreement for SMEMPS should be updated. To promote efficiency, staff engaged with legal counsel to prepare an amended and updated JPA Agreement that the Board will also be considering at the April 27, 2026 meeting. In addition, draft implementing Bylaws are being prepared by counsel for the Board's consideration at a future date. The JPA Agreement incorporated and utilized the Citygate Associates recommendations and the Fire Chiefs' consensus plan.

Fiscal Impact: None at this time. Future fiscal impacts will be addressed through the annual budget process and as part of the implementation of any approved changes to the JPA Agreement or revenue allocation methodology.

Recommendation: Receive and file the attached Citygate Associates report titled Southern Marin Emergency Medical Paramedic System – Resource and Fiscal Review Update dated February 18, 2026, including Exhibit 1 (the Fire Chiefs' consensus recommendations on implementation). Direct staff to proceed with preparation of revised JPA documents as outlined in the report.

Attachment:

1. Citygate Associates Report – *Southern Marin Emergency Medical Paramedic System – Resource and Fiscal Review Update* (February 18, 2026), including Exhibit 1.



111 WOODMERE ROAD, SUITE 170 ■ FOLSOM, CA 95630 ■ PH (916) 458-5100 ■ FX (916) 983-2090

April 19, 2026

Christian Tubbs Executive Director, S MEMPS
Fire Chief
Southern Marin Fire District
28 Liberty Ship Way, Suite 2800
Sausalito, CA 94965
ctubbsl@smfd.org

RE: SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM – RESOURCE AND FISCAL REVIEW UPDATE

Dear Chief Tubbs:

The JPA retained Citygate Associates, LLC (Citygate) to conduct a Resource and Fiscal Review of the Southern Marin Emergency Medical Paramedic System (S MEMPS) to assess its ability to meet long-term needs while operating within current best practices and ensuring fiscal sustainability. Additionally, given some of your recent partner agency consolidations, the governance model was to be reviewed as well. This review updates the analysis work conducted by Citygate in 2018, which was limited to assessment of ambulance need and payments.

The first section of this document summarizes Citygate’s technical review work conducted in mid-2025. Second, and subsequent to that review work, Citygate provided support to the S MEMPS Fire Chiefs as they met and conferred on the implementation of Citygate’s recommendations to ensure long-term fiscal and clinical success. In the Fall of 2025, that work was presented to Citygate and we fully endorse the collective result and vision. It is attached as Exhibit 1 to this document. Finally, the Executive Director retained legal counsel to draft revised JPA documents for the Board’s consideration of the Citygate and Fire Chiefs’ recommendations.

CITYGATE’S REVIEW METHODOLOGY

Citygate’s public safety and general government finance principals conducted this review consistent with our experience in EMS services and local government finance administration. Our work was performed by consultants with deep, practical experience related to EMS and Joint Powers Authority (JPA) operations within California’s regulatory context.

Citygate requested and received a large variety of documentation related to budgets and operations, as well as agendized documents. We reviewed S MEMPS' current and prior JPA and operations agreements, along with the budgets for revenues, operations, needed reserves, and replacement capital equipment. The Citygate Project Team interviewed S MEMPS chief officers and followed up with them to clarify our emerging understanding and findings.

JPA AGREEMENT AND GOVERNANCE

JPA Recitals

To gain a broad understanding of the legal structure, governance, and operations of the JPA, Citygate reviewed the unsigned, amended, and restated 2020 JPA agreement. Citygate was not provided with a copy of the previous JPA agreement and related amendments referenced in the 2020 unsigned JPA.

Finding #1: Without a review of the previous S MEMPS JPA agreement, amendments, and other related documents such as the plan of operations referenced in the 2020 JPA draft, it is difficult to understand the chronology of events and actions as recited.

Recommendation #1: S MEMPS members should develop and adopt a new, clean JPA agreement that adequately reflects current members, purpose, and terms and conditions.

Member Agencies – Section 2

As provided in the 2020 JPA draft agreement, the S MEMPS member agencies are: the Southern Marin Fire Protection District, the Tiburon Fire Protection District, the City of Belvedere (as an inactive member agency and ex officio member of the Board), the City of Mill Valley, and the County of Marin.

Finding #2: Although the S MEMPS members listed on the 2020 JPA draft agreement and bylaws are consistent, it also includes the City of Belvedere as an ex-officio member.

Recommendation #2: The new JPA agreement members should be the agencies that provide transport ambulances and Marin County due to the direct services they provide to S MEMPS and the fact that they also provide service within Service Area D.

Board of Directors – Section 3

The governing body of S MEMPS includes one representative from each member agency, who is appointed by the governing body of the respective member agency.

Finding #3: The makeup of the S MEMPS governing body, consisting of one (1) board member and an alternate from each member agency, and the requirement for member agency governing bodies to appoint their representative to the JPA’s board, is a good practice that would ensure that the governing board of will prioritize the overall interest of S MEMPS.

Recommendation: (None)

Other JPA Agreement Governance Issues

Finding #4: Every JPA in the state is required to undergo an annual independent audit. The draft JPA agreement does not clearly include this requirement.

Recommendation #3: The JPA agreement should clearly include a provision requiring an annual independent financial audit of S MEMPS in accordance with applicable auditing standards.

Finding #5: The distribution of net revenues—after payment of direct expenses and establishment of appropriate reserves—is a significant factor in the operations and funding of the JPA. The JPA agreement does not have a provision to guide the funding of reserves or distribution of net revenues.

Recommendation #4: While the financial management policy and plan of operations have provisions regarding reserve funding and net revenue distributions, member agency governing boards should be informed, and should provide funding formula ratification as to the method for funding reserves and distributing net revenues as part of their annual budget ratification.

Finding #6: The JPA agreement has no provision designating the organization’s fiscal year.

Recommendation #5: The adoption of a public agency’s fiscal year should be included in the JPA agreement and/or bylaws.

Powers and Duties – Section 8

Finding #7: All powers and duties enumerated in the draft JPA agreement are consistent with the powers and duties of a public JPA under the state’s Joint Exercise of Powers Act.

Recommendation: (None)

BYLAWS

Bylaws – JPA Section 4

The governing body of the JPA develops and adopts the bylaws that guide the conduct and schedule of meetings, voting, and appointment and employment of officers and employees. The bylaws also establish and define the duties of any committees, as necessary. Bylaws are attached to the JPA agreement, but they are not part of it.

Finding #8: Under California laws, the governing board of a JPA can amend the JPA’s bylaws provided such amendments do not have a material, adverse impact on the rights of JPA members. Changing JPA meetings and voting protocols, appointments of officers and employees, and other parliamentary procedures are appropriate matters for the JPA governing board to handle through amendment of the bylaws.

Recommendation #6: Caution must be taken to ensure that any changes that substantially alter the rights and obligations of the JPA are handled through amendment of the JPA agreement rather than through amendment of the JPA bylaws.

Bylaws Article 4 – Meetings

The governing board of the JPA is required to have at least two regular meetings annually.

Finding #9: The financial management policy requires that certain reports be prepared on a quarterly basis and approved by the JPA governing board. These reports include non-budgeted purchases greater than \$5,000, quarterly reporting on all purchases whether budgeted or not, and quarterly financial reports.

Recommendation #7: The JPA governing board should consider changing the frequency of meetings to at least four regular meetings annually to be consistent with the provisions of the bylaws.

FINANCIAL MANAGEMENT POLICY

The JPA agreement requires the development of a financial management policy. The purpose of the policy is to create policies and procedures that govern the fiscal management of S MEMPS. The policy is comprehensive, consisting of important definitions, annual budget, annual audit, purchasing guidelines, fiscal roles and responsibilities, reimbursement of costs to member agencies, billing, etc. However, Citygate notes the following findings and recommendations to enhance the clarity and effectiveness of the financial management policy.

Finding #10: Item #3 under definitions, *Apparatus Replacement Reserve*, is defined as funds allocated through the annual budget process for the replacement of S MEMPS apparatus. Item #6 under definitions, *Contingency Reserve*, is defined as a liquid account set aside for future costs, unanticipated costs, or capital expenses. Item #9, *Equipment Replacement Reserve*, is defined as funds allocated through the annual budgeting process for the replacement of S MEMPS equipment. These definitions overlap.

Recommendation #8: Provide better clarity in these definitions to avoid potential overlap and confusion. As currently defined, capital expenses could include the cost of acquiring apparatus and equipment.

Finding #11: The 2024–2025 budget reflects reserves for apparatus replacement, equipment replacement, and general operations. However, the financial management policy and the budget do not provide information regarding how the amount for each reserve is determined.

Recommendation #9: The financial management policy should state how the amount for each reserve category is determined. As a best practice, the annual equipment reserve amount should be budgeted based on the equipment replacement calculation to smooth large budgetary spikes for years in which such equipment is purchased. For example, if there is a piece of equipment with a 10-year useful life, an annual reserve equal to one-tenth of the anticipated replacement cost should be reflected in the operating budget over the next ten years. Operating reserves are usually stated as a certain percentage of the annual operating budget.

Finding #12: Item #7, Section C, *Policy*, provides for the organization to maintain a “prudent level of resources” to guard against revenue shortfalls or unexpected one-time expenditures. It is not clear if this is referencing a separate reserve from the contingency reserve found in the definitions section.

Recommendation #10: To ensure clarity, it is important to state whether Item #7, Section C, *Policy* describes a separate reserve or one of the reserves described in the definitions section. Furthermore, it is important to clarify what constitutes “prudent level of resources.” [Please see recommendation on finding #2 above.]

Finding #13: Item #9 provides for the Finance Officer to facilitate an annual audit of the organization’s financial records and for the audit report to be presented to the governing board. It appears that the contemplated audit is an annual independent audit provided by a licensed CPA firm, but it is not clear.

Recommendation #11: To comply with state laws, this provision should clearly state the requirement for an independent annual audit conducted by a licensed CPA firm. As a best practice, the audit report should be presented to the governing board within six months of the end of the fiscal year.

Finding #14: Under definitions Item #7, “*Custodial Agency—shall refer to the SMEMPS official who shall be the depositor and custodian of all SMEMPS monies, as detailed in the Joint Powers Agreement Finance Officer—shall mean the Organization official who has been contracted to the position of Finance Officer and delegated certain budgetary responsibilities.*”

While the duties of the Custodial Agency and Finance Officer are properly segregated, there is no requirement for the JPA to adopt an investment policy. Furthermore, Section C, Item #11 states, “*The Finance Officer shall be the depository and have custody of all the money of SMEMPS from whatever source.*” This is inconsistent with the authority already delegated to the Custodial Agency.

Recommendation #12: SMEMPS should provide that the JPA agreement and bylaws define the scope and responsibilities for the oversight of monies. A Treasurer and Auditor (Controller) should be designated in the JPA Agreement from one of the member agencies, as allowed by Government Code sections 6505 and 6505.5, who shall perform all legally required financial duties pursuant to the Government Code. This designated person shall be the sole custodian of SMEMPS funds, as required by State law.

Finding #15: The formula for the reimbursement of member agencies for the cost of providing paramedic units is not clearly stated in the financial management policy.

Recommendation #13: The plan of operations should clearly state the formula to be used in determining and allocating excess revenues periodically back to the member agencies providing ambulance and designated paramedic first responder units. Citygate recommends a simple formula that is agreed to by SMEMPS members, such as the number of ambulances.

Finding #16: The budget process and timeline includes a provision for the approval of the SMEMPS budget by August. The budget timeline chart shows the final adoption of the budget in September.

Recommendation #14: To comply with state laws governing public agency budgets, the budget should be approved by the SMEMPS governing board prior to the beginning of the fiscal year on July 1.

Finding #17: Billing Item #9 states that *“the Ambulance Billing Service shall reconcile the ambulance billing agency’s monthly ticket survey number to the number of patients transported using the patient care records to ensure that all transports have been billed.”* While this process is effective in making sure that all transports are billed, it does not ensure that the total amount of receivables outstanding at any time is correct.

Recommendation #15: Procedures should be included in the billing process to ensure that monthly reconciliations are performed to ensure that the total amount of revenue billed, actual cash receipts, write-offs and adjustments are reconciled to arrive at the total amount of revenue outstanding at the end of the month. There should be billing and compassionate care waiver policies addressing the process for the collection of uncollected funds, write-offs, and charges.

Finding #18: There are potential risks to business continuity and weak internal controls from the use of Golden Hills Finance as the independent contractor for finance services. Golden Hills Finance appears to be a sole proprietorship that may not have an effective internal control environment as required by auditing standards for service organizations, especially those relevant to financial reporting. Additionally, it may also lack the ability to ensure continuity of operations in the absence of the sole proprietor.

Recommendation #16: As stated in Recommendation #12, SMEMPS should designate one member agency as the Treasurer / Auditor (Controller) pursuant to Government Code sections 6505 and 6505.5. There should be a policy in the bylaws or otherwise specifying the authority of the Treasurer /

Auditor (Controller) to make payments. If a payment must be made to the Treasurer / Auditor (Controller), a policy or the bylaws should state that a non-conflicted party—such as the Board President or Executive Officer—must authorize the payment. Further, given the small size of the current provider, a backup plan should be developed to ensure record retention and continuity of operations should SMEMPS continue to use the current provider.

Finding #19: The existing draft has several inconsistencies throughout the document. For example, Section VI (c) of the draft POP states that agencies not listed in Section I (b) shall not be entitled to reimbursement. Section VI (c) of the document also lists the County of Marin to receive a percentage of the reimbursement amount, but the County of Marin is not listed in Section I (b.)

Recommendation #17: Ensure that all documents are consistent throughout to reduce confusion and the potential for misinterpretation.

OPERATIONS, APPARATUS, AND STAFFING

Finding #20: Rescue 9, located in a Southern Marin Fire Station, is cross-staffed by an existing South Marin engine crew. The unit may be replaced by a rescue pumper—the crew of which would contain a firefighter/paramedic like other first responders.

Recommendation #18: The crew at Station 9 should continue as an Advanced Life Support (ALS) response unit in the calculation for the distribution of SMEMPS revenue regardless of the apparatus being one or two units

REVENUE SHARE POLICY

As stated in Recommendation #16, the financial management policy should clearly state the basis and method for the calculation and allocation of excess revenues. To accomplish this, Citygate recommends that the following policy statement and procedures be included in the financial management policy.

Policy Statement – The JPA exists to provide paramedic ambulance services, for which third-party payors are billed. Due to legal and other restrictions on the amount that can be billed to patients, SMEMPS cannot collect enough transport revenue to fully reimburse SMEMPS member agencies for all ALS expenses. The JPA exists to cost-share ambulances as sub-regional resources.

Revenues received by S MEMPS should be used based on the following priorities:

1. Pay for expenses directly incurred by S MEMPS.
2. Pay the County of Marin for approved clinical services based on the actual cost of services provided to S MEMPS.
3. Fund agreed-upon, designated reserves such as equipment replacement, apparatus replacement, operating, and contingency.
4. Any amount remaining after payment of items 1–3 above shall be treated as excess revenues. Excess revenues will be used to reimburse S MEMPS members to offset their paramedic expenses to the extent possible.

Excess Revenues

Excess revenues (difference between revenues and direct JPA expenses) should be returned to S MEMPS members to offset their paramedic expenses to the degree possible. The policy for excess revenue allocation is based on the premise that the JPA is paying for ALS transport *capacity* (standby), as that must be maintained for one call a day or dozens. The amount of excess revenue allocated to a JPA member may or may not offset paramedic fire engine costs due to differences in staffing and/or the compensation of personnel within specific agencies.

Allocation of Excess Revenues

The allocation of excess revenue shall be based on the number of daily full- or part-time dedicated, staffed ambulances operated by a S MEMPS member within the maximum number of ambulances the JPA deems economically necessary to meet County of Marin EMS agency requirements.

CAPSTONE RECOMMENDATION AND NEXT STEPS

S MEMPS needs to:

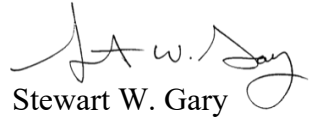
- ◆ Completely **rework the JPA and operating agreements** to clear away legacy and unneeded provisions.
- ◆ The updated agreements need to be **compliant with current JPA best practices**.
- ◆ After the chief officers approve the factual content of this research, **Citygate will brief the S MEMPS Board**.

* * *

Thank you for the opportunity to once again be of service to the partners of the Southern Marin Emergency Medical Paramedic System.

Chief Tubbs
April 19, 2026
Page 10

Sincerely,



Stewart W. Gary
Public Safety Principal

SMEMPS REVENUE ALLOCATION METHOD 2026 UPDATE

During the development of the following update to the JPA's revenue allocation for services policies, Citygate was engaged with the Chiefs, answered questions, and offered best practice-based advice from other client experiences. Citygate endorses the following work as consistent with best practices for an EMS delivery JPA whose source of revenue is transport fees.

The Chiefs' plan below adjusts the operational deployment of SMEMPS resources to achieve a more contemporary and metrics-driven system.

CHIEFS' PLAN

Core Values

1. **Contemporary Deployment Model** – Structured around ALS engines, phased expansion, and performance metrics.
2. **Local Program Oversight** – EMS coordination managed by SMEMPS or a member agency, ensuring direct accountability to the system.
3. **Defined Reimbursement**– Creates financial clarity and equity across agencies.
4. **Continuity of Clinical Oversight** – Retains critical functions (CQI, Nurse Educator, Medical Director) through existing partnerships.

Improvements

- ◆ Expands ALS capability across the zone, improving patient outcomes.
- ◆ Creates a data-driven, performance-based deployment framework.
- ◆ Localizes EMS program oversight within SMEMPS or member agencies.
- ◆ Clear and equitable reimbursement model.
- ◆ Reduces duplication of roles and streamlines program management.

Constraints

- ◆ Transition from MCFD clinical coordination could create initial gaps in continuity or institutional knowledge.
- ◆ Increased reliance on ALS engines may require additional training and integration.

- ◆ Financial implications of changing reimbursement percentages may impact agency budgets.
- ◆ Governance adjustments required to redefine oversight roles.

Recommended Deployment Changes

- ◆ Three (3) full-time ambulances (M1, M4, M10)
- ◆ One (1) cross-staffed ambulance (M6)
- ◆ ALS engine companies

Performance-Based Approach

- ◆ Review current baseline metrics for ALS dispatch-to-arrival times across the zone.
- ◆ Develop a phased approach to deployment, with defined metrics guiding decisions and measuring results as ALS engines are added.

EMS Program Oversight

SMEMPS could transition Marin County Fire Department (MCFD) out of the EMS Coordinator role. Responsibility would shift to a SMEMPS agency employee (Tiburon or Southern Marin), replacing both:

- ◆ MCFD EMS Battalion Chief
- ◆ MCFD/RVPA/SMEMPS shared EMS Specialist

Continuing Contracted Services

- ◆ Continuous Quality Improvement (CQI)
- ◆ Nurse Educator
- ◆ Medical Direction (contract annuitant)
- ◆ *Provided in partnership with MCFD & RVPA*

Revised Reimbursement Formulas

Citygate worked with the three Fire Chiefs to update cost allocation methods to current services provided and revenues. The goal was to maintain a fair and sustainable operation over many years. Multiple meetings and testing of alternatives resulted in the following partner provider agency reimbursement formulas:

- ◆ **Approx. 28%** – Fully staffed ambulances (each)
- ◆ **Approx. 6%** – Cross-staffed ambulance
- ◆ **Approx. 2%** – ALS engine or rescue company (full-time ALS)

Based on our analysis and work with the Fire Chiefs, Citygate supports the above percentages to be applied after all of the JPA's fiscal policies, including capital and reserves, are met.

SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

Resource and Fiscal Review

Final Report Presentation

April 27, 2026



C I T Y G A T E
A S S O C I A T E S

Executive Summary



Governance

The current JPA agreement is outdated and requires a full rewrite to reflect current members, roles, and responsibilities.



Financial Controls

Financial policies lack clarity on reserves, reimbursement formulas, and oversight roles — creating fiscal risk for member agencies.



Operations

Deployment and reimbursement formulas are ready for adoption pending resolution of the governance and fiscal policy gaps above.

JPA Construct & Agreement

FINDING #1

Without a review of the previous S MEMPS JPA agreement and related documents, the chronology of events and actions is difficult to substantiate.

Recommendation #1

S MEMPS members should develop and adopt a new, clean JPA agreement that adequately reflects:

- Current member agencies
- Updated purpose and scope
- Revised terms and conditions
- Defined governance roles

Recommendation #2

New JPA agreement members should be limited to agencies that:

- Provide transport ambulances
- Serve within County Service Area D
- Provide direct services to S MEMPS

Marin County should be included given its direct service role.

JPA Governance

JPA Elements & Bylaws

Rec. #4

Reserve Funding Ratification

Member agency governing boards should be informed and should formally ratify the method for funding reserves and distributing net revenues as part of their annual budget approval.

Finding #8

Bylaw Amendment Authority

Under California law, a JPA governing board may amend bylaws provided such amendments do not materially and adversely impact the rights of JPA members.

Rec. #12

Treasurer & Auditor Roles

The JPA agreement and bylaws must define the scope and responsibilities for oversight of monies. A Treasurer and Auditor (Controller) should be formally designated.

Financial Policies

Finding #11

Reserve Determination

The 2024–2025 budget reflects reserves for apparatus, equipment, and general operations — but neither the financial management policy nor the budget explains how reserve amounts are determined.

Finding #15

Reimbursement Formula Clarity

The formula for reimbursing member agencies for the cost of providing paramedic units is not clearly stated in the financial management policy.

Recommendation — Financial Policy Actions

1. Establish and document clear criteria for how each reserve category amount is determined, approved, and adjusted annually.
2. Clearly state the reimbursement formula for member agencies in the financial management policy so it is transparent and enforceable.

Ambulance Billing

RECOMMENDATION #15

Monthly reconciliation

Procedures must ensure that monthly reconciliations of billed revenue, cash receipts, write-offs, and adjustments are performed to arrive at a verified outstanding balance.

Billing policy

A formal billing policy should govern the collection process for uncollected funds, including timelines, escalation steps, and approved write-off criteria.

Compassionate care waivers

A dedicated compassionate care waiver policy must address the process, eligibility criteria, and documentation required for waiving patient charges.

Charge reconciliation

Total charges billed must reconcile against actual cash receipts and adjustments each month to ensure no revenue leakage goes undetected.

Revenue Share Policy

Policy Statement

The JPA exists to provide paramedic ambulance services, for which third-party payors are billed. Due to legal and other restrictions on billable amounts, S MEMPS cannot collect enough transport revenue to fully reimburse member agencies for all ALS expenses. The JPA exists to cost-share ambulances as sub-regional resources.

Key implication: Revenue will always fall short of full reimbursement — equitable cost-sharing among members is essential.

Transport billing limits

Legal restrictions on what can be billed to patients (CMS rates, Medi-Cal caps) mean revenue will never cover 100% of ALS costs.

Cost-sharing mandate

The JPA's core function is equitable distribution of the gap between costs and recoverable revenue among ambulance-providing members.

Revenue Use & Share Priorities

Revenue is applied in order of priority — only after each level is funded does the next receive allocation.



Deployment & Reimbursement Formulas

Deployment Configuration

M1, M4, M10

3 full-time ambulances

M6

1 cross-staffed ambulance

ALS Engines

Engine companies providing ALS

Revised Reimbursement Percentages

~28%

Fully staffed ambulance

Per ambulance (M1, M4, M10)

~6%

Cross-staffed ambulance

M6 cross-staffed unit

~2%

ALS engine or rescue

Per ALS engine company

Percentages apply after all JPA fiscal policies — including capital and reserve funding — are fully met.

Summary of Recommendations

JPA Agreement

- Develop a new, clean JPA agreement reflecting current members, purpose, and terms
- Limit membership to ambulance transport agencies and Marin County

Governance

- Boards should ratify reserve funding and net revenue distribution formulas annually
- Designate a Treasurer and Auditor/Controller in the JPA agreement

Financial Policy

- Define how each reserve amount is calculated and approved
- Clearly state the paramedic unit reimbursement formula in policy

Billing

- Implement monthly billing reconciliation procedures
- Adopt billing and compassionate care waiver policies

Next Steps

Recommended sequence for implementation

1	Immediate Member Agencies	Commission a review of all prior JPA agreements and related documents to establish a complete chronology
2	30–60 days JPA Governing Board	Convene a working group to draft a new, clean JPA agreement using this report's recommendations as a framework
3	60–90 days JPA Governing Board	Designate a Treasurer and Auditor; clarify reserve determination methodology and reimbursement formula
4	90 days Finance Staff	Implement monthly billing reconciliation procedures and adopt billing/compassionate care waiver policies
5	Annual cycle Member Boards	Formally ratify reserve funding and revenue distribution methods as part of each annual budget approval

Questions

Citygate Associates is available to answer questions

Citygate Associates

www.citygateassociates.com



Southern Marin Emergency Medical Paramedic System | Resource and Fiscal Review | April 2026



SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

For the Meeting of April 27, 2026

To: Board of Directors
From: Emily Longfellow, General Counsel
Charlotte Jourdain
Subject: Approval of Amended and Restated Joint Powers Agreement and Recommendation to Member Agencies' Governing Bodies.

RECOMMENDATION

Staff recommends that the Board adopt the attached Resolution Approving the Amended and Restated Joint Powers Agreement and Recommending Approval by Member Agencies' Governing Bodies.

BACKGROUND

The Southern Marin Emergency Medical Paramedic System ("SMEMPS") has provided high-quality and responsive paramedic and pre-hospital emergency medical care in the Southern Marin community since 1979. SMEMPS is a Joint Powers Authority formed by agreement in 1979 (revised in 1983 and 2000). The current voting member agencies are the County of Marin, the Tiburon Fire Protection District, and the Southern Marin Fire Protection District. Under an agreement with Marin County, SMEMPS is the authorized ambulance service provider for Marin County Paramedic Service Area D.

In 2025, the Board authorized Citygate Associates to conduct a review of SMEMPS's governance and fiscal processes, in light of agency consolidations ("Citygate Report"). The Citygate Report recommends updating and modernizing the JPA Agreement. Pursuant to Citygate's recommendations, staff now brings before the Board for its consideration a proposed Amended and Restated Joint Powers Agreement. To take effect, the Board must approve the Agreement, and each Member Agency's legislative body must also approve the Agreement. The Agreement becomes effective once the last Member Agency's legislative body approves it.

DISCUSSION

By way of background, a joint powers agreement is a contractual agreement among governmental entities authorized under Government Code sections 6500 *et seq.*, the Joint Powers Act, that allows two or more public agencies to jointly exercise powers that they share in common. A separate legal entity is formed for the delivery, funding, and management of a common service. The JPA structure allows efficiencies across multi-jurisdictional boundaries. While there are some

issues that must be included in a JPA agreement, the Joint Powers Act largely leaves basic agreement terms up to the discretion of the members. Below are the main points of the Amended and Restated Agreement.

The basic structure of the original S MEMPS JPA remains the same (e.g., same voting Member Agencies, and same purpose.) The Agreement has been updated to comply with current legal standards and include more structure surrounding issues such as governance and finances. Below please find the major provisions, with references to the applicable Agreement sections.

- I. Amended and Restated JPA Agreement. (Section 1.)
 - A. Continuation and Purpose. S MEMPS continues as a Joint Powers Authority under California law to provide paramedic and pre-hospital emergency medical care within County of Marin Service Area D.
 - B. Governance. (Section 2 & 3.)
 - 3-member Board with one Director or Alternate with one vote between them.
 - Each Member Agency governing body selects its own Director and Alternate, who serve at the pleasure of the home governing body. Current Directors and Alternates serve uninterrupted.
 - The City of Belvedere is no longer included a voting or non-voting member.
 - Board action requires a majority vote, except as listed below. (Although there are 3 current Member Agencies, please note that the Agreement was drafted to accommodate additional members, which is reflected in the voting language below.)
 - Termination requires majority vote to recommend termination to Member Agencies' governing bodies, and subsequent unanimous vote of governing bodies.
 - New member requires unanimous Board vote.
 - Removal of member requires 2/3 vote of Board.
 - Amendment of Agreement requires unanimous Board vote to recommend to Member Agencies' governing bodies, and subsequent unanimous vote of governing bodies.
 - Approval of any expenditures over 3% of an adopted operating budget requires 2/3 Board vote.
 - The Board shall hold regular meetings at least quarterly, and all meetings must be consistent with the Brown Act.
 - JPA Agreement contains broad powers and authority to be exercised in the discretion of the Board.
 - C. Administration Structure. (Sections 4 & 5.)
 - The Agreement establishes key roles such as the Executive Officer and the Treasurer.
 - The Financial Officer of the Tiburon Fire Protection District is designated Treasurer, who shall perform all legally required duties including arranging the independent annual audit.

- The Board selects a President and Vice President annually, per current practice.
 - The Bylaws will further define the roles and responsibilities of the above-mentioned positions.
- D. Fiscal Structure. (*Sections 8.*)
- Fiscal year of July 1-June 30.
 - Requirement to adopt an annual balanced budget.
 - Mid-year budget increases allowed only with 2/3 vote of Board.
- E. Funding and Annual Reconciliation. (*Section 8.*)
- Funding largely comes from transport revenues.
 - SMEMPS shall adopt a fund balance and reserve policy.
 - The Treasurer calculates the net operating surplus/deficit at the end of each fiscal year, which is the difference between total actual revenues and total actual expenditures. Net operating surplus funds are returned to Member Agencies at the end of each fiscal year pursuant to the formula in the Plan of Operations, which is attached as an Exhibit to the JPA Agreement.
- F. Termination, New Membership, Removal, and Withdrawal. (*Sections 10 & 11.*)
- Termination. The Agreement will be terminated if a majority of the Board recommends termination and if approved by all the Member Agencies, or if there is a jurisdictional reorganization under law affecting the Member Agencies.
 - New Member. A new member agency is admitted upon a unanimous Board vote and the approval of the Member Agencies' governing bodies.
 - Removal. A Member Agency is removed from SMEMPS with a majority vote of the Board for good cause (e.g., material breach of the Agreement.) Opportunity to be heard at a public hearing.
 - Withdrawal. A Member Agency may withdraw from SMEMPS by giving notice on or before June 30th of any year, and withdrawal will become effective on the second fiscal year thereafter. The intent is to give SMEMPS a long lead time to plan for the lost revenue and ensure that any withdrawal is thoroughly evaluated.
 - The remaining Member Agencies determine how the share of the removed or withdrawn Member Agency's costs shall be allocated among the remaining Member Agencies.
- G. Legal Protections. (*Section 14.*) The Agreement contains legal protections for Member Agencies.
- SMEMPS debts are not the debts of the individual Member Agencies.
 - SMEMPS agrees to indemnify, defend, and hold harmless Member Agencies from claims arising out of the actions of SMEMPS.
 - Those performing activities for SMEMPS maintain their immunities from their home jurisdiction.
- H. Plan of Operations. The Plan of Operations is attached as an Exhibit to the JPA Agreement. Please note that it may be amended by the Board in its discretion without amending the Agreement. The purpose of the Plan of Operations is to establish

consistent operations and service-level standards for S MEMPS's service. As noted above, the Plan also defines the percentages for distribution of net operating surplus, if any, at the end of each fiscal year. Requirements include:

- Member Agencies' Responsibilities (such as coverage requirements)
- Equipment and Supply Requirements (vehicles and safety/emergency equipment)
- Deployment
- Requirement for insurance
- Net operating surplus/deficit percentages

RECOMMENDATION

Staff recommends that the Board adopt the attached Resolution Approving the Amended and Restated Joint Powers Agreement and Recommending Adoption by Member Agencies.

ATTACHMENTS

1. Amended and Restated Joint Powers Agreement.
2. Plan of Operations Exhibit "A" to JPA Agreement
3. Draft Resolution.

**AMENDED AND RESTATED JOINT POWERS AGREEMENT FOR THE
SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM**

This Amended and Restated Joint Powers Agreement for the Southern Marin Emergency Medical Paramedic System (“Agreement”) is made and entered into pursuant to the provisions of the Joint Exercise of Powers Act, Title 1, Division 7, Chapter 5, Article 1, Sections 6500 *et seq.*, of the California Government Code as may be amended from time to time, for the joint exercise of powers among the Parties hereto, and amends and restates the original Joint Powers Agreement among the Parties, as set forth below.

RECITALS

- A. The original member agencies consisted of the Cities of Belvedere, Mill Valley, and Sausalito; the County of Marin; the Southern Marin Fire Protection District; and the Tiburon Fire Protection District.
- B. The current member agencies of SMEMPS are the County of Marin, the Tiburon Fire Protection District, the Southern Marin Fire Protection District, and the City of Belvedere as an inactive, non-voting member.
- C. On July 1, 2023, the City of Mill Valley’s Fire Department was consolidated with and annexed by the Southern Marin Fire Protection District, whose services include the provision of paramedic ambulance and pre-hospital emergency medical services, and as such, the City of Mill Valley ceased to be an independent member agency of SMEMPS at that time.
- D. On June 26, 2012, the City of Sausalito Fire Department was consolidated with and annexed by the Southern Marin Fire Protection District, whose services include the provision of paramedic ambulance and pre-hospital emergency medical services, and as such, the City of Sausalito ceased to be an independent member agency of SMEMPS at that time.
- E. In 1981, the City of Belvedere contracted with the Tiburon Fire Protection District, whose services include paramedic ambulance and pre-hospital emergency medical services, and as such, the City of Belvedere is not included as a non-voting, inactive member under this Agreement.
- F. Under an agreement with the County of Marin Local Emergency Medical Services Agency, SMEMPS is the authorized provider of paramedic and pre-hospital emergency medical care for Marin County Paramedic Service Area D (“Service Area D”), which area encompasses the jurisdictional boundaries of the member agencies; SMEMPS also provides rescue emergency response services to the Southern Marin area.
- G. Since its founding, SMEMPS has provided responsive, high-quality paramedic ambulance and pre-hospital emergency medical services meeting the best practices for patient care and level of service to the Southern Marin County, California community, and the member agencies desire to continue and secure these services for the future.
- H. Each member agency is located in contiguous geographic proximity with similar ambulance and pre-hospital emergency medical care needs that are well served by a single paramedic agency.

- I. There is a demonstrated and critical public need for the continuation of SMEMPS as an ambulance services provider within the jurisdictional areas of the member agencies.
- J. The voting member agencies now desire to amend and restate the provisions of the Original JPA Agreements to allow the continued mission of providing excellent ambulance and pre-hospital emergency medical care in the community, while amending the Original JPA Agreements to include clarifications regarding the membership, structure, funding, and operation of the organization.
- K. By continuing operation of SMEMPS, the member agencies will maintain the cost savings and operational efficiencies of a single, well-established ambulance service provider for the benefit of their respective residents and the entire community.
- L. Current member agencies are empowered by law to perform public safety functions within their jurisdictions, including emergency medical services and advanced life support services pursuant to the California Health and Safety Code.
- M. It is in the mutual benefit and best public interest of the member agencies to continue the exercise of the joint powers for the provision of ambulance and pre-hospital emergency medical services described herein.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the County of Marin, the Tiburon Fire Protection District, and the Southern Marin Fire Protection District agree as follows:

AGREEMENT

1. Authority and Purpose.

1.1 Authority and Continuation as a Joint Powers Authority. This Agreement is made under the authority of California Government Code §§ 6500 *et seq.* (the “JPA Act”), by and among the County of Marin, the Southern Marin Fire Protection District, and the Tiburon Fire Protection District (the “Member Agencies” or “Parties”), and the independent entity shall be known as the “Southern Marin Emergency Medical Paramedic System” (“SMEMPS”). SMEMPS shall continue as a distinct and separate public entity under the JPA Act.

1.2 Amended and Restated Agreement; Original Agreement Superseded. The purpose of this Agreement is to modify, amend, and update the Original JPA Agreements as related to SMEMPS governance, membership, administration, operations, processes, funding, and other matters contained herein. The terms and provisions of this Agreement shall replace and supersede the Original JPA Agreements in their entirety.

1.3 Purpose. The purpose of SMEMPS is to provide ambulance and pre-hospital emergency medical services within Service Area D, as determined by the applicable service agreement with the County of Marin Local Emergency Medical Services Agency (Marin LEMSA), and to areas outside the service area as necessary pursuant to mutual aid principles, and to perform all acts related or incidental thereto. Pursuant to said agreement with the Marin LEMSA, SMEMPS is the authorized provider of paramedic and pre-hospital emergency care for Service Area D, and as such, no Member Agency is authorized to independently provide paramedic and pre-hospital emergency care in Service Area D.

2. Governance.

2.1 Board of Directors. SMEMPS shall be governed by a Board of Directors (the "Board"), which is authorized to perform all acts that are necessary to accomplish the purposes of this Agreement and SMEMPS. The Board shall consist of one representative from each Member Agency, appointed by that Member Agency's governing body ("Director"). Each Member Agency shall also appoint one representative as an alternate Director ("Alternate") to serve in the absence of the Director. In the event of a vacancy, the Member Agency shall appoint a replacement Director or Alternate pursuant to the Member Agency's procedures and the Bylaws of SMEMPS. Each Director and Alternate shall serve terms as set forth in the Bylaws. Each Director and Alternate shall have one vote between them. Each Director and Alternate is required to complete and file all applicable conflict of interest forms. Directors and Alternates may, but are not required to, receive compensation for their service as determined by the Board.

2.2 Bylaws. The Board shall adopt bylaws that address matters associated with the operation and administration of SMEMPS as determined by the Board, which bylaws shall be consistent with this Agreement ("Bylaws").

2.3 Voting. Except as set forth below, in the Bylaws, or as required by law, any action of the Board shall require the affirmative vote of a majority of the entire voting membership of the Board.

2.3.1 Termination. The termination of this Agreement pursuant to Section 9.2 of this Agreement requires a majority vote of the Board to recommend termination to the Member Agencies' governing bodies, and the subsequent vote of all the Member Agencies' governing bodies to terminate.

2.3.2 New Member Agency. The admittance of a new member agency pursuant to Section 10.1 of this Agreement shall require the unanimous vote of the Board, the approval of the proposed new member agency's governing board, and the amendment of this Agreement.

2.3.3 Removal of Member Agency. The removal of a Member Agency pursuant to Section 10.2 of this Agreement shall require a two-thirds (2/3) vote of the Board.

2.3.4 Amendment. Unless otherwise specified herein, the amendment of this Agreement pursuant to Section 13 of this Agreement requires a unanimous vote of the Board to recommend amendment to the Member Agencies' governing bodies, and the subsequent vote of all the Member Agencies' governing bodies to amend.

2.3.5 Expenditure Increases. The approval of any single or related group of expenditures in excess of three percent (3%) of an adopted operating budget shall require a 2/3 vote of the Board.

2.4 Meetings.

2.4.1 The Board shall hold regular meetings as set forth in the Bylaws. All meetings, including without limitation, regular, special, and emergency meetings, shall be noticed, agendaized, and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code sections 54950 *et seq.*, as may be amended from time to time. Any additional requirements regarding meetings shall be in the Bylaws.

2.4.2 The Board shall not take action or conduct a meeting without a quorum present. At the time of this Agreement, there are three (3) voting Member Agencies and a quorum is defined as at least two (2) voting Directors or Alternates present at a meeting. In the event the number of voting Member Agencies is changed to an even number, then one-half of

the voting Member Agencies plus one voting member shall constitute a quorum. Less than a quorum may adjourn meetings.

3. Powers and Authority. SMEMPS shall have the power and authority to exercise all powers common to its Member Agencies pursuant to the JPA Act necessary and convenient to accomplish the purposes of this Agreement and SMEMPS. The powers exercised by SMEMPS shall include, but are not limited to:

3.1 Making and entering into contracts with private entities and/or other public entities.

3.2 Incurring debts, liabilities, and/or obligations.

3.3 Retaining consultants and/or independent contractors.

3.4 Obtaining legal, financial, technical, and other professional services.

3.5 Hiring employees, defining their job qualifications and duties, and providing a pay schedule for the performance of their duties.

3.6 Acquiring, holding, managing, leasing, transferring, and/or disposing of real property and personal property.

3.7 Applying for, receiving, and disbursing grants, loans, or other similar aid from any private or public entity, and requesting and accepting donations and contributions.

3.8 Setting and collecting a special parcel tax levy within the limits of voter approval and applicable law.

3.9 Incurring debt and issuing bonds or any like instrument under any law authorizing such issuance including, but not limited to, the JPA Act, California Government Code §§ 6540 *et seq.*, and the Mello-Roos Local Bonding Pool Act, California Government Code §§ 6584 *et seq.*

3.10 Setting and collecting ambulance transport fees for SMEMPS ambulance services.

3.11 Pursuing and defending legal actions.

3.12 Setting levels of service standards for ambulance and pre-hospital emergency medical services.

3.13 Entering into automatic and/or mutual aid agreements with other emergency medical service providers.

3.14 Exercising any and all other powers as may be provided by law, and necessary and convenient to carry out and implement the purpose of SMEMPS.

4. Officers.

4.1 President and Vice President. The Board shall elect a President and Vice President at the end of each fiscal year, to become effective at the following meeting. The President and Vice President shall serve one-year terms and may be re-elected. The Vice President shall serve in the absence of the President. In the event the President or Vice President ceases to be a representative of the Board, the vacancy shall be filled at the next regular or specially called meeting of the Board after the vacancy occurs by a majority vote of the Board.

4.2 Executive Officer. The Executive Officer shall be appointed by the Board. The Executive Officer shall perform those duties necessary and convenient for the administration and operation of SMEMPS, including executing contracts approved by the Board, as allowed by law. The Executive Officer may be compensated as may be determined by the Board from time to time.

5. Treasurer. The Finance Officer of Member Agency the Tiburon Fire Protection District is named as the Treasurer and Auditor (“Treasurer”). The Treasurer shall serve pursuant to, and perform those duties required by, California Government Code sections 6505, 6505.1, 6505.5, and 6505.6, as may be amended from time to time, including, but not limited to, receiving and holding all money of S MEMPS, paying all sums due for S MEMPS as authorized, and presenting quarterly reports to the Board. The Treasurer shall be the fiscal agent and depository of funds. The Treasurer shall cause an independent annual audit of the accounts and records of S MEMPS to be made by an independent certified public accountant in compliance with Government Code section 6505, which audit shall conform to generally accepted auditing standards. All S MEMPS funds and transactions shall be open to inspection consistent with the California Public Records Act.

6. Staff and Personnel.

6.1 General Counsel. The Board shall appoint a General Counsel who shall serve as the legal advisor for S MEMPS and perform such legal services as may be directed by the Board or Executive Officer from time to time.

6.2 Medical Director. The Board shall appoint a Medical Director who shall be a licensed physician with substantial experience in the practice of emergency medicine and who shall provide medical control and assure medical accountability for S MEMPS’s paramedic and pre-hospital emergency services. The Medical Director may assign administrative functions of his or her duties which do not require his or her professional judgment. The Medical Director may be retained through contract with another public entity.

6.3 Staff and Professional Services. The Board may select, appoint, or employ such consultants, staff, employees, and professional or expert services as may be necessary to accomplish the purposes of S MEMPS, consistent with this Agreement. The Board may delegate this authority to the Executive Officer.

6.4 Emergency Medical Services Education Program. S MEMPS shall operate a centralized, continuing emergency medical services education program for Member Agencies’ paramedics and EMTs as set forth more particularly in the Bylaws. The Emergency Medical Services Education Program may be provided for by contract with another public entity.

6.5 Shared Resources. The Board may contract with Member Agencies and/or other public agencies to provide administrative and/or other services and resources to S MEMPS. All personnel of individual Member Agencies shall remain employees of their respective Member Agency and not of S MEMPS, unless affirmatively and separately hired by S MEMPS. There shall be no express or implied employment contract established, unless affirmatively entered into by S MEMPS and the staff member.

7. Public Entity Designee. Member Agency the County of Marin is designated as the California Government Code section 6509 public entity. In the event the County of Marin withdraws as a Member Agency pursuant to this Agreement, the Board shall vote on a replacement public entity designee. Pursuant to California Government Code section 6509, in exercising its powers hereunder, S MEMPS shall be subject to the restrictions which legally apply to the manner in which the public entity designee exercises its powers.

8. Fiscal Year and Annual Budget.

8.1 Fiscal Year. SMEMPS's fiscal year shall be the twelve (12) month period beginning each July 1 and ending the following June 30.

8.2 Budget. The Board shall adopt a budget for each fiscal year, which shall be approved by June 30 of each year. SMEMPS shall operate only under an approved and adopted operating budget and may not operate at a deficit. Once a fiscal year operating budget is adopted, the total annual expenditure budget may only be increased by a 2/3 vote of the Board.

8.3 Budget Elements. The budget shall include, but is not limited to, the following components:

8.3.1 Personnel expenditures, specifically excluding salaries and benefits expenditures of paramedics, EMTs, and other operational and supervisory personnel used to operate any and all Member Agencies' vehicles.

8.3.2 Services and supplies expenditures, which may include training expenditures for Member Agencies' paramedics, EMTs, and supervisory personnel.

8.3.3 Capital expenditures.

8.3.4 Contributions to designated reserves.

8.3.5 Transport revenues.

8.3.6 Grants, interest income, and other miscellaneous revenues.

8.3.7 Capital acquisition and replacement schedule to determine designated reserve contributions.

9. Funding and Annual Reconciliation.

9.1 SMEMPS shall be funded with monies from patient transport fees and any other lawful funding source including, but not limited to, transport revenues from third-party payers including private health insurance, Federal Medicare, and/or California State Medi-Cal; and grants and similar awards. SMEMPS shall use best efforts to provide its services in the most cost effective manner available without compromising quality standards, and shall maximize external revenue sources to offset costs. All revenues shall be collected by the Treasurer.

9.2 SMEMPS shall be responsible for billing and collecting for all ALS and BLS transport services provided by SMEMPS Member Agencies. The Board shall determine the method for the collection of transport fees.

9.3 All funds collected by SMEMPS shall be deposited in the SMEMPS General Fund. The SMEMPS General Fund shall be used to cover the cost of all SMEMPS core functions.

9.4 The Board shall adopt a Fund Balance and Reserve Policy.

9.5 SMEMPS shall adopt and maintain a Plan of Operations, which is attached hereto as Exhibit "A" and incorporated in full herein by reference. The Plan of Operations sets service levels, and the formula for the payment of net operating surplus, if any, to be distributed to the Member Agencies. Notwithstanding the foregoing, the Plan of Operations may be amended or revised from time to time by the Board without amending this Agreement. Upon any such amendment or revision, the Plan of Operations shall be deemed automatically incorporated into this Agreement as if set forth in full herein.

9.6 Annual Reconciliation.

9.6.1 The net operating surplus or deficit is defined as the difference between total actual revenues and total actual expenditures for a given fiscal year. Total actual revenues include, but are not limited to, transport revenues. Total actual expenditures include, but are not limited to, costs, and amounts necessary to comply with SMEMPS's reserve policy and minimum cash balance target policy, as may be amended by the Board from time to time.

9.6.2 At the end of each fiscal year, the Treasurer shall complete an annual reconciliation pursuant to this Section and the Plan of Operations Policy. If in any given fiscal year the Treasurer determines that a net operating surplus exists, then the net operating surplus shall be distributed among the Member Agencies in accordance with the Plan of Operations Policy. The net operating surplus distribution shall occur within a reasonable time following the receipt of the independent fiscal audit for that year and after the annual financial audit has been presented to the Board. Each Member Agency shall use its net operating surplus only for paramedic and pre-hospital emergency medical services.

10. Term and Termination of Powers.

10.1 Term. This Agreement shall remain in effect until terminated as provided herein or until terminated by operation of law.

10.2 Termination. This Agreement may be terminated by:

10.2.1 A majority vote of the Board to recommend termination of the Agreement to the Member Agencies' governing bodies, and the subsequent vote of all the Member Agencies' governing bodies to terminate the Agreement.

10.2.2 A jurisdictional reorganization under California law affecting any of the Member Agencies; provided, however that in all cases SMEMPS shall make proper provisions for the winding up of its affairs.

10.3 Effect of Termination. SMEMPS shall be deemed dissolved upon the termination of this Agreement hereunder. Upon the termination of SMEMPS, no assets may be divided or returned to Member Agencies unless and until all outstanding obligations of SMEMPS have been fulfilled. Pursuant to California Government Code section 6512, distribution of the remaining assets shall then be made to the Member Agencies in percentage proportion of funding that the Member Agency contributed to SMEMPS for the fiscal year prior to termination. SMEMPS shall continue to exist for a reasonable time for the purpose of disposing of all claims and performing all other functions necessary to wind up SMEMPS's affairs, after which time, SMEMPS shall be terminated and dissolved.

11. New Membership, Removal, and Withdrawal.

11.1 New Member Agency. A new member agency shall be admitted to SMEMPS upon the unanimous vote of all Directors or Alternates, the approval of the proposed new member agency's governing board, and the amendment of this Agreement to include the new member agency as approved by the governing boards of all Member Agencies. Any new member agency must have the authority to exercise the emergency medical services common to the Member Agencies and fall within the scope of the JPA Act. The Board may set additional terms and conditions in its Bylaws for admitting a new member agency that do not conflict with this Section. Notice of an amended Agreement reflecting a new member agency under this Section shall be

filed with the California Secretary of State pursuant to California Government Code section 6503.5.

11.2. Removal of a Member Agency.

11.2.1 Process for Removal. A Member Agency may be removed from S MEMPS upon the majority vote of the Board at a public hearing by the Directors of the non-subject Board members for good cause, which includes, but is not limited to: the Member Agency's violation of any material term in this Agreement and/or any legal or administrative action or proceeding against S MEMPS or another Member Agency by the subject Member Agency directly related to S MEMPS duties. At the time of this Agreement, there are three (3) voting Member Agencies; therefore the vote of two (2) Member Agencies is required to remove the third Member Agency. The subject Member Agency's Director and Governing Board shall receive at least thirty (30) days' written notice of said removal hearing and shall be given the opportunity to be heard at the public hearing. The Board may set additional terms and conditions in its Bylaws for the removal of a Member Agency that do not conflict with this Section.

11.2.2 Payments Upon Removal. The removed Member Agency shall pay its percentage proportion of S MEMPS's costs and debts for the fiscal year of removal including, but not limited to, amounts related to any leases, facilities, improvements, and equipment, which proportion shall be based on the Member Agency's percentage proportion of funding that the Member Agency contributed to S MEMPS. All payments due under this Section shall be paid not later than ninety (90) days following the date of removal. The Board, based on the remaining Member Agencies, shall determine the final terms and conditions regarding the Member Agency's removal consistent with this Section. The remaining Member Agencies shall promptly determine how the proportional percentage share of the removed Member Agency's costs and liabilities shall be allocated among the remaining Member Agencies.

11.2.3 Effect of Removal. The removal of a Member Agency shall not cause the automatic dissolution of S MEMPS, nor shall it be construed as a completion of the purpose of S MEMPS. S MEMPS shall not be required to replace any Member Agency that is removed pursuant to this Agreement. Upon the removal of a Member Agency, this Agreement shall remain in effect.

11.3 Withdrawal of a Member Agency.

11.3.1 Process for Withdrawal. A Member Agency may withdraw from S MEMPS upon written notice to the Executive Officer and the other Member Agencies ("Notice") given on or before June 30th of any given year, to be effective on June 30th of the second fiscal year thereafter. ("Effective Date of Withdrawal").

11.3.2 Payments Upon Withdrawal. If a Member Agency withdraws from S MEMPS, it shall pay its percentage proportion of S MEMPS's costs and debts from the date of Notice until the Effective Date of Withdrawal, including, but not limited to, amounts related to any leases, facilities, improvements, and equipment, which proportion shall be based on the Member Agency's percentage proportion of funding that the Member Agency contributed to S MEMPS in the previous fiscal year. The withdrawing Member Agency shall also pay all costs incurred by S MEMPS associated with its withdrawal including, but not limited to, attorneys' fees and staff time required to effectuate the withdrawal and change existing services and systems. All payments due under this Section shall be paid not later than ninety (90) days following the date of withdrawal. The withdrawing Member Agency shall forfeit any rights and claims relating to any distribution of any assets upon the termination or dissolution of S MEMPS under this Agreement.

The Board, based on the remaining Member Agencies, shall determine the final terms and conditions by which the withdrawing Member Agency shall terminate its membership with SMEMPS consistent with this Section. The remaining Member Agencies shall promptly determine how the proportional percentage share of the withdrawing Member Agency's costs and liabilities shall be allocated among the remaining Member Agencies. Except as the withdrawing Member Agency and remaining Member Agencies may agree in writing, the withdrawing Member Agency shall automatically relinquish all rights as a Member Agency under this Agreement on the Effective Date of the Withdrawal and shall not accrue any further financial obligations under this Agreement after the Effective Date of Withdrawal.

11.3.3 Effect of Withdrawal. The withdrawal of a Member Agency shall not cause the automatic dissolution of SMEMPS, nor shall it be construed as a completion of the purpose of SMEMPS. SMEMPS shall not be required to replace any Member Agency that withdraws pursuant to this Agreement. Upon the withdrawal of a Member Agency, this Agreement shall remain in effect.

12. Service to Other Jurisdictions. Service to non-Member Agency jurisdictions may be provided by contract, by amendment to this Agreement, the admission of a new Member Agency, and/or pursuant to the Marin County Mutual Aid Plan and the State of California Mutual Aid Plan.

13. Retention of Rights under EMS Act. The Southern Marin Fire Protection District and the Tiburon Fire Protection District have each respectively, independently, and continuously, been providing emergency medical pre-hospital and ambulance services since prior to the passage of the Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act, California Health and Safety Code §§ 1797 *et seq.* ("EMS Act") in 1980. The Parties hereto acknowledge and agree that pursuant to the EMS Act, the Southern Marin Fire Protection District and the Tiburon Fire Protection District each retain all rights and authorities under the EMS Act to continue to provide such service notwithstanding their membership in SMEMPS, and nothing in this Agreement shall constitute a waiver of said rights and authorities.

14. Indemnification, Insurance, Debts and Liabilities, and Immunities.

14.1 Indemnification of Members. SMEMPS shall defend, with counsel selected by SMEMPS in its sole discretion, indemnify, and hold harmless each Member Agency, their respective governing board members, officers, agents, employees, and/or volunteers from any and all claims, losses, damages, costs, injuries, and liabilities of any kind arising from the conduct, activities, operations, acts, or omissions of SMEMPS under this Agreement, except where such indemnification and defense is prohibited by law.

14.2 Insurance. SMEMPS shall obtain such insurance protection as determined necessary by the Executive Officer to protect the interests of SMEMPS with limits of liability consistent with best practices. SMEMPS may use self-insurance and may contract with a Member Agency for insurance services.

14.3 Debts and Liabilities. To the full extent authorized by law, and pursuant to California Government Code section 6508.1, the liabilities, and obligations of SMEMPS shall not constitute the debts, liabilities, or obligations of the Member Agencies. Each Member Agency's

obligation hereunder is expressly limited only to the appropriation and contribution of such funds as may be levied pursuant to this Agreement or as the Member Agencies may agree.

14.4 Immunities. Pursuant to California Government Code section 6513, all the privileges and immunities from liability; exemptions from laws, ordinances, and rules; and all pension relief, disability, workers' compensation, and other benefits that apply to the activity of the trustees, officers, employees, or agents of the Member Agencies when performing their functions shall apply to the same degree and extent while such persons are engaged in the performance of any functions and duties for S MEMPS.

15. Amendments. This Agreement may be amended in writing by the unanimous vote of all the Directors or Alternates, and approved and executed by the governing boards of each Member Agency. Notice of any amended Agreement shall be filed with the California Secretary of State pursuant to California Government Code section 6503.5.

16. Severability. If any term or provision of this Agreement shall to any extent be determined by a court of competent jurisdiction to be invalid or unenforceable for any reason, the remaining terms or provisions of this Agreement are intended to be independently valid and enforceable to the full extent permitted by law.

17. No Third Party Rights. All the terms, conditions, rights, and duties provided for in this Agreement are solely for the benefit of the Member Agencies. It is the intent of the Member Agencies that no third party shall ever be the intended beneficiary of any performance, duty, or right created or required pursuant to this Agreement.

18. Prohibition Against Assignment. No Member Agency may assign any right, claim, or interest it may have under this Agreement. No creditor, assignee, or third-party beneficiary of any Member Agency shall have any right, claim, or title to any part, share, interest, or asset under this Agreement.

19. Dispute Resolution. Should any disagreement or dispute among the Member Agencies arise concerning interpretation, implementation, and/or enforcement of any of the terms or subject matter of this Agreement, the Member Agencies shall submit such dispute to mandatory mediation before an agreed-upon mediator, each Member Agency to pay an equal share of the mediation fees and its own attorneys' fees and legal costs. Should the Member Agencies be unable to agree upon a mediator, they shall agree upon a mediation service and shall have that service select a mediator for them. Completion of mediation shall be a condition precedent to the filing of any judicial legal action, except where a Member Agency seeks immediate injunctive relief to prevent irreparable harm. To the fullest extent permitted by law, the Member Agencies agree that no Member Agency shall be liable to another Member Agency for any monetary damages arising out of, or relating to, this Agreement including, but not limited to, indirect, incidental, consequential, special or punitive monetary damages. Nothing in this Section shall be construed to limit liability for breach of an express payment or funding obligation under this Agreement, or the availability of equitable or injunctive relief. The Parties agree that the

resolution of any dispute among them should be sought in the most expeditious, least costly, and informal manner possible.

20. Notices. Notice to a Member Agency under this Agreement shall be deemed sufficient if delivered to the City Clerk or the chief secretarial officer of the Member Agency, or to any other person designated in writing by the Member Agency.

21. Counterparts and Electronic Signature. This Agreement may be executed in any number of counterparts, which are all deemed original, and may be executed by electronic signature.

22. Complete Agreement. The foregoing constitutes the full and complete Agreement among the Member Agencies with respect to the subject matter of this Agreement, and supersedes all prior agreements and understandings, whether written or verbal.

23. Notice Filed with Secretary of State. Notice of this Agreement shall be filed with the California Secretary of State pursuant to California Government Code section 6503.5 within thirty (30) days of the final execution of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

**AMENDED AND RESTATED JOINT POWERS AGREEMENT FOR THE
SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM**

This Amended and Restated Joint Powers Agreement for the Southern Marin Emergency Medical Paramedic System (“Agreement”) is made and entered into pursuant to the provisions of the Joint Exercise of Powers Act, Title 1, Division 7, Chapter 5, Article 1, Sections 6500 *et seq.*, of the California Government Code as may be amended from time to time, for the joint exercise of powers among the Parties hereto, and amends and restates the original Joint Powers Agreement among the Parties, as set forth below.

RECITALS

- A. The Southern Marin Emergency Paramedic System (“SMEMPS”) is a Joint Powers Authority formed by agreement in 1979, and revised effective May 4, 1983, and February 2, 2000 (the “Original JPA Agreements”) pursuant to the California Joint Exercise of Powers Act (Gov. Code §§ 6500 *et seq.*) for the purpose of providing paramedic and pre-hospital emergency medical services throughout and across jurisdictional boundaries by a single, consolidated agency.
- B. The original member agencies consisted of the Cities of Belvedere, Mill Valley, and Sausalito; the County of Marin; the Southern Marin Fire Protection District; and the Tiburon Fire Protection District.
- B. The current member agencies of SMEMPS are the County of Marin, the Tiburon Fire Protection District, the Southern Marin Fire Protection District, and the City of Belvedere as an inactive, non-voting member.
- C. On July 1, 2023, the City of Mill Valley’s Fire Department was consolidated with and annexed by the Southern Marin Fire Protection District, whose services include the provision of paramedic ambulance and pre-hospital emergency medical services, and as such, the City of Mill Valley ceased to be an independent member agency of SMEMPS at that time.
- D. On June 26, 2012, the City of Sausalito Fire Department was consolidated with and annexed by the Southern Marin Fire Protection District, whose services include the provision of paramedic ambulance and pre-hospital emergency medical services, and as such, the City of Sausalito ceased to be an independent member agency of SMEMPS at that time.
- E. In 1981, the City of Belvedere contracted with the Tiburon Fire Protection District, whose services include paramedic ambulance and pre-hospital emergency medical services, and as such, the City of Belvedere is not included as a non-voting, inactive member under this Agreement.
- F. Under an agreement with the County of Marin Local Emergency Medical Services Agency, SMEMPS is the authorized provider of paramedic and pre-hospital emergency medical care for Marin County Paramedic Service Area D (“Service Area D”), which area encompasses the jurisdictional boundaries of the member agencies; SMEMPS also provides rescue emergency response services to the Southern Marin area.

- G. Since its founding, SMEMPS has provided responsive, high-quality paramedic ambulance and pre-hospital emergency medical services meeting the best practices for patient care and level of service to the Southern Marin County, California community, and the member agencies desire to continue and secure these services for the future.
- H. Each member agency is located in contiguous geographic proximity with similar ambulance and pre-hospital emergency medical care needs that are well served by a single paramedic agency.
- I. There is a demonstrated and critical public need for the continuation of SMEMPS as an ambulance services provider within the jurisdictional areas of the member agencies.
- J. The voting member agencies now desire to amend and restate the provisions of the Original JPA Agreements to allow the continued mission of providing excellent ambulance and pre-hospital emergency medical care in the community, while amending the Original JPA Agreements to include clarifications regarding the membership, structure, funding, and operation of the organization.
- K. By continuing operation of SMEMPS, the member agencies will maintain the cost savings and operational efficiencies of a single, well-established ambulance service provider for the benefit of their respective residents and the entire community.
- L. Current member agencies are empowered by law to perform public safety functions within their jurisdictions, including emergency medical services and advanced life support services pursuant to the California Health and Safety Code.
- M. It is in the mutual benefit and best public interest of the member agencies to continue the exercise of the joint powers for the provision of ambulance and pre-hospital emergency medical services described herein.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, the County of Marin, the Tiburon Fire Protection District, and the Southern Marin Fire Protection District agree as follows:

AGREEMENT

1. Authority and Purpose.

1.1 Authority and Continuation as a Joint Powers Authority. This Agreement is made under the authority of California Government Code §§ 6500 *et seq.* (the “JPA Act”), by and among the County of Marin, the Southern Marin Fire Protection District, and the Tiburon Fire Protection District (the “Member Agencies” or “Parties”), and the independent entity shall be known as the “Southern Marin Emergency Medical Paramedic System” (“SMEMPS”). SMEMPS shall continue as a distinct and separate public entity under the JPA Act.

1.2 Amended and Restated Agreement; Original Agreement Superseded. The purpose of this Agreement is to modify, amend, and update the Original JPA Agreements as related to SMEMPS governance, membership, administration, operations, processes, funding, and other matters contained herein. The terms and provisions of this Agreement shall replace and supersede the Original JPA Agreements in their entirety.

1.3 Purpose. The purpose of SMEMPS is to provide ambulance and pre-hospital emergency medical services within Service Area D, as determined by the applicable service

agreement with the County of Marin Local Emergency Medical Services Agency (Marin LEMSA), and to areas outside the service area as necessary pursuant to mutual aid principles, and to perform all acts related or incidental thereto. Pursuant to said agreement with the Marin LEMSA, S MEMPS is the authorized provider of paramedic and pre-hospital emergency care for Service Area D, and as such, no Member Agency is authorized to independently provide paramedic and pre-hospital emergency care in Service Area D.

2. Governance.

2.1 Board of Directors. S MEMPS shall be governed by a Board of Directors (the "Board"), which is authorized to perform all acts that are necessary to accomplish the purposes of this Agreement and S MEMPS. The Board shall consist of one representative from each Member Agency, appointed by that Member Agency's governing body ("Director"). Each Member Agency shall also appoint one representative as an alternate Director ("Alternate") to serve in the absence of the Director. In the event of a vacancy, the Member Agency shall appoint a replacement Director or Alternate pursuant to the Member Agency's procedures and the Bylaws of S MEMPS. Each Director and Alternate shall serve terms as set forth in the Bylaws. Each Director and Alternate shall have one vote between them. Each Director and Alternate is required to complete and file all applicable conflict of interest forms. Directors and Alternates may, but are not required to, receive compensation for their service as determined by the Board.

2.2 Bylaws. The Board shall adopt bylaws that address matters associated with the operation and administration of S MEMPS as determined by the Board, which bylaws shall be consistent with this Agreement ("Bylaws").

2.3 Voting. Except as set forth below, in the Bylaws, or as required by law, any action of the Board shall require the affirmative vote of a majority of the entire voting membership of the Board.

2.3.1 Termination. The termination of this Agreement pursuant to Section 9.2 of this Agreement requires a majority vote of the Board to recommend termination to the Member Agencies' governing bodies, and the subsequent vote of all the Member Agencies' governing bodies to terminate.

2.3.2 New Member Agency. The admittance of a new member agency pursuant to Section 10.1 of this Agreement shall require the unanimous vote of the Board, the approval of the proposed new member agency's governing board, and the amendment of this Agreement.

2.3.3 Removal of Member Agency. The removal of a Member Agency pursuant to Section 10.2 of this Agreement shall require a two-thirds (2/3) vote of the Board.

2.3.4 Amendment. Unless otherwise specified herein, the amendment of this Agreement pursuant to Section 13 of this Agreement requires a unanimous vote of the Board to recommend amendment to the Member Agencies' governing bodies, and the subsequent vote of all the Member Agencies' governing bodies to amend.

2.3.5 Expenditure Increases. The approval of any single or related group of expenditures in excess of three percent (3%) of an adopted operating budget shall require a 2/3 vote of the Board.

2.4 Meetings.

2.4.1 The Board shall hold regular meetings as set forth in the Bylaws. All meetings, including without limitation, regular, special, and emergency meetings, shall be

noticed, agendized, and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code sections 54950 *et seq.*, as may be amended from time to time. Any additional requirements regarding meetings shall be in the Bylaws.

2.4.2 The Board shall not take action or conduct a meeting without a quorum present. At the time of this Agreement, there are three (3) voting Member Agencies and a quorum is defined as at least two (2) voting Directors or Alternates present at a meeting. In the event the number of voting Member Agencies is changed to an even number, then one-half of the voting Member Agencies plus one voting member shall constitute a quorum. Less than a quorum may adjourn meetings.

3. Powers and Authority. SMEMPS shall have the power and authority to exercise all powers common to its Member Agencies pursuant to the JPA Act necessary and convenient to accomplish the purposes of this Agreement and SMEMPS. The powers exercised by SMEMPS shall include, but are not limited to:

3.1 Making and entering into contracts with private entities and/or other public entities.

3.2 Incurring debts, liabilities, and/or obligations.

3.3 Retaining consultants and/or independent contractors.

3.4 Obtaining legal, financial, technical, and other professional services.

3.5 Hiring employees, defining their job qualifications and duties, and providing a pay schedule for the performance of their duties.

3.6 Acquiring, holding, managing, leasing, transferring, and/or disposing of real property and personal property.

3.7 Applying for, receiving, and disbursing grants, loans, or other similar aid from any private or public entity, and requesting and accepting donations and contributions.

3.8 Setting and collecting a special parcel tax levy within the limits of voter approval and applicable law.

3.9 Incurring debt and issuing bonds or any like instrument under any law authorizing such issuance including, but not limited to, the JPA Act, California Government Code §§ 6540 *et seq.*, and the Mello-Roos Local Bonding Pool Act, California Government Code §§ 6584 *et seq.*

3.10 Setting and collecting ambulance transport fees for SMEMPS ambulance services.

3.11 Pursuing and defending legal actions.

3.12 Setting levels of service standards for ambulance and pre-hospital emergency medical services.

3.13 Entering into automatic and/or mutual aid agreements with other emergency medical service providers.

3.14 Exercising any and all other powers as may be provided by law, and necessary and convenient to carry out and implement the purpose of SMEMPS.

4. Officers.

4.1 President and Vice President. The Board shall elect a President and Vice President at the end of each fiscal year, to become effective at the following meeting. The President and Vice President shall serve one-year terms and may be re-elected. The Vice President shall serve in the absence of the President. In the event the President or Vice President ceases to be a

representative of the Board, the vacancy shall be filled at the next regular or specially called meeting of the Board after the vacancy occurs by a majority vote of the Board.

4.2 Executive Officer. The Executive Officer shall be appointed by the Board. The Executive Officer shall perform those duties necessary and convenient for the administration and operation of SMEMPS, including executing contracts approved by the Board, as allowed by law. The Executive Officer may be compensated as may be determined by the Board from time to time.

5. Treasurer. The Finance Officer of Member Agency the Tiburon Fire Protection District is named as the Treasurer and Auditor ("Treasurer"). The Treasurer shall serve pursuant to, and perform those duties required by, California Government Code sections 6505, 6505.1, 6505.5, and 6505.6, as may be amended from time to time, including, but not limited to, receiving and holding all money of SMEMPS, paying all sums due for SMEMPS as authorized, and presenting quarterly reports to the Board. The Treasurer shall be the fiscal agent and depository of funds. The Treasurer shall cause an independent annual audit of the accounts and records of SMEMPS to be made by an independent certified public accountant in compliance with Government Code section 6505, which audit shall conform to generally accepted auditing standards. All SMEMPS funds and transactions shall be open to inspection consistent with the California Public Records Act.

6. Staff and Personnel.

6.1 General Counsel. The Board shall appoint a General Counsel who shall serve as the legal advisor for SMEMPS and perform such legal services as may be directed by the Board or Executive Officer from time to time.

6.2 Medical Director. The Board shall appoint a Medical Director who shall be a licensed physician with substantial experience in the practice of emergency medicine and who shall provide medical control and assure medical accountability for SMEMPS's paramedic and pre-hospital emergency services. The Medical Director may assign administrative functions of his or her duties which do not require his or her professional judgment. The Medical Director may be retained through contract with another public entity.

6.3 Staff and Professional Services. The Board may select, appoint, or employ such consultants, staff, employees, and professional or expert services as may be necessary to accomplish the purposes of SMEMPS, consistent with this Agreement. The Board may delegate this authority to the Executive Officer.

6.4 Emergency Medical Services Education Program. SMEMPS shall operate a centralized, continuing emergency medical services education program for Member Agencies' paramedics and EMTs as set forth more particularly in the Bylaws. The Emergency Medical Services Education Program may be provided for by contract with another public entity.

6.5 Shared Resources. The Board may contract with Member Agencies and/or other public agencies to provide administrative and/or other services and resources to SMEMPS. All personnel of individual Member Agencies shall remain employees of their respective Member Agency and not of SMEMPS, unless affirmatively and separately hired by SMEMPS. There shall be no express or implied employment contract established, unless affirmatively entered into by SMEMPS and the staff member.

7. Public Entity Designee. Member Agency the County of Marin is designated as the California Government Code section 6509 public entity. In the event the County of Marin withdraws as a Member Agency pursuant to this Agreement, the Board shall vote on a replacement public entity designee. Pursuant to California Government Code section 6509, in exercising its powers hereunder, SMEMPS shall be subject to the restrictions which legally apply to the manner in which the public entity designee exercises its powers.

8. Fiscal Year and Annual Budget.

8.1 Fiscal Year. SMEMPS's fiscal year shall be the twelve (12) month period beginning each July 1 and ending the following June 30.

8.2 Budget. The Board shall adopt a budget for each fiscal year, which shall be approved by June 30 of each year. SMEMPS shall operate only under an approved and adopted operating budget and may not operate at a deficit. Once a fiscal year operating budget is adopted, the total annual expenditure budget may only be increased by a 2/3 vote of the Board.

8.3 Budget Elements. The budget shall include, but is not limited to, the following components:

8.3.1 Personnel expenditures, specifically excluding salaries and benefits expenditures of paramedics, EMTs, and other operational and supervisory personnel used to operate any and all Member Agencies' vehicles.

8.3.2 Services and supplies expenditures, which may include training expenditures for Member Agencies' paramedics, EMTs, and supervisory personnel.

8.3.3 Capital expenditures.

8.3.4 Contributions to designated reserves.

8.3.5 Transport revenues.

8.3.6 Grants, interest income, and other miscellaneous revenues.

8.3.7 Capital acquisition and replacement schedule to determine designated reserve contributions.

9. Funding and Annual Reconciliation.

9.1 SMEMPS shall be funded with monies from patient transport fees and any other lawful funding source including, but not limited to, transport revenues from third-party payers including private health insurance, Federal Medicare, and/or California State Medi-Cal; and grants and similar awards. SMEMPS shall use best efforts to provide its services in the most cost effective manner available without compromising quality standards, and shall maximize external revenue sources to offset costs. All revenues shall be collected by the Treasurer.

9.2 SMEMPS shall be responsible for billing and collecting for all ALS and BLS transport services provided by SMEMPS Member Agencies. The Board shall determine the method for the collection of transport fees.

9.3 All funds collected by SMEMPS shall be deposited in the SMEMPS General Fund. The SMEMPS General Fund shall be used to cover the cost of all SMEMPS core functions.

9.4 The Board shall adopt a Fund Balance and Reserve Policy.

9.5 SMEMPS shall adopt and maintain a Plan of Operations, which is attached hereto as Exhibit "A" and incorporated in full herein by reference. The Plan of Operations sets service

levels, and the formula for the payment of net operating surplus, if any, to be distributed to the Member Agencies. Notwithstanding the foregoing, the Plan of Operations may be amended or revised from time to time by the Board without amending this Agreement. Upon any such amendment or revision, the Plan of Operations shall be deemed automatically incorporated into this Agreement as if set forth in full herein.

9.6 Annual Reconciliation.

9.6.1 The net operating surplus or deficit is defined as the difference between total actual revenues and total actual expenditures for a given fiscal year. Total actual revenues include, but are not limited to, transport revenues. Total actual expenditures include, but are not limited to, costs, and amounts necessary to comply with SMEMPS's reserve policy and minimum cash balance target policy, as may be amended by the Board from time to time.

9.6.2 At the end of each fiscal year, the Treasurer shall complete an annual reconciliation pursuant to this Section and the Plan of Operations Policy. If in any given fiscal year the Treasurer determines that a net operating surplus exists, then the net operating surplus shall be distributed among the Member Agencies in accordance with the Plan of Operations Policy. The net operating surplus distribution shall occur within a reasonable time following the receipt of the independent fiscal audit for that year and after the annual financial audit has been presented to the Board. Each Member Agency shall use its net operating surplus only for paramedic and pre-hospital emergency medical services.

10. Term and Termination of Powers.

10.1 Term. This Agreement shall remain in effect until terminated as provided herein or until terminated by operation of law.

10.2 Termination. This Agreement may be terminated by:

10.2.1 A majority vote of the Board to recommend termination of the Agreement to the Member Agencies' governing bodies, and the subsequent vote of all the Member Agencies' governing bodies to terminate the Agreement.

10.2.2 A jurisdictional reorganization under California law affecting any of the Member Agencies; provided, however that in all cases SMEMPS shall make proper provisions for the winding up of its affairs.

10.3 Effect of Termination. SMEMPS shall be deemed dissolved upon the termination of this Agreement hereunder. Upon the termination of SMEMPS, no assets may be divided or returned to Member Agencies unless and until all outstanding obligations of SMEMPS have been fulfilled. Pursuant to California Government Code section 6512, distribution of the remaining assets shall then be made to the Member Agencies in percentage proportion of funding that the Member Agency contributed to SMEMPS for the fiscal year prior to termination. SMEMPS shall continue to exist for a reasonable time for the purpose of disposing of all claims and performing all other functions necessary to wind up SMEMPS's affairs, after which time, SMEMPS shall be terminated and dissolved.

11. New Membership, Removal, and Withdrawal.

11.1 New Member Agency. A new member agency shall be admitted to SMEMPS upon the unanimous vote of all Directors or Alternates, the approval of the proposed new member agency's governing board, and the amendment of this Agreement to include the new member

agency as approved by the governing boards of all Member Agencies. Any new member agency must have the authority to exercise the emergency medical services common to the Member Agencies and fall within the scope of the JPA Act. The Board may set additional terms and conditions in its Bylaws for admitting a new member agency that do not conflict with this Section. Notice of an amended Agreement reflecting a new member agency under this Section shall be filed with the California Secretary of State pursuant to California Government Code section 6503.5.

11.2. Removal of a Member Agency.

11.2.1 Process for Removal. A Member Agency may be removed from SMEMPS upon the majority vote of the Board at a public hearing by the Directors of the non-subject Board members for good cause, which includes, but is not limited to: the Member Agency's violation of any material term in this Agreement and/or any legal or administrative action or proceeding against SMEMPS or another Member Agency by the subject Member Agency directly related to SMEMPS duties. At the time of this Agreement, there are three (3) voting Member Agencies; therefore the vote of two (2) Member Agencies is required to remove the third Member Agency. The subject Member Agency's Director and Governing Board shall receive at least thirty (30) days' written notice of said removal hearing and shall be given the opportunity to be heard at the public hearing. The Board may set additional terms and conditions in its Bylaws for the removal of a Member Agency that do not conflict with this Section.

11.2.2 Payments Upon Removal. The removed Member Agency shall pay its percentage proportion of SMEMPS's costs and debts for the fiscal year of removal including, but not limited to, amounts related to any leases, facilities, improvements, and equipment, which proportion shall be based on the Member Agency's percentage proportion of funding that the Member Agency contributed to SMEMPS. All payments due under this Section shall be paid not later than ninety (90) days following the date of removal. The Board, based on the remaining Member Agencies, shall determine the final terms and conditions regarding the Member Agency's removal consistent with this Section. The remaining Member Agencies shall promptly determine how the proportional percentage share of the removed Member Agency's costs and liabilities shall be allocated among the remaining Member Agencies.

11.2.3 Effect of Removal. The removal of a Member Agency shall not cause the automatic dissolution of SMEMPS, nor shall it be construed as a completion of the purpose of SMEMPS. SMEMPS shall not be required to replace any Member Agency that is removed pursuant to this Agreement. Upon the removal of a Member Agency, this Agreement shall remain in effect.

11.3 Withdrawal of a Member Agency.

11.3.1 Process for Withdrawal. A Member Agency may withdraw from SMEMPS upon written notice to the Executive Officer and the other Member Agencies ("Notice") given on or before June 30th of any given year, to be effective on June 30th of the second fiscal year thereafter. ("Effective Date of Withdrawal").

11.3.2 Payments Upon Withdrawal. If a Member Agency withdraws from SMEMPS, it shall pay its percentage proportion of SMEMPS's costs and debts from the date of Notice until the Effective Date of Withdrawal, including, but not limited to, amounts related to any leases, facilities, improvements, and equipment, which proportion shall be based on the Member Agency's percentage proportion of funding that the Member Agency contributed to SMEMPS in the previous fiscal year. The withdrawing Member Agency shall also pay all costs

incurred by SMEMPS associated with its withdrawal including, but not limited to, attorneys' fees and staff time required to effectuate the withdrawal and change existing services and systems. All payments due under this Section shall be paid not later than ninety (90) days following the date of withdrawal. The withdrawing Member Agency shall forfeit any rights and claims relating to any distribution of any assets upon the termination or dissolution of SMEMPS under this Agreement. The Board, based on the remaining Member Agencies, shall determine the final terms and conditions by which the withdrawing Member Agency shall terminate its membership with SMEMPS consistent with this Section. The remaining Member Agencies shall promptly determine how the proportional percentage share of the withdrawing Member Agency's costs and liabilities shall be allocated among the remaining Member Agencies. Except as the withdrawing Member Agency and remaining Member Agencies may agree in writing, the withdrawing Member Agency shall automatically relinquish all rights as a Member Agency under this Agreement on the Effective Date of the Withdrawal and shall not accrue any further financial obligations under this Agreement after the Effective Date of Withdrawal.

11.3.3 Effect of Withdrawal. The withdrawal of a Member Agency shall not cause the automatic dissolution of SMEMPS, nor shall it be construed as a completion of the purpose of SMEMPS. SMEMPS shall not be required to replace any Member Agency that withdraws pursuant to this Agreement. Upon the withdrawal of a Member Agency, this Agreement shall remain in effect.

12. Service to Other Jurisdictions. Service to non-Member Agency jurisdictions may be provided by contract, by amendment to this Agreement, the admission of a new Member Agency, and/or pursuant to the Marin County Mutual Aid Plan and the State of California Mutual Aid Plan.

13. Retention of Rights under EMS Act. The Southern Marin Fire Protection District and the Tiburon Fire Protection District have each respectively, independently, and continuously, been providing emergency medical pre-hospital and ambulance services since prior to the passage of the Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act, California Health and Safety Code §§ 1797 *et seq.* ("EMS Act") in 1980. The Parties hereto acknowledge and agree that pursuant to the EMS Act, the Southern Marin Fire Protection District and the Tiburon Fire Protection District each retain all rights and authorities under the EMS Act to continue to provide such service notwithstanding their membership in SMEMPS, and nothing in this Agreement shall constitute a waiver of said rights and authorities.

14. Indemnification, Insurance, Debts and Liabilities, and Immunities.

14.1 Indemnification of Members. SMEMPS shall defend, with counsel selected by SMEMPS in its sole discretion, indemnify, and hold harmless each Member Agency, their respective governing board members, officers, agents, employees, and/or volunteers from any and all claims, losses, damages, costs, injuries, and liabilities of any kind arising from the conduct, activities, operations, acts, or omissions of SMEMPS under this Agreement, except where such indemnification and defense is prohibited by law.

14.2 Insurance. SMEMPS shall obtain such insurance protection as determined necessary by the Executive Officer to protect the interests of SMEMPS with limits of liability

consistent with best practices. SMEMPS may use self-insurance and may contract with a Member Agency for insurance services.

14.3 Debts and Liabilities. To the full extent authorized by law, and pursuant to California Government Code section 6508.1, the liabilities, and obligations of SMEMPS shall not constitute the debts, liabilities, or obligations of the Member Agencies. Each Member Agency's obligation hereunder is expressly limited only to the appropriation and contribution of such funds as may be levied pursuant to this Agreement or as the Member Agencies may agree.

14.4 Immunities. Pursuant to California Government Code section 6513, all the privileges and immunities from liability; exemptions from laws, ordinances, and rules; and all pension relief, disability, workers' compensation, and other benefits that apply to the activity of the trustees, officers, employees, or agents of the Member Agencies when performing their functions shall apply to the same degree and extent while such persons are engaged in the performance of any functions and duties for SMEMPS.

15. Amendments. This Agreement may be amended in writing by the unanimous vote of all the Directors or Alternates, and approved and executed by the governing boards of each Member Agency. Notice of any amended Agreement shall be filed with the California Secretary of State pursuant to California Government Code section 6503.5.

16. Severability. If any term or provision of this Agreement shall to any extent be determined by a court of competent jurisdiction to be invalid or unenforceable for any reason, the remaining terms or provisions of this Agreement are intended to be independently valid and enforceable to the full extent permitted by law.

17. No Third Party Rights. All the terms, conditions, rights, and duties provided for in this Agreement are solely for the benefit of the Member Agencies. It is the intent of the Member Agencies that no third party shall ever be the intended beneficiary of any performance, duty, or right created or required pursuant to this Agreement.

18. Prohibition Against Assignment. No Member Agency may assign any right, claim, or interest it may have under this Agreement. No creditor, assignee, or third-party beneficiary of any Member Agency shall have any right, claim, or title to any part, share, interest, or asset under this Agreement.

19. Dispute Resolution. Should any disagreement or dispute among the Member Agencies arise concerning interpretation, implementation, and/or enforcement of any of the terms or subject matter of this Agreement, the Member Agencies shall submit such dispute to mandatory mediation before an agreed-upon mediator, each Member Agency to pay an equal share of the mediation fees and its own attorneys' fees and legal costs. Should the Member Agencies be unable to agree upon a mediator, they shall agree upon a mediation service and shall have that service select a mediator for them. Completion of mediation shall be a condition precedent to the filing of any judicial legal action, except where a Member Agency seeks immediate injunctive relief to prevent irreparable harm. To the fullest extent permitted by law, the Member Agencies agree that no Member Agency shall be liable to another Member Agency for any monetary

damages arising out of, or relating to, this Agreement including, but not limited to, indirect, incidental, consequential, special or punitive monetary damages. Nothing in this Section shall be construed to limit liability for breach of an express payment or funding obligation under this Agreement, or the availability of equitable or injunctive relief. The Parties agree that the resolution of any dispute among them should be sought in the most expeditious, least costly, and informal manner possible.

20. Notices. Notice to a Member Agency under this Agreement shall be deemed sufficient if delivered to the City Clerk or the chief secretarial officer of the Member Agency, or to any other person designated in writing by the Member Agency.

21. Counterparts and Electronic Signature. This Agreement may be executed in any number of counterparts, which are all deemed original, and may be executed by electronic signature.

22. Complete Agreement. The foregoing constitutes the full and complete Agreement among the Member Agencies with respect to the subject matter of this Agreement, and supersedes all prior agreements and understandings, whether written or verbal.

23. Notice Filed with Secretary of State. Notice of this Agreement shall be filed with the California Secretary of State pursuant to California Government Code section 6503.5 within thirty (30) days of the final execution of this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

**As Exhibit “A” to the Amended and Restated Joint Powers Agreement of the
Southern Marin Emergency Medical Paramedic System**

PLAN OF OPERATIONS

Purpose: The purpose of this Plan of Operations (“Plan”) is to establish consistent operations and service-level standards across the jurisdiction of the Southern Marin Emergency Medical Paramedic System (“SMEMPS”) for the delivery of ambulance services. This Plan also defines the related percentages that will be applied to any revenue surplus/deficit for distribution or invoicing to the Member Agencies pursuant to the SMEMPS 2026 Amended and Restated Joint Powers Authority Agreement.

Authority: This Plan is adopted by the SMEMPS Board of Directors (“Board”) as an Exhibit to, and incorporated in, the Amended and Restated Joint Powers Agreement for the Southern Marin Emergency Medical Paramedic System dated [REDACTED] (“Agreement”).

I. Level of Service

General: Ambulance service shall be provided at service levels consistent with the requirements set forth in applicable State and Federal law, and consistent with best practices.

Member Agencies’ Responsibilities: Member Agencies operating SMEMPS medic units shall:

- A. Provide continuous 24-hour/day, year-round coverage for all urgent (Code 2) and emergent (Code 3) medical dispatches in their assigned service area.
- B. Provide, or cause to be provided by agreement or contract, availability of ALS or BLS unit(s) to assure constituent access to care.
- C. Assure the availability of ALS care and transport and BLS care and transport to all patients regardless of their ability to pay.
- D. Response time components are recorded by the County Emergency Command Center (ECC).
- E. Respond immediately with available ALS units and/or BLS ambulances in a mutual aid capacity outside assigned area of responsibility, but within Marin County, if directed to do so by ECC.
- F. Dispatching will occur as follows:
 1. Member Agencies’ owned units/ambulances will be dispatched by the ECC utilizing approved Marin County policies/procedures/and protocols. The ECC will, when possible, dispatch using the closest resource.
 2. All SMEMPS ALS and BLS units/ambulances involved in emergency medical care shall be directly dispatched by the ECC.

3. Upon receipt of verbal authorization, as promptly as possible, the appropriate vehicle and crew must be en route to the designated location, proceeding in a manner specified by EMS protocols. If response will be delayed, Member Agencies shall inform the ECC of the delay and the need for alternative response should be evaluated.
4. Member Agencies shall inform the ECC of any changes in availability and status of ALS units and BLS ambulances, in or out of service.
5. ALS units and BLS ambulances will use the unit identification number designated by the ECC.

II. Equipment and Supply Requirements

A. Vehicles

1. Ambulance vehicles shall comply with all applicable legal standards governing ambulance vehicles under State and Federal law including, but not limited to: requirements set forth in Title 13, Division 2, Chapter 5, Article 1 of the California Code of Regulations; applicable standards in the California Vehicle Code relating to emergency vehicles; and applicable requirements in, or adopted pursuant to, Title 22, Division 9 of the California Health and Safety Code sections 1797 *et seq.*, as all may be amended from time to time.
2. Vehicles shall be maintained in a clean condition and in good mechanical and body condition at all times.

B. Safety and Emergency Equipment: All ambulance vehicles shall carry, and maintain in good working order, the safety and emergency equipment as required by applicable State and Federal law including, but not limited to the requirements set forth in Title 13, Division 2, Chapter 5, Article 1 of the California Code of Regulations, and applicable requirements in, or adopted pursuant to, Title 22, Division 9 of the California Health and Safety Code sections 1797 *et seq.*, as may be amended from time to time.

C. Maintenance and Inspection: Member Agencies shall be responsible for proper operation and identifying any maintenance needs of SMEMPS provided equipment and agree to return this equipment to SMEMPS upon exiting the SMEMPS JPA, in good condition excepting normal wear and usage during the term of SMEMPS membership. Member Agencies shall perform regular inspections of ambulance vehicles in accordance with Title 13, Division 2, Chapter 5, Article 1 of the California Code of Regulations and best practices, and shall immediately remove from service any ambulance that is found to be non-compliant or unsafe for any reason.

III. Deployment:

The deployment of S MEMPS units is based on ALS dispatch-to-arrival times across the zone. Performance metrics adopted by the Board shall guide decisions and measure results, including as ALS engines are added. The intention is to evolve the system over time, with the goal of moving M10 to a full-time ALS ambulance, and all Engines to ALS status. Changes to deployment outlined here require S MEMPS Board approval. System performance and operations shall be in accordance with defined metrics as adopted by the Board, as may be amended from time to time.

- A. Composition: S MEMPS medic units include ALS ambulances, non-transport ALS rescue units, and designated non-transport ALS engines.

The medic units are deployed as follows:

	SOM	TIB	MRN	Total
ALS Ambulances	2 (M1, M4)	1 (M10)	-	3
X-Staff ALS Ambulance	1 (M6)	-	-	1
ALS Engine (Fulltime)*	1 (E6)	1 (E11)	1 (E1585)	3
ALS Rescue unit*	1 (R9)	-	-	1
TOTAL				8

*Non-transport units

- B. Location:

M1: Station 1
M4: Station 4
M6: Station 6
M10: Station 10
E6: Station 6
E11: Station 11
E1585: Throckmorton Ridge Station
R9: Station 9

- C. Staffing and training:

Medic units consist of a minimum of 1.0 FTE paramedic and 1.0 FTE firefighter EMT meeting Member Agencies' respective training and certification standards. Member Agencies are responsible for verifying required training, retraining, certification, and accreditation, as well as day-to-day management and supervision of all staff within their respective departments. Member Agencies shall provide supervision at the platoon commander level, and ensure that supervisory personnel have adequate time, knowledge, and resources to carry out supervision of their paramedics.

Due to the specialized skills and knowledge required for operating the rescue unit and its equipment, personnel assigned to the rescue unit shall have the following minimum training and certifications in: Rescue Systems I, Confined Space Rescue Operations, Swift Water, Rescue, Rapid Intervention Group, and Firefighter I.

IV. Insurance Requirements: All S MEMPS units shall be insured in amounts consistent with generally accepted best practice standards.

V. Net Operating Surplus/Deficit:

Per the Agreement, the Net Operating Surplus/Deficit is defined as the sum of all actual revenues, costs, designated reserve contributions, and reserve fund balance. The net operating surplus or deficit amount is calculated after the close of each fiscal year and determined by the Treasurer.

The net operating surplus/deficit distribution or invoicing is contingent on the deployment model. The percentages below will be revisited by the S MEMPS Board as Member Agencies expand ALS services.

S MEMPS NET OPERATING SURPLUS DISTRIBUTION							
	SOM		TIB		MRN		Total
	Units	% of Revenue	Units	% of Revenue	Units	% of Revenue	
ALS Ambulances	2 (M1, M4)	55.17%	1 (M10)	27.59%			
X-Staff ALS Ambulance	1 (M6)	6.12%	-	0%			
ALS Engine (Fulltime)	1 (E6)	2.04%	1 (E11)	2.04%	1 (E1585)		
ALS Rescue	1 (R9)	2.04%	-	0%			
TOTAL		65.37%		29.63%		5.00%	100.00%

Review and Amendment:

This Plan may be reviewed and revised by the Board from time to time in its discretion, to reflect legal requirements and best practices, without the necessity of amending the Agreement. The S MEMPS Board shall review this Plan of Operations with each approval of the annual budget.

RESOLUTION NO. 2026-XX

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE SOUTHERN MARIN EMERGENCY MEDICAL
PARAMEDIC SYSTEM APPROVING AN AMENDED AND RESTATED JOINT POWERS AGREEMENT
AND RECOMMENDING ADOPTION BY MEMBER AGENCIES**

WHEREAS, the Southern Marin Emergency Medical Paramedic System (“SMEMPS”) is a Joint Powers Authority formed by agreement in 1979, and revised effective May 4, 1983, and February 2, 2000 (the “Original JPA Agreements”) pursuant to the California Joint Exercise of Powers Act (Gov. Code §§ 6500 *et seq.*) for the purpose of providing paramedic and pre-hospital emergency medical services throughout and across jurisdictional boundaries by a single, consolidated agency; and

WHEREAS, in 2025, the Board authorized Citygate Associates to conduct a review of SMEMPS’s governance and fiscal processes, in light of agency consolidations, which report recommended updating and modernizing the JPA Agreement (“Citygate Report”); and

WHEREAS, on April 27, 2026, the Board held a duly noticed public meeting to consider approval of an Amended and Restated Joint Powers Agreement (“Agreement”) consistent with the recommendations set forth in the Citygate Report; and

WHEREAS, at the April 27, 2026 meeting, the Board considered and approved the Agreement; and

WHEREAS, at said meeting, the Board also recommended that the Member Agencies’ governing boards approve the Agreement.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The above recitals are true and correct and incorporated as findings herein.
2. The Board approves the Amended and Restated Joint Powers Agreement (“Agreement”) in substantially the form presented, and as modified and approved by the Board during its meeting on April 27, 2026, subject to approval by the governing bodies of the Member Agencies.
3. The Board recommends that the governing bodies of each Member Agency approve and adopt the Agreement as approved by the Board herein.
4. The Board directs the General Counsel to incorporate any modifications to the Agreement as approved by the Board during its April 27, 2026 meeting into the final version of the Agreement for transmission to each Member Agency, together with this Resolution, for approval.
5. The Board authorizes the General Counsel to make minor, non-substantive revisions to the Agreement as necessary to finalize the Agreement.

6. The Board directs the Executive Officer or designee to file the Agreement with the California Secretary of State pursuant to California Government Code section 6503.5 within thirty (30) days of approval of the Agreement by the Member Agencies' governing boards.
7. This Resolution shall become effective immediately upon its adoption.

RESOLUTION PASSED AND ADOPTED, at a meeting of the Board of Directors of the Southern Marin Emergency Medical Paramedic System the 27th day of April, 2026 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

RECUSED:

APPROVED: _____

By: _____

Board of Directors Chair, S MEMPS

ATTEST: _____

Chief Tubbs, Executive Officer, S MEMPS



Amended and Restated Joint Powers Agreement

Background and Introduction

- Original JPA Agreement 1979. Revised in 1983 and 2000.
- 2025 Board requested Citygate complete a review of SMEMPS's overall governance and fiscal structures.
- Citygate recommends updating and modernizing the JPA Agreement.
- Per Citygate's recommendations, staff drafted an Amended and Restated Joint Powers Agreement.
- Becomes effective upon approval of the Board and each Member Agencies' home legislative body.

Governance and Administration

- 3-Member Board appointed by Member Agency governing bodies.
- Home governing bodies appoint 1 Director and 1 Alternate.
- Belvedere no longer included as a non-voting member. Welcome informal participation.
- Higher voting thresholds:
 - New Member, Amendment of JPA Agreement require unanimous vote.
 - Removal – 2/3 vote for good cause.
 - Expenditures over 3% of operating budget – 2/3 vote.

Governance and Administration

- Executive Officer is appointed by the Board. Staff will return with Bylaws that provide processes of how the Executive Officer selected.
- Finance Officer of the Tiburon Fire Protection District named as the Treasurer and controller. Gov. Code, § 6505.5 requires the JPA Agreement name.
- Board selects President and Vice President.

Fiscal Structure, Funding, Return of Net Operating Surplus

- Fiscal Year July 1-June 30.
- Funding from transport revenues of Member Agencies.
- Must operate under an approved budget and may not operate at a deficit.
- Net operating surplus at the end of each fiscal year disbursed to Member Agencies. Percentages of distribution defined in Plan of Operations.

Membership

- New Members – Unanimous Board vote approval plus Member Agency approval.
- Withdrawal – 2-year notice.
- Removal – Majority Board vote for “good cause” as defined.
- Termination – Majority Board vote plus Member Agency approval.

Legal Protections

- Legal Protections for Member Agencies
- SMEMP's debts are not the debts of the individual Member Agencies.
- SMEMPS agrees to indemnify, defend, and hold harmless Member Agencies from claims arising out of the actions of SMEMPS.
- Those performing activities for SMEMPS maintain their immunities from their home jurisdiction.

Plan of Operations

- Attached as an Exhibit to JPA Agreement.
- Plan of Operations may be amended by the Board in the future without amending the JPA Agreement.
- Purpose is to establish consistent operations and service- level standards.
- Defines the percentages for distribution of the net operating surplus at the end of each fiscal year.

Recommendation

- Staff recommends that the Board adopt the attached Resolution Approving the Amended and Restated Joint Powers Agreement and Recommending Adoption by Member Agencies.



SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

For the Meeting of April 27, 2026

To: Board of Directors
From: Charlotte Jourdain, consultant
Subject: FY 25 Surplus revenue disbursements

RECOMMENDATION

Accept the FY 25 Financial Audit report and approve related member agencies' surplus revenue disbursements, in amounts consistent with that year's EMS resources deployment.

BACKGROUND

SMEMPS financial statements are audited annually by an external, independent Certified Public Accounting firm, as required by law. The FY 25 Audit report is now ready for your Board's approval.

In 2025, the Board authorized Citygate Associates to conduct a review of SMEMPS's governance and fiscal processes, in light of agency consolidations ("Citygate Report"). The Citygate Report recommends steps to enhance the clarity and effectiveness of financial management, and recommends that "the Plan of Operations clearly state the formula to be used in determining and allocating excess revenues [...] back to member agencies ..." (Recommendation #13).

The proposed restated and amended Joint Powers Agreement separately presented before your Board includes an updated and current Plan of Operations as Exhibit A. It proposes a surplus revenue allocation back to member agencies of 65.37% for Southern Marin Fire District, 29.63% for Tiburon Fire District, and 5% for the County of Marin, consistent with Citygate's recommended formula.

DISCUSSION

Citygate's report details the Revenue Allocation Method 2026 update, and proposes that "SMEMPS would transition MCFD out of the EMS Coordinator role," and also proposes a 2% surplus revenue allocation per ALS engine. Marin County currently operates a single ALS engine out of Throckmorton. Staff and Fire Chiefs considered Citygate's recommendation and propose that MCFD's surplus revenue percentage be 5% in consideration for providing EMS coordination

services (EMS Battalion Chief and Coordinator), until a transition can occur. Percentages reflect this proposal.

FY 25 surplus revenues total \$2,819,467. Staff recommends your Board adopts the percentages identified in the proposed Joint Powers Authority Plan of Operations exhibit, as the deployment model has not changes since FY 25. This results in the following disbursement amounts:

Marin County Fire	5.00%	\$140,973
Southern Marin Fire	65.37%	\$1,843,086
Tiburon Fire	29.63%	\$835,408

Going forward, once the new Joint Powers Agreement is approved by all member agencies and becomes effective, the Plan of Operations will be reviewed and amended based on deployment annually during the preparation of the next fiscal year’s budget. Consistent with current practice, surplus revenue disbursements will be made annually after your Board accepts the annual financial audit, based on the Plan of Operations’ percentages agreed upon for that fiscal year.

FISCAL IMPACT

The acceptance of the Annual Financial Audit has no fiscal impact. The approval of the surplus revenue disbursement amounts listed above does not have any budgetary impact, as these disbursements are not typically budgeted. This approval will however lower fund balance by a total of \$2,819,467.

RECOMMENDATION

Accept the FY 25 Financial Audit report and approve related member agencies’ surplus revenue disbursements, in amounts consistent with that year’s EMS resources deployment.

ATTACHMENTS

- Attachment 1. Plan of Operations – Exhibit A to the proposed JPA agreement
- Attachment 2. FY 25 Audit Report

**As Exhibit “A” to the Amended and Restated Joint Powers Agreement of the
Southern Marin Emergency Medical Paramedic System**

PLAN OF OPERATIONS

Purpose: The purpose of this Plan of Operations (“Plan”) is to establish consistent operations and service-level standards across the jurisdiction of the Southern Marin Emergency Medical Paramedic System (“SMEMPS”) for the delivery of ambulance services. This Plan also defines the related percentages that will be applied to any revenue surplus/deficit for distribution or invoicing to the Member Agencies pursuant to the SMEMPS 2026 Amended and Restated Joint Powers Authority Agreement.

Authority: This Plan is adopted by the SMEMPS Board of Directors (“Board”) as an Exhibit to, and incorporated in, the Amended and Restated Joint Powers Agreement for the Southern Marin Emergency Medical Paramedic System dated [REDACTED] (“Agreement”).

I. Level of Service

General: Ambulance service shall be provided at service levels consistent with the requirements set forth in applicable State and Federal law, and consistent with best practices.

Member Agencies’ Responsibilities: Member Agencies operating SMEMPS medic units shall:

- A. Provide continuous 24-hour/day, year-round coverage for all urgent (Code 2) and emergent (Code 3) medical dispatches in their assigned service area.
- B. Provide, or cause to be provided by agreement or contract, availability of ALS or BLS unit(s) to assure constituent access to care.
- C. Assure the availability of ALS care and transport and BLS care and transport to all patients regardless of their ability to pay.
- D. Response time components are recorded by the County Emergency Command Center (ECC).
- E. Respond immediately with available ALS units and/or BLS ambulances in a mutual aid capacity outside assigned area of responsibility, but within Marin County, if directed to do so by ECC.
- F. Dispatching will occur as follows:
 1. Member Agencies’ owned units/ambulances will be dispatched by the ECC utilizing approved Marin County policies/procedures/and protocols. The ECC will, when possible, dispatch using the closest resource.
 2. All SMEMPS ALS and BLS units/ambulances involved in emergency medical care shall be directly dispatched by the ECC.

3. Upon receipt of verbal authorization, as promptly as possible, the appropriate vehicle and crew must be en route to the designated location, proceeding in a manner specified by EMS protocols. If response will be delayed, Member Agencies shall inform the ECC of the delay and the need for alternative response should be evaluated.
4. Member Agencies shall inform the ECC of any changes in availability and status of ALS units and BLS ambulances, in or out of service.
5. ALS units and BLS ambulances will use the unit identification number designated by the ECC.

II. Equipment and Supply Requirements

A. Vehicles

1. Ambulance vehicles shall comply with all applicable legal standards governing ambulance vehicles under State and Federal law including, but not limited to: requirements set forth in Title 13, Division 2, Chapter 5, Article 1 of the California Code of Regulations; applicable standards in the California Vehicle Code relating to emergency vehicles; and applicable requirements in, or adopted pursuant to, Title 22, Division 9 of the California Health and Safety Code sections 1797 *et seq.*, as all may be amended from time to time.
2. Vehicles shall be maintained in a clean condition and in good mechanical and body condition at all times.

B. Safety and Emergency Equipment: All ambulance vehicles shall carry, and maintain in good working order, the safety and emergency equipment as required by applicable State and Federal law including, but not limited to the requirements set forth in Title 13, Division 2, Chapter 5, Article 1 of the California Code of Regulations, and applicable requirements in, or adopted pursuant to, Title 22, Division 9 of the California Health and Safety Code sections 1797 *et seq.*, as may be amended from time to time.

C. Maintenance and Inspection: Member Agencies shall be responsible for proper operation and identifying any maintenance needs of SMEMPS provided equipment and agree to return this equipment to SMEMPS upon exiting the SMEMPS JPA, in good condition excepting normal wear and usage during the term of SMEMPS membership. Member Agencies shall perform regular inspections of ambulance vehicles in accordance with Title 13, Division 2, Chapter 5, Article 1 of the California Code of Regulations and best practices, and shall immediately remove from service any ambulance that is found to be non-compliant or unsafe for any reason.

III. Deployment:

The deployment of SMEMPS units is based on ALS dispatch-to-arrival times across the zone. Performance metrics adopted by the Board shall guide decisions and measure results, including as ALS engines are added. The intention is to evolve the system over time, with the goal of moving M10 to a full-time ALS ambulance, and all Engines to ALS status. Changes to deployment outlined here require SMEMPS Board approval. System performance and operations shall be in accordance with defined metrics as adopted by the Board, as may be amended from time to time.

- A. Composition: SMEMPS medic units include ALS ambulances, non-transport ALS rescue units, and designated non-transport ALS engines.

The medic units are deployed as follows:

	SOM	TIB	MRN	Total
ALS Ambulances	2 (M1, M4)	1 (M10)	-	3
X-Staff ALS Ambulance	1 (M6)	-	-	1
ALS Engine (Fulltime)*	1 (E6)	1 (E11)	1 (E1585)	3
ALS Rescue unit*	1 (R9)	-	-	1
TOTAL				8

*Non-transport units

- B. Location:

M1: Station 1
M4: Station 4
M6: Station 6
M10: Station 10
E6: Station 6
E11: Station 11
E1585: Throckmorton Ridge Station
R9: Station 9

- C. Staffing and training:

Medic units consist of a minimum of 1.0 FTE paramedic and 1.0 FTE firefighter EMT meeting Member Agencies' respective training and certification standards. Member Agencies are responsible for verifying required training, retraining, certification, and accreditation, as well as day-to-day management and supervision of all staff within their respective departments. Member Agencies shall provide supervision at the platoon commander level, and ensure that supervisory personnel have adequate time, knowledge, and resources to carry out supervision of their paramedics.

Due to the specialized skills and knowledge required for operating the rescue unit and its equipment, personnel assigned to the rescue unit shall have the following minimum training and certifications in: Rescue Systems I, Confined Space Rescue Operations, Swift Water, Rescue, Rapid Intervention Group, and Firefighter I.

IV. Insurance Requirements: All SMEMPS units shall be insured in amounts consistent with generally accepted best practice standards.

V. Net Operating Surplus/Deficit:

Per the Agreement, the Net Operating Surplus/Deficit is defined as the sum of all actual revenues, costs, designated reserve contributions, and reserve fund balance. The net operating surplus or deficit amount is calculated after the close of each fiscal year and determined by the Treasurer.

The net operating surplus/deficit distribution or invoicing is contingent on the deployment model. The percentages below will be revisited by the SMEMPS Board as Member Agencies expand ALS services.

SMEMPS NET OPERATING SURPLUS DISTRIBUTION							
	SOM		TIB		MRN		Total
	Units	% of Revenue	Units	% of Revenue	Units	% of Revenue	
ALS Ambulances	2 (M1, M4)	55.17%	1 (M10)	27.59%			
X-Staff ALS Ambulance	1 (M6)	6.12%	-	0%			
ALS Engine (Fulltime)	1 (E6)	2.04%	1 (E11)	2.04%	1 (E1585)		
ALS Rescue	1 (R9)	2.04%	-	0%			
TOTAL		65.37%		29.63%		5.00%	100.00%

Review and Amendment:

This Plan may be reviewed and revised by the Board from time to time in its discretion, to reflect legal requirements and best practices, without the necessity of amending the Agreement. The SMEMPS Board shall review this Plan of Operations with each approval of the annual budget.

**SOUTHERN MARIN EMERGENCY
MEDICAL PARAMEDIC SYSTEM**

TIBURON, CALIFORNIA

ANNUAL FINANCIAL REPORT

JUNE 30, 2025



TABLE OF CONTENTS

	<u>PAGE</u>
Independent Auditors' Report	1-2
Management's Discussion and Analysis Required Supplementary Information (unaudited)	3-5
Basic Financial Statements:	
Statement of Net Position	6
Statement of Revenues, Expenses, and Changes in Net Position	7
Statement of Cash Flows	8
Notes to Basic Financial Statements	9-14

INDEPENDENT AUDITORS' REPORT

Board of Directors
Southern Marin Emergency Medical Paramedic System
Tiburon, California

Report on Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the business-type activities of Southern Marin Emergency Medical Paramedic System as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Southern Marin Emergency Medical Paramedic System's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of Southern Marin Emergency Medical Paramedic System, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Southern Marin Emergency Medical Paramedic System, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Southern Marin Emergency Medical Paramedic System's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore it is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Southern Marin Emergency Medical Paramedic System’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Southern Marin Emergency Medical Paramedic System’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis (pages 3-5) information be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.


O’Connor & Company

Novato, California
February 17, 2026

Southern Marin Emergency Medical Paramedic System
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2025

This section of Southern Marin Emergency Medical Paramedic System's (the System's) annual financial report presents our analysis of the System's financial performance during the fiscal year ended June 30, 2025. Please read it in conjunction with the financial statements which follow this section.

FINANCIAL HIGHLIGHTS

- The net position of the System's business-type activities increased by \$1,057,212. This was the result of an increase in operating revenues due to improved patient billings and an approved rate increase, in addition to an increase in assigned reserves for apparatus and equipment replacement.
- Total operating expenses for 2025 decreased by \$917,035.
- The System ended the 2025 year with \$10,299,954 in cash and investments available to the System to continue operations and to fund future capital asset replacements. This was \$624,285 less than at the end of fiscal year 2024, primarily driven by higher member disbursements paid out in the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

Figure A-1 summarizes the major features of the System's financial statements, including the portion of the System they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

FIGURE A-1 Major Financial Statement Features

Financial Statement Features	Basic Financial Statements
Scope	Activities the System operates like private businesses; the patient care and transportation system.
Required financial statements	Statement of net position; Statement of revenues, expenses, and changes in net position; Statement of cash flows.
Accounting basis and measurement focus	Accrual accounting and economic measurement focus.
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term focus.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received.

The basic financial statements report information about the System using accounting methods like those used by private-sector companies. The statement of net position includes *all* the System's assets and liabilities. All the current year's revenues and expenses are accounted for in the statement of revenues, expenses, and changes in net position regardless of when cash is received or paid.

The basic financial statements report the System's *net position* and how it has changed. Net position - the difference between the System's assets, deferred outflows of resources, liabilities, and deferred inflows of resources - is one way to measure the System's financial health, or *position*.

Over time, increases or decreases in the System's net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The basic financial statements of the System consist of one category:

- *Business-type activities* — The System charges fees to patients to help it cover the costs of certain services it provides. All of the System's operations are accounted for in this category.

The System uses proprietary enterprise fund type accounting principles to account for all operations. Proprietary accounting provides both long-and short-term financial information.

Southern Marin Emergency Medical Paramedic System
MANAGEMENT'S DISCUSSION AND ANALYSIS
 June 30, 2025

FINANCIAL ANALYSIS OF THE AGENCY AS A WHOLE

Net Position. The System's *combined* net position increased by about \$1,057,212 between years 2024 and 2025. (See Table A-1.)

TABLE A-1 NET POSITION OF THE SYSTEM
 (Rounded to the Nearest Dollar)

	Year Ended June 30	
	2025	2024
Assets:		
Current and other assets	\$ 12,349,219	\$ 12,468,981
Capital assets, net of accumulated depreciation	1,248,638	918,237
Total assets	13,597,857	13,387,218
Liabilities:		
Current liabilities	3,028,054	3,874,627
Total liabilities	3,028,054	3,874,627
Net position:		
Net investment in capital assets	1,248,638	918,237
Unrestricted	9,321,165	8,594,354
Total net position	\$ 10,569,803	\$ 9,512,591

The Net position of the System in 2025 increased to a total of \$10,569,803. The System's investment in capital assets at year-end represents 12% of the total net position.

There was no new long-term debt issued in fiscal 2025.

FINANCIAL ANALYSIS OF THE SYSTEM AS A WHOLE

Changes in net position. The System's operating revenues in fiscal 2025, on a net basis, were about 11% higher and non-operating revenues were about 20% lower than in fiscal 2024. (See Table A-2.) About 70% of the System's revenue was from charges for services in the form of patient service fees. The remaining 30% comes primarily from investment earnings and grant subsidy programs.

The total cost of all programs and services decreased by \$917,035 in 2025 from the fiscal year 2024 expenses.

TABLE A-2 System Revenues, Expenses and Changes in Net Position
 (Rounded to the Nearest Dollar)

	Year Ended June 30	
	2025	2024
Operating revenues	\$ 4,206,670	\$ 3,803,290
Operating expenses	4,919,422	5,836,457
Net operating income (loss)	\$ (712,752)	\$ (2,033,167)
Investment and other income	\$ 1,768,964	\$ 2,209,160
Interest and other expenses	-	-
Non-operating net income	\$ 1,768,964	\$ 2,209,160

The System's 2025 net patient revenues increased by \$403,380.

Southern Marin Emergency Medical Paramedic System
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2025

FINANCIAL ANALYSIS OF THE SYSTEM AS A WHOLE

Table A-2 presents the cost of each of the System's largest functions from an expense perspective - operating expenses and depreciation of capital assets.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2025 the System invested \$1,248,638 (net of accumulated depreciation) in capital assets including vehicles and small equipment. (See Table A-3.)

**TABLE A-3 System Investment in Capital Assets, Net of Accumulated Depreciation
(Rounded to the Nearest Dollar)**

	Business-Type Activities	
	<u>2025</u>	<u>2024</u>
Vehicles	\$ 1,992,944	\$ 2,264,753
Paramedical equipment	1,544,734	969,181
Less accumulated depreciation	<u>(2,289,040)</u>	<u>(2,315,697)</u>
Net capital assets	<u>\$ 1,248,638</u>	<u>\$ 918,237</u>

Additional information about the System's capital assets can be found on page 13 of the notes to the financial statements.

LONG-TERM DEBT

No new debt was issued in fiscal 2025. The System financed the new vehicles and equipment with its own financial resources instead of using external financing instruments.

ECONOMIC FACTORS AND NEXT YEAR'S OPERATING PLAN AND RATES

For the 2026 fiscal year, revenue projections show that 2026 revenues are expected to increase slightly compared to fiscal year 2025 due to an annual rate increase approved by the Board. The System expects to be allocated some amounts of DHCS revenues in fiscal year 2026 but the exact amounts are unknown at present time.

The System's focus in fiscal year 2026 will be to continue to get patient billings invoiced on a regular monthly basis and continue to improve the realization of revenues from patient services.

CONTACTING THE AGENCY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, patients, and creditors with a general overview of the System's finances and to demonstrate the System's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Liaison Chief, Tiburon Fire Protection District, 1679 Tiburon Blvd., Tiburon, California, 94920.

Southern Marin Emergency Medical Paramedic System
STATEMENT OF NET POSITION
 June 30, 2025

ASSETS

Current assets:	
Cash and investments	\$ 10,299,954
Patient accounts receivable, net of allowance for doubtful accounts of \$1,008,845	1,899,997
Interest receivable	11,046
Prepayments	<u>138,222</u>
Total current assets	<u>12,349,219</u>
Capital assets:	
Emergency vehicles	1,992,944
Paramedical equipment	1,544,734
Accumulated depreciation	<u>(2,289,040)</u>
Net capital assets	<u>1,248,638</u>
Total assets	<u>13,597,857</u>

LIABILITIES

Current liabilities:	
Accounts payable	208,587
Payable to member agencies	<u>2,819,467</u>
Total current liabilities	<u>3,028,054</u>
Net position:	
Net investment in capital assets	1,248,638
Unrestricted	<u>9,321,165</u>
Total net position	<u>\$ 10,569,803</u>

The accompanying notes are an integral part of these financial statements.

Southern Marin Emergency Medical Paramedic System
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION
For the Year Ended June 30, 2025

Operating revenues:	
Net patient service revenue	\$ 4,206,670
Total operating revenues	<u>4,206,670</u>
Operating expenses:	
Service delivery	3,331,632
Maintenance and repairs	142,727
Customer accounting	151,399
General and administrative	205,252
DHCS administrative fee	827,320
Depreciation	<u>261,092</u>
Total operating expenses	<u>4,919,422</u>
Operating income (loss)	<u>(712,752)</u>
Non-operating revenues (expenses):	
Investment income	540,203
Partnership for health care subsidy	1,151,987
Federal grants	<u>76,774</u>
Total non-operating revenues (expenses)	<u>1,768,964</u>
Other income	
Gain on sale of equipment	<u>1,000</u>
Total other income	<u>1,000</u>
Changes in net position	1,057,212
Net position, beginning of period	<u>9,512,591</u>
Net position, end of period	<u>\$ 10,569,803</u>

The accompanying notes are an integral part of these financial statements.

Southern Marin Emergency Medical Paramedic System
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2025

Cash flows from operating activities:	
Cash received from patients and third-party payers	\$ 3,820,367
Cash paid to suppliers and service providers	<u>(5,623,123)</u>
Net cash provided (used) by operating activities	<u>(1,802,756)</u>
Cash flows from capital and related financing activities:	
Purchase of equipment	<u>(591,493)</u>
Net cash provided (used) by capital and related financing activities	<u>(591,493)</u>
Cash flows from noncapital and related financing activities:	
Federal grants	76,773
Partnership for health care subsidy	<u>1,151,987</u>
Net cash provided by noncapital financing activities	<u>1,228,760</u>
Cash flows from investing activities:	
Sale of equipment	1,000
Investment income	<u>540,204</u>
Net cash provided by investing activities	<u>541,204</u>
Net increase (decrease) in cash and cash equivalents	(624,285)
Cash and cash equivalents - beginning of period	<u>10,924,239</u>
Cash and cash equivalents - end of period	<u>\$ 10,299,954</u>
Reconciliation of operating income (loss) to net cash provided (used in) operating activities:	
Operating income (loss)	<u>\$ (712,752)</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation	261,092
Changes in certain assets and liabilities:	
Decrease (increase) in customer accounts receivable & interest receivable	(386,303)
Decrease (increase) in prepayments	(118,220)
Increase (decrease) in accounts payable for services	126,135
Increase (decrease) in payable to member agencies	<u>(972,708)</u>
Net cash provided (used) by operating activities	<u>\$ (1,802,756)</u>

The accompanying notes are an integral part of these financial statements.

Southern Marin Emergency Medical Paramedic System
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Southern Marin Emergency Medical Paramedic System (the System) was organized under a Joint Powers Agreement in December 1979 between the City of Belvedere, City of Sausalito, Alto-Richardson Bay Fire Protection District, Tamalpais Fire Protection District, Tiburon Fire Protection District and the County of Marin for the purpose of establishing, operating, and maintaining an emergency medical care-paramedic program in Southern Marin County. Current members include the City of Belvedere, County of Marin, Southern Marin Fire Protection District, and Tiburon Fire Protection District. The System's service delivery is provided by personnel of member agencies using System emergency vehicles, paramedical equipment, and supplies. Accordingly, the System reports no expenses for salaries, benefits, compensated absences, or retirement costs.

The System is governed by a Board of Directors consisting of one appointed member from each of the member governmental entities. The System is therefore considered to be a stand-alone financial reporting entity.

B. Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of revenues, expenses, and changes in net position) report information on all the nonfiduciary activities of the System.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when liability is incurred, regardless of the timing of related cash flows. Patient service revenues are recognized as the service is provided to patients of the System and is reported net of all allowances for uncollectible accounts and disallowances.

The System is engaged in only business-type activities and the System's basic financial statements consist of only the financial statements required for enterprise funds. These include management's discussion and analysis, a statement of net position, a statement of revenues, expenses, and changes in net position, a statement of cash flows, and these notes to the basic financial statements.

Proprietary enterprise funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operation revenues of the System are charges to individuals and organizations for the delivery of emergency medical care and related transportation services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. Such operating expenses also include payments to member agencies for personnel and other services provided during each fiscal year. The amount of compensation payable to member agencies is annually determined by the System's Board of Directors. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Southern Marin Emergency Medical Paramedic System
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Liabilities, and Net Position

Deposits and Investments

The System's cash and cash equivalents are cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the System to invest in public deposits, time certificates of deposit, the State Treasurer's Local Agency Investment Fund (LAIF), California Asset Management Program (CAMP), and other permitted investments.

The System's investment practice is to invest all idle cash in either certificates of Deposit, the State Treasurer's Local Agency Investment Fund (LAIF), or the California Asset Management Program (CAMP). All investments are considered Level 1 under the GAAP fair value framework. Under Level 1, inputs are quoted market prices for identical assets and liabilities in markets at the measurement date.

Cash and Cash Equivalents

Cash is defined as cash in demand deposit accounts as well as cash on hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and investments so near their maturity that the risk of changes in value due to changes in interest rates is negligible. These are generally investments with maturity dates within three months of the acquisition date.

Receivables and Patient Revenues

All trade receivables are shown net of an allowance for uncollectable and disallowances. The System bills patients without insurance, private insurance companies where patients are privately insured, and Medicare/Medi-Cal for patients with that type of insurance. The insurance companies typically do not pay the full amounts billed by the System. After processing of the billings, insurance companies pay the System amounts deemed as allowable under current insurance practices. In addition, as of January 2024, AB716 allows patients without insurance to pay only up to the dollar amount published by Medicare, and the remainder of the billed amount must be written off by the System. As a result, patient service revenue is reported by the System at the net estimated realizable amounts due from patients, third party payers, and others for services rendered by the System.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

Capital Assets

Capital assets, which include equipment and vehicles, are reported in the financial statements. Capital assets are defined by the System as assets with an initial, individual cost of more than \$2,000 and an estimated useful life for more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the System are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Vehicles	4-10
Equipment	5-10

Depreciation expense additions were \$261,092 for the year ended June 30, 2025.

Southern Marin Emergency Medical Paramedic System
NOTES TO FINANCIAL STATEMENTS
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

D. Assets, Liabilities, and Net Position (concluded)

Long-term Obligations

In enterprise fund-type financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

Use of Estimates

The financial statements have been prepared in conformity with U.S. generally accepted accounting principles, and as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. The actual results could differ from those amounts.

Net Position

In the financial statements, fund net position is reported in two categories as follows:

- Net investment in capital assets - This category of net position reports the netbook value of capital assets (cost of vehicles and equipment less accumulated depreciation) less any outstanding long-term debt principal issued for the specific purpose of providing funding for the purchase of capital assets.
- Unrestricted - Unrestricted net position represents all other assets net of related liabilities available for use by the System and not restricted for a specific purpose use by parties external to the System.

Net Position Flow Assumption

When both restricted and unrestricted resources are available for use, it is the System's policy to use restricted resources first, followed by the unrestricted resources as they are needed.

Contingencies

The System receives revenue from Federal, State and Local agencies that have requirements to be followed when expending these revenues. If the requirements are not followed, the unauthorized expenditure would be a liability to be refunded to the appropriate agency. The funding provided under the GEMT and DHCS Partnership Programs are subject to audit by the provider and may involve federal financial assistance. The System expects that disallowed reimbursements, if any, will not be material to the System's financial position.

Litigation

The System is currently not involved in any litigation that might have a financial impact upon the System.

NOTE 2 - DETAILED NOTES

A. Cash Equivalents and Investments

Deposits and investments at June 30, 2025 consisted of \$10,299,954 as follows:

Pooled cash in the LAIF	\$ 1,008,194
Pooled cash in the CAMP	9,196,322
Demand deposit accounts	<u>95,438</u>
Total	<u>\$ 10,299,954</u>

Southern Marin Emergency Medical Paramedic System
NOTES TO FINANCIAL STATEMENTS
 June 30, 2025

NOTE 2 - DETAILED NOTES (continued)

A. Cash Equivalents and Investments (continued)

Custodial Credit Risk - Deposits

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for deposits and investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party.

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state-chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors.

Investments

At June 30, 2025, the System's funds were invested as follows:

<u>Investment Type</u>	<u>Average Life</u>	<u>Fair Value</u>
Local Agency Investment Fund	291 Days	\$ 1,008,194
California Asset Management Program	60 Days	\$ 9,196,322

Local Agency Investment Fund - LAIF is regulated by California Government Code (Code) Section 16429 and is under the management of the State of California Treasurer's Office with oversight provided by the Local Agency Investment Advisory Board.

LAIF is carried at fair value based on the value of each participating dollar as provided by LAIF. The fair value of the System's position in the LAIF is the same as the value of its pooled share. Investment in securities of the U.S. government or its agencies are carried at fair value based on quoted market prices. Bank balances are secured by the pledging of a pool of eligible securities to collateralize the System's deposits with the bank in accordance with the Code.

California Asset Management Program (CAMP) is a CA Joint Powers Authority (JPA) established in 1989 to provide CA public agencies with professional investment services. Investments offered through the Cash Reserve Portfolio (Camp Pool) and CAMP Term are permitted for all local agencies under CA Government Code Section 53601(p). The Program also offers educational resources, market updates, and arbitrage rebate compliance services.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from interest rates, the System has limited its investment of System funds to investment in the State of California Local Agency Investment Fund and California Asset Management Program.

Credit Risk

State law limits investments in various securities to certain levels of risk issued by nationally recognized statistical rating organizations. It is the System's policy to comply with state law in regard to security ratings. LAIF & CAMP also comply with those limitations prescribed by State Law. LAIF & CAMP are unrated by such statistical rating organizations.

Southern Marin Emergency Medical Paramedic System
NOTES TO FINANCIAL STATEMENTS
 June 30, 2025

NOTE 2 - DETAILED NOTES (concluded)

A. Cash Equivalents and Investments (concluded)

Custodial Credit Risk - Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the System would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the System's funds were invested in specific securities. All monies were invested in the System's pool of investments (primarily CAMP) with such investment not being evidenced by specific securities; and therefore, not subject to custodial credit risk.

Fair Value Reporting - Investments

GASB Statement No. 72, *Fair Value Measurements and Application*, establishes a fair value hierarchy consisting of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs consist of inputs other than quoted prices that are observable for an asset or liability, either directly or indirectly, that can include quoted prices for similar assets or liabilities in active or inactive markets, or market-corroborated inputs, and Level 3 inputs have the lowest priority and consist of unobservable inputs for an asset or liability.

The California Asset Management Program's pool, the State of California Local Agency Investment Pool's holdings and cash in banks were not subject to the fair value hierarchy.

B. Receivables

Receivables as of year-end in the aggregate, net of the applicable allowances for disallowed amounts and uncollectible accounts, are as follows:

	Amounts
Receivables:	
Patient accounts	\$ 2,908,842
Less allowance for bad debts	<u>(1,008,845)</u>
Net patient receivables	<u>\$ 1,899,997</u>

C. Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

	Balance June 30, 2024	Increase	Decrease	Balance June 30, 2025
<u>Business-type Activities</u>				
Capital assets, being depreciated:				
Vehicles	\$ 2,264,753	\$ -	\$ (271,809)	\$ 1,992,944
Paramedical equipment	<u>969,181</u>	<u>591,493</u>	<u>(15,940)</u>	<u>1,544,734</u>
Total capital assets, being deprec.	<u>3,233,934</u>	<u>591,493</u>	<u>(287,749)</u>	<u>3,537,678</u>
Less accumulated depreciation for:				
Vehicles	(1,501,234)	(181,457)	271,809	(1,410,882)
Paramedical equipment	<u>(814,463)</u>	<u>(79,635)</u>	<u>15,940</u>	<u>(878,158)</u>
Total accumulated depreciation	<u>(2,315,697)</u>	<u>\$ (261,092)</u>	<u>\$ 287,749</u>	<u>(2,289,040)</u>
Capital assets – net	<u>\$ 918,237</u>			<u>\$ 1,248,638</u>

NOTE 3 - OTHER INFORMATION

A. Risk Management

The System is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters, for which the System carries insurance. The System purchases commercial insurance coverage which provides for business property coverage including equipment and supplies with a deductible of \$250, general liability coverage including medical malpractice with a \$3 million general aggregate limit, automobile coverage for bodily injury and property damage for \$1 million, and excess umbrella liability coverage for \$2 million each occurrence with a \$4 million general aggregate.

There have been no significant reductions in insurance coverages as compared to the 2024 fiscal year, and the amounts of settlements have not exceeded insurance coverages for each of the past three fiscal years. There are no claim liabilities in the accompanying financial statements as the risk of loss has been transferred to the commercial insurance companies.

Liabilities of the System are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are evaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and number of pay-outs), and other economic and social factors. There were no material uninsured claim liabilities at June 30, 2025.

NOTE 4 - SUBSEQUENT EVENTS

In preparing these financial statements, the System has evaluated events and transactions for potential recognition or disclosure through the date the financial statements were issued.

SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

For the Meeting of April 27, 2026

To: Board of Directors
From: Charlotte Jourdain, consultant
Reviewed by: SMEMPS Finance staff, Chiefs
SMEMPS Legal Counsel
O'Connor & Company (Financial Auditor)
Subject: Adoption of SMEMPS' Accounts Payable Policy and Capital Assets and Depreciation Policy

RECOMMENDATION

Adopt SMEMPS Accounts Payable Policy; Adopt SMEMPS Depreciation Policy

BACKGROUND

In 2025, the Board authorized Citygate Associates to conduct a review of SMEMPS's governance and fiscal processes, in light of agency consolidations ("Citygate Report"). The Citygate Report recommends steps to enhance the clarity and effectiveness of financial management. Pursuant to Citygate's recommendations, staff now brings before the Board two financial management policies, the Accounts Payable and the Depreciation Policy respectively. Note that these policies can be effective upon approval and are not contingent on the approval of the proposed amended JPA agreement. However, to account for implementation time, the proposed effective date is July 1st, 2026, to coincide with the next fiscal year.

DISCUSSION

The purpose of the Accounts Payable Policy is to establish rules, responsibilities and standardized procedures for the disbursement of SMEMPS funds, to ensure accuracy, timeliness and consistency in disbursements, maintain strong internal controls and segregation of duties, ensure compliance with applicable laws, regulations and fiscal best practices, and provide transparency and accountability in financial operations.

The Accounts Payable Policy specifies procedures for the receipt, review and approval of invoices. Routine invoices of less than \$10,000 may be processed for payment by the Treasurer without Executive Officer approval (currently all invoices regardless of amount and nature require approval, which is provided by the EMS Battalion Chief) It also specifies conflict of interest provisions (section 4).

The Accounts Payable Policy also specifies internal control considerations.

The purpose of the Capital Assets and Depreciation Policy is to establish consistent accounting and financial reporting standards for the recognition, capitalization, tracking, and depreciation of the capital assets of Southern Marin Emergency Medical Paramedic System (“SMEMPS”). This policy ensures that capital assets are recorded and reported in accordance with generally accepted accounting principles applicable to governmental entities, including guidance issued by the Governmental Accounting Standards Board (GASB). This Policy also establishes the process and requirements for the disposal and sale of Surplus Property, such as vehicles and equipment.

The Capitalization threshold is set at \$20,000 (currently \$1,000), using cost or estimated cost. Depreciation will use the straight-line method (consistent with current), by dividing the asset’s value by its estimated useful life in years until the asset is fully depreciated. Vehicles will use a useful life of 8 years. Equipment will use a useful life of 5 to 8 years. It is important to note assets that are fully depreciated can continue to be used for as long as operational. Once no longer needed or effective, an asset can be surplussed as detailed in the Policy.

With this higher capitalization threshold, it is important the SMEMPS continue to maintain a strong inventory system.

FISCAL IMPACT

There is no fiscal impact associated with the adoption of these policies. Financial reports will be altered slightly to reflect the higher depreciation threshold. The SMEMPS Financial Auditor O’Connor and Co has reviewed and approved these new policies.

RECOMMENDATION

Staff recommends the Board adopt the attached Accounts Payable Policy.

Staff also recommends the Board adopts the attached Capital Assets & Depreciation Policy.

ATTACHMENTS

1. Accounts Payable Policy
2. Capital Assets & Depreciation Policy

SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

ACCOUNTS PAYABLE POLICY

Section: Administration

Effective Date: July 1, 2026

Page 1 of 1

Purpose: The purpose of this Accounts Payable Policy is to establish rules, responsibilities and standardized procedures for the disbursement of Southern Marin Emergency Medical Paramedic System (“SMEMPS”) funds, to:

- Ensure accuracy, timeliness, and consistency in disbursements
- Maintain strong internal controls and segregation of duties
- Ensure compliance with applicable laws, regulations, and fiscal best practices
- Provide transparency and accountability in financial operations

Authority: This Policy is adopted by the SMEMPS Board of Directors (“Board”) as authorized by the Amended and Restated Joint Powers Agreement for the Southern Marin Emergency Medical Paramedic System dated [REDACTED] and associated Bylaws. This Policy may be reviewed and revised by the Board from time to time in its discretion, to reflect legal requirements and best practices.

Policy: This Policy applies to all agreements, contracts, invoices, and disbursements of funds by SMEMPS as set forth herein. The Board retains ultimate authority over the adoption of the annual budget and the approval of all major contracts and major financial obligations. Once the Board has authorized a budget item or approved a contract, all invoices and payment requests shall be processed in accordance with the procedures and authorities outlined below.

Procedures:

1. Receipt and Handling of Invoices:

Invoices shall be submitted through either of the following methods:

- a. Electronic submission directly into an accounts payable platform such as Bill.com (“system”), including vendor submission or upload by authorized personnel; or
 - b. Manual submission via U.S. mail or personal delivery to the Treasurer or designee. All invoices received through manual channels shall be promptly scanned and uploaded into the accounts payable platform.
- The accounts payable platform shall serve as the official system of record for all invoices, regardless of submission method.
 - The Treasurer or designee shall:
 - a. Review invoices for completeness and legibility
 - b. Assign appropriate coding (e.g., vendor, account, cost center, project, as applicable)
 - c. Ensure that invoices have not been previously paid or recorded as duplicates within the system

SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

- The system shall maintain a complete audit trail, including receipt date, uploads, approvals, and payment actions.

2. Invoice Review and Processing:

- All invoices, regardless of submission method, must be reviewed and processed within the accounts payable platform prior to payment.
- Prior to initiating payment, the Treasurer or authorized designee shall verify:
 - a. Mathematical accuracy and supporting documentation
 - b. Proper vendor documentation
 - c. Consistency with authorized expenditures
 - d. Proper coding and documentation support
 - e. Any invoice previously paid or recorded as a duplicate
- All supporting documentation (e.g., contracts, purchase approvals, receipts) shall be attached and retained within the accounts payable platform.
- All payments must be consistent with executed contracts and agreements, if applicable.
- No payment shall be made on a disputed claim, as reasonably determined by the Executive Officer or Treasurer, which shall mean any claim for which there is a question regarding the validity, accuracy, supporting documentation, or other material issue for a request for payment. Payment shall be made only upon resolution to the satisfaction of the Executive Officer or as authorized by the Board.

3. Approval Requirements:

All disbursements must be consistent with and included in the Board-Approved or Board-Amended Budget. All disbursements must be for a valid public purpose and not constitute a gift of public funds. No disbursement shall exceed Board-approved amounts.

- Routine invoices **less than \$10,000** may be processed for payment by the Treasurer or designee through the accounts payable platform.
 - a. Invoices that represent non-routine, unusual, or unbudgeted expenditures—regardless of amount—shall require approval by the Executive Officer or designee.
- Invoices **equal to or greater than \$10,000** require approval by the SMEMPS Executive Officer (EO) or designee prior to payment. Approval may be provided electronically or via signature.

4. Conflict of Interest / Related Party Payments:

- Any invoice or payment equal to or more than \$10,000 made to:
 - a. The Executive Officer, or
 - b. An agency or entity affiliated with the Executive Officershall require review and approval by the Board President (or designee) prior to payment.
- Any invoice involving the Treasurer's own expenses shall be reviewed and approved by the Executive Officer.

SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

5. Distribution of Correspondence:

- Relevant financial correspondence shall be forwarded by the Treasurer or designee to the Executive Officer or designee in a timely manner.

6. Disbursement and Reporting:

- The Treasurer or designee shall maintain a complete and accurate register (warrant list) of all payments issued.
- The register shall be provided to the Executive Officer no later than ten (10) days after the first day of each month.
- The Board shall receive a warrant list at each regular meeting containing the warrants since the Board's prior regular meeting.

Internal Control Considerations:

- Duties for invoice receipt, approval, and payment processing should be appropriately segregated to the extent feasible.
- Supporting documentation shall be retained in accordance with records retention requirements, and in any event, no less than two (2) years.
- Electronic approvals shall be maintained as part of the official record.
- Any contractor performing accounts payable functions shall be:
 - a. Formally contracted by the Treasurer
 - b. Subject to appropriate oversight and review
 - c. Granted role-based, limited access to the accounts payable system
 - d. Prohibited from exercising approval authority unless explicitly authorized in this Policy
- The Treasurer retains ultimate responsibility for all accounts payable activities performed by contractors.
- The Treasurer shall perform all duties as required by Government Code section 6505.5, as may be amended from time to time.

SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

CAPITAL ASSETS & DEPRECIATION POLICY

Section: Administration

Effective Date: July 1, 2026

Pages: 3

Purpose:

The purpose of this Capital Assets & Depreciation Policy (“Policy”) is to establish consistent accounting and financial reporting standards for the recognition, capitalization, tracking, and depreciation of the capital assets of Southern Marin Emergency Medical Paramedic System (“SMEMPS”). This policy ensures that capital assets are recorded and reported in accordance with generally accepted accounting principles applicable to governmental entities, including guidance issued by the Governmental Accounting Standards Board (GASB). This Policy also establishes the process and requirements for the disposal and sale of Surplus Property, such as vehicles and equipment.

This Policy is intended to:

1. Define the criteria for identifying and capitalizing capital assets.
2. Establish a capitalization threshold and asset classification framework appropriate to the SMEMPS’ operational environment.
3. Provide guidance for recording, safeguarding, and maintaining accurate records of capital assets.
4. Establish consistent methodologies for depreciating capital assets over their estimated useful lives.
5. Ensure that SMEMPS’ financial statements accurately reflect the value and consumption of long-lived assets used to provide emergency medical services.

By implementing this policy, SMEMPS seeks to promote financial transparency, support sound asset management practices, and ensure compliance with applicable accounting standards and audit requirements.

Authority:

This Policy is adopted by the SMEMPS Board of Directors (“Board”) as authorized by the Amended and Restated Joint Powers Agreement for the Southern Marin Emergency Medical Paramedic System dated and associated Bylaws. This Policy may be reviewed and revised by the Board from time to time in its discretion, to reflect legal requirements and best practices.

SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

Capital Asset Definition:

Capital assets are defined as assets with an initial, individual acquisition cost equal to or greater than the capitalization threshold established in this policy and an estimated useful life greater than one year.

Groups of similar assets with individual costs below the capitalization threshold may be capitalized when the total acquisition cost of the group equals or exceeds the capitalization threshold and the assets are acquired at the same time and have similar useful lives.

Capitalization Threshold:

SMEMPS' capitalization threshold shall be \$20,000. Vehicles shall always be capitalized regardless of their cost. The Board of Directors may revise the capitalization threshold from time to time as necessary to reflect changes in asset values, inflation, or operational needs.

Valuation of 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 acquisition value on the date contributed.

Capital assets acquired through grants, donations, or other non-exchange transactions shall be recorded as capital assets if S MEMPS obtains ownership or control of the asset. Such assets shall be recorded at their estimated acquisition value at the date received and depreciated in accordance with this policy.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' life are not capitalized. Major repairs, refurbishments, or remounts that materially extend the useful life of a vehicle or significantly increase its service capacity shall be capitalized and depreciated over the remaining or revised useful life of the asset.

Depreciation methodology:

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 expenses 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.

Useful Life Schedule:

SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

The Treasurer or their designee shall establish the useful life of all capitalized assets according to the following guidelines:

- Vehicles8 years
- Equipment5-8 years

Depreciation shall begin in the fiscal year following the acquisition of the asset, resulting in a full year of depreciation expense in the first year recorded.

Non-capital asset inventory / control:

Items below the capitalization threshold that are considered sensitive, portable, and/or operationally significant may be tracked through the member agencies' equipment inventory systems to ensure accountability and proper stewardship of public resources.

Surplus Property:

Surplus Property is defined as any tangible personal property such as a vehicle or piece of equipment, that is no longer required, needed, or effective, because it is obsolete, uneconomical to repair, or otherwise unusable. The initial determination of Surplus Property shall be made by the Executive Officer or designee. Surplus Property shall not include real property as defined by State law. Surplus Property shall be disposed of as follows:

1. Value Exceeding \$5,000. If the current value of the property exceeds \$5,000 per item, the Board shall approve of its sale or disposal by resolution. The Board shall first determine if the property qualifies as Surplus Property pursuant to this Section and may authorize the Executive Director to sell or otherwise dispose of the Surplus Property.
2. Value of \$5000 or less.
 - a. If the current value of the Surplus Property is \$5,000 or less per item, the Executive Director may authorize the sale or disposition of the Surplus Property by any method he/she determines most advantageous to SMEMPS considering the value and nature of property and money to be recouped by sale, if any.
 - b. The Executive Officer is authorized to sell Surplus Property under this Subsection to another California public entity for its current market value or equivalent in trade.
3. Any disposal of Surplus Property pursuant to this section shall be "as-is" without warranty, express or implied.
4. Any funds from the disposal of Surplus Property shall be deposited in the general fund of SMEMPS.
5. The Treasurer shall maintain records of all sales and dispositions of Surplus Property under this Section including, but not limited to: a description of the item(s); amount of

SOUTHERN MARIN EMERGENCY MEDICAL PARAMEDIC SYSTEM

money received/disposition result; name of transferee; and date of transfer. Said records shall be maintained for a minimum of two (2) years.

6. Surplus Property may be donated to a non-profit, 501(c)(3) organization consistent with this Section if it is determined to be in the public interest.



Memorandum

Date: April 27, 2026
To: Board of Directors
From: Chief Tubbs – Liaison Chief
Subject: Liaison Chief's Report

Administration

Awards & Recognition

Lifesaving Medals

Captains Robert Grady and Mike Coleman will be awarded Life Saving Medals by the California Emergency Medical Services Authority (EMSA) for their extraordinary heroism during the Kaanapali Explosion on February 20, 2025.

While off-duty and vacationing with their families at The Whaler Resort in Lahaina, Maui, the two captains responded without hesitation to a catastrophic gas grill explosion that critically injured multiple people.

Demonstrating exceptional courage and professionalism, they immediately provided lifesaving medical care to victims suffering from severe traumatic injuries and took decisive action to locate and shut off the leaking gas supply, preventing a potential secondary explosion.

Their rapid intervention, performed without protective equipment or formal authority, helped stabilize the chaotic scene and directly contributed to saving lives until local emergency responders arrived.

This prestigious recognition highlights the highest ideals of the fire service and brings great honor to Captains Grady and Coleman, as well as to the Southern Marin Fire Protection District.

Awards for Excellence

The California Emergency Medical Services Authority (EMSA) has also awarded the following individuals Awards for Excellence:

Tiburon Fire Protection District: Carlos Berlanga, Nate Buck & Chas Armour
Southern Marin Fire Protection District: Stephen Ramirez
Marin County Fire: Preston Riley and Colin Gray.

Recommendation: No Action Needed.

Citygate Report

In 2025, the S MEMPS Board authorized Citygate Associates, LLC to conduct an updated Resource and Fiscal Review of the Southern Marin Emergency Medical Paramedic System. The scope included an assessment of S MEMPS's ability to meet long-term operational needs while adhering to current best practices in EMS delivery and ensuring long-term fiscal sustainability. The review also examined the existing governance model in light of recent partner agency consolidations. This work updates Citygate's prior 2018 analysis, which focused primarily on ambulance needs and payments.

Tonight, Stu Gary, Principal at Citygate & Associates, LLC, will be presenting the findings and recommendations from his assessment and analysis.

Recommendation: Receive Report.

Joint Powers Agreement (including Plan of Operations), and Finance Policy Documents

Staff has been engaged in a comprehensive, multi-month overhaul of the Southern Marin Emergency Medical Paramedic System (S MEMPS) Joint Powers Authority's foundational governing documents. This included a complete rewrite and modernization of the **JPA Agreement, Bylaws, and Plan of Operations** to ensure full legal compliance, reflect current best practices, strengthen governance structures, clarify roles and responsibilities, and improve operational efficiency across all member agencies.

Tonight we are presenting the following governing documents and financial policies.

1. Joint Powers Agreement and Plan of Operations
2. Accounts Payable Policy
3. Depreciation Policy

We anticipate at our next Board meeting presenting the following documents and policies.

1. S MEMPS ByLaws
2. Reserve & Fund Balance Policy

3. Memorandum of Agreement between S MEMPS, RVPA, and Marin County Fire for cost sharing of CQI / Medical Supervision/ Education / Coordination Services.
4. Agreement between Tiburon Fire and S MEMPS for Auditor / Controller / Treasurer services.

Impact: The project significantly reduces legal and operational risk, modernizes an outdated governance framework, and establishes a more professional, sustainable structure for the JPA going forward. These policies fill previous gaps, enhance fiscal accountability and transparency, and provide clear, enforceable guidelines for all S MEMPS financial activities.

Recommendation: It is recommended that the Board review the attached revised S MEMPS JPA Agreement, (including Plan of Operations Exhibit), as well as the Accounts Payable and Depreciation financial policies.

If the Board identifies no additional modifications, it is further recommended that the Board approve these documents in their current form.

This action will complete a significant milestone on the multi-month governance modernization effort led by staff and will significantly reduce legal and operational risk while enhancing transparency and accountability across the JPA.

Website: No updates this month.

Chief Tubbs Retirement / Replacement: With Chief Tubbs's retirement effective July 1, 2026, there will be a need to appoint a replacement Liaison Chief. Chief Hellyer has indicated his interest and willingness to step into this responsibility. Chief Hellyer will assume this role upon Chief Tubbs's retirement.

Recommendation: No Action Needed. Administrative Chiefs select the Liaison Chief.

Budget Development: Staff will be presenting the proposed FY26/27 budget to the Board of Directors at the May Board meeting (yet to be scheduled).

Recommendation: No Action Needed.

EMS – Chief Watson

Policy & Procedure Implementation

- Successfully finalized and implemented updated LEMSA policies and procedures.
- Policies and procedures officially went live on April 1st.
- Supported rollout and ensured alignment with operational and compliance standards.

Narcotics Management & Asset Tracking

- Collaborating with Charlotte on improving asset tracking processes.
- Coordinated the purchase of updated narcotics safes to enhance security, accountability, and tracking accuracy.
- Supporting implementation of improved storage and monitoring systems for narcotics control.

Emergency Preparedness & Exercises

- Assisted Health and Human Services (HHS) with Mass Casualty Incident (MCI) Triage exercise on Tuesday.
- Participated in Hospital Surge Drill on April 16 in coordination with HHS.
- Participated in Friends and Relatives Center (FRC) / Family Assistance Center (FAC) Annex Functional Exercise through OEM.
- Served on the planning committee for the Golden Eagle Tabletop Exercise (TTX) in Mill Valley, supporting multi-agency preparedness for unplanned incidents.
- Contributed to strengthening interagency preparedness and response capabilities.

Committees & Ongoing Collaboration

- Active participant in the following committees:
 - oTrauma Committee
 - oStroke Committee
 - oSTEMI Committee
 - oPediatric Committee