

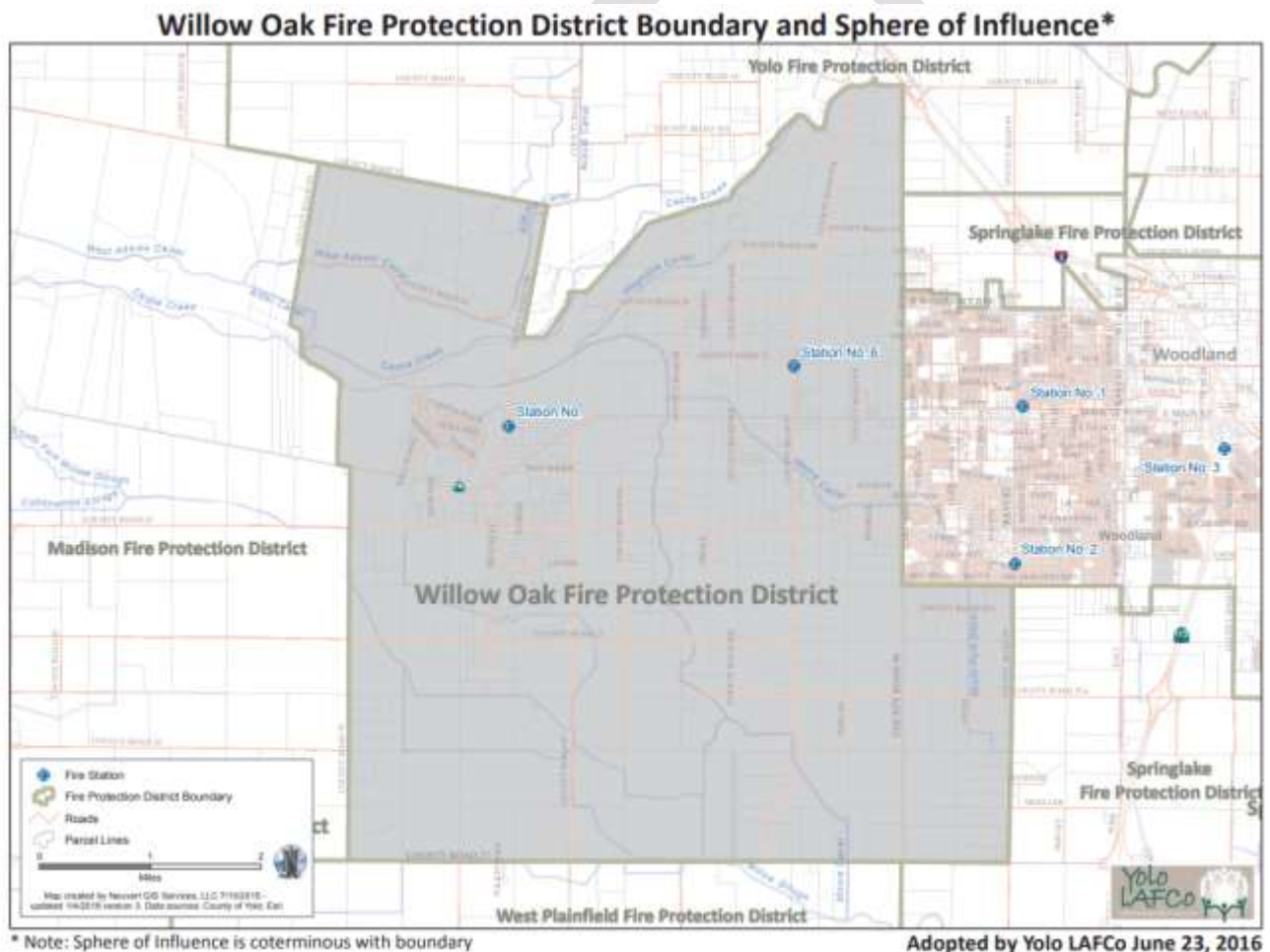
**AGENCY PROFILE**

The Willow Oak Protection District (FPD) was formed in 1937 and is authorized to provide fire protection and emergency response services. It was formed as a dependent district to Yolo County, which delegated its decision making to a local Fire Commission with five members, each appointed by the Board of Supervisors to serve four-year terms.

The District is 21,546 acres in size and serves the unincorporated communities of Willow Oak, Monument Hills and Wild Wings, including the Watts Airport, and the surrounding rural area. The District contains 1,001 residential and 4 commercial addresses and its residential population is estimated to be 2,502 residents<sup>1</sup>. The 2020 Census data reports the total population of the Monument Hills census designated place (which includes Wild Wings) to be 1,702.

The Willow Oak FPD has two stations: Station No. 6 is located at 17535 County Road 97 and Station No. 7 is located at 18111 County Road 94B. The District has 10 apparatus in total, with an engine for structure fires, brush/grass rigs for wildland fires and a water tender at each station. The District has 4 full time paid staff and part time secretary, 15 reserves and 16 volunteers (35 staff in total including 31 firefighters).

The Willow Oak FPD boundary and sphere of influence (SOI) is shown below.



<sup>1</sup> Population estimate is based on the number of residential addresses assigned in 2021 in the FPD territory with a Yolo County average of 2.5 persons per household.

**MUNICIPAL SERVICE REVIEW**

**POTENTIALLY SIGNIFICANT MSR DETERMINATIONS**

The MSR determinations checked below are potentially significant, as indicated by “yes” or “maybe” answers to the key policy questions in the checklist and corresponding discussion on the following pages. If most or all of the determinations are not significant, as indicated by “no” answers, the Commission may find that a MSR update is not warranted.

- |   |  |
|---|--|
| <input type="checkbox"/> Growth and Population  | <input checked="" type="checkbox"/> Shared Services                        |
| <input type="checkbox"/> Disadvantaged Unincorporated Communities                           | <input checked="" type="checkbox"/> Accountability                         |
| <input checked="" type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input type="checkbox"/> Broadband Access                                  |
| <input checked="" type="checkbox"/> Financial Ability                                       | <input checked="" type="checkbox"/> Status of Previous MSR Recommendations |

**LAFCo MUNICIPAL SERVICE REVIEW:**

- On the basis of this initial evaluation, the required determinations are not significant and staff recommends that an MSR is NOT NECESSARY. The subject agency will be reviewed again in five years per Government Code Section 56425(g).
- The subject agency has potentially significant determinations and staff recommends that a comprehensive MSR IS NECESSARY and has been conducted via this checklist.

<b>1. GROWTH AND POPULATION</b>			
Growth and population projections for the affected area.	YES	MAYBE	NO
a) <i>Will growth and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Do changes in service demand suggest a change in the agency’s services?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Discussion:**

- a) *Will growth and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands?*  
 No. The population for Willow Oak FPD is currently estimated to be 2,502 and is not expected to have any significant development that would compromise service levels. According to YECA, demand for service has increased. Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 467 in FY 18/19, 484 in FY 19/20 and 554 in FY 20/21, a 19% increase in only three years.
- b) *Do changes in service demand suggest a change in the agency’s services?*  
 Maybe. Increase in service demand does not suggest a change in the agency’s services or boundaries.

**Growth and Population MSR Determination**

The population for Willow Oak FPD is currently estimated to be 2,502 and is not expected to have any significant development that would compromise service levels. Yet call volume is going up. Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 467 in FY 18/19, 484 in FY 19/20 and 554 in FY 20/21, a 19% increase in only three years. However, this increase in service demand does not suggest a change in the agency’s services or boundaries.

**2. DISADVANTAGED UNINCORPORATED COMMUNITIES**

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

	YES	MAYBE	NO
a) <i>If the subject agency provides services related to sewers, municipal and industrial water, or structural fire protection, are there any “inhabited unincorporated communities” (per adopted Commission policy) within or adjacent to the subject agency’s sphere of influence that are considered “disadvantaged” (80% or less of the statewide median household income) that do not already have access to public water, sewer and structural fire protection?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>If “yes” to a), it is feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community? If “no” to a), this question is marked “no” because it is either not needed or not applicable.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

a) *If the subject agency provides services related to sewers, municipal and industrial water, or structural fire protection, are there any “inhabited unincorporated communities” (per adopted Commission policy) within or adjacent to the subject agency’s sphere of influence that are considered “disadvantaged” (80% or less of the statewide median household income) that do not already have access to public water, sewer and structural fire protection?*

No. The Willow Oak FPD territory is not disadvantaged<sup>2</sup> and all “inhabited unincorporated communities” countywide receive structural fire protection services.

b) *If “yes” to a), it is feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community? If “no” to a), this question is marked “no” because it is either not needed or not applicable.*

Not applicable.

**Disadvantaged Unincorporated Communities MSR Determination**

The Willow Oak FPD territory is not disadvantaged and all “inhabited unincorporated communities” countywide receive structural fire protection services.

<sup>2</sup> CALAFCO Disadvantaged Unincorporated Communities for State, RSG Inc. GIS Layer, dated December 10, 2021

**3. CAPACITY AND ADEQUACY OF PUBLIC FACILITIES AND SERVICES**

Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

	YES	MAYBE	NO
a) Are there any deficiencies in the <b>infrastructure, equipment, and capacity of agency facilities</b> to meet <u>existing</u> service needs for which the agency does not have a plan in place to resolve (including deficiencies created by new state regulations)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Are there any deficiencies in the <b>adequacy of services</b> to meet <u>existing</u> service needs for which the agency does not have a plan in place to resolve? Also note how services are provided (i.e., number of staff and/or contracts).	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Are there any service needs or deficiencies for disadvantaged unincorporated communities related to sewers, municipal and industrial water, and structural fire protection within or contiguous to the agency's sphere of influence?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

- a) Are there any deficiencies in the **infrastructure, equipment, and capacity of agency facilities** to meet existing service needs for which the agency does not have a plan in place to resolve (including deficiencies created by new state regulations)?

No.

Fire Stations

The Willow Oak FPD has two stations. Station No. 7 is the primary/staffed station located at 18111 County Road 94B. It was built in 2008 and Willow Oak FPD installed a new septic system 3-4 years ago. A sand filter was added to the well and well depth and water levels are adequate.



Station No. 6 is a volunteer station located at 17535 County Road 97. Station 6 reconstructed its community hall 2014. Otherwise, this volunteer station is older but is in good shape and well-maintained. The Chief would like to install an exhaust system for diesel fumes, but it's not required because it's a volunteer station with no overnight firefighters sleeping onsite.





Apparatus:

The District has 6 apparatus and 4 vehicles in total, with an engine for structure fires, brush/grass rigs for wildland fires and a water tender at each station.

**Station 6 (Volunteer) Apparatus**

Use	Apparatus	Type	Age (yrs)	Reserve?
<b>Structure Fires</b>	Engine 6	1	18	No
<b>Wildlands Fires</b>	Grass 6 (to be replaced in 2022)	3	23	No
<b>Water Tenders</b>	Water Tender 6	Water Tender	2	No

**Station 7 (Career) Apparatus**

Use	Apparatus	Type	Age (yrs)	Reserve?
<b>Structure Fires</b>	Engine 7	1	3	No
<b>Wildlands Fires</b>	Brush 7	3	14	No
<b>Water Tenders</b>	Water Tender 7		17	No
<b>Command/Utility</b>	Chiefs command vehicle	Command	5	No
	Battalion command vehicle	Command	14	No
	Utility vehicle	Utility/ Command	19	No
<b>Other Apparatus:</b>	EMS 7	Off road utility	2	No

All Willow Oak FPD apparatus receive regular maintenance service, regularly scheduled rig checks, and annual pump testing. Hoses and ladders are tested every year. The FPD currently supplies all responding members with appropriate, in-date personal protective equipment (PPE). PPE is regularly inspected and follows a PPE replacement schedule. All self-contained breathing apparatus (SCBA) receive annual flow testing and bottles every 5 years conforming to NFPA standards. Willow Oak FPD operates adequate communications equipment including radios that it keeps updated every year. All apparatus has a mobile radio and portable radios for every seat.

ISO Rating

The Insurance Services Office, Inc. (ISO) evaluates fire departments for the purpose of establishing insurance premiums, called "ISO ratings". An ISO fire rating is a score from 1 to 10 that indicates how well-protected a community is by the fire department and will affect insurance rates. Willow Oak FPDs ISO rating is 03/3Y updated in March of 2021 and effective July 1, 2021. The first number refers to the classification of properties within 5 road miles of a fire station and within 1,000 feet of water supply. The second number applies to properties within 5 road miles of a fire station but beyond 1,000 feet of water supply. In the ISO rating scale, a lower number is better: 1 is the best possible rating, while a 10 means the fire department did not meet ISO's minimum requirements. ISO generally assigns Class 10 to properties beyond 5 road miles of a fire station.

- b) *Are there any deficiencies in the **adequacy of services** to meet existing service needs for which the agency does not have a plan in place to resolve? Also note how services are provided (i.e., number of staff and/or contracts).*

Maybe.

Staff, Coverage and Training

The District has 4 paid staff FTE, 15 reserves and 16 volunteers (35 staff in total including 31 firefighters). Station 6 is staffed by volunteers when available and Station 7 is staffed by 2-3 personnel 24/7. Willow Oak FPD has 3 paid captains that work 2 days on and 4 days off. Typically, Willow Oak

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FPD has 4 at Station 7 24 hours per day, 7 days per week, but occasionally it has 3. Station 6 responders are all volunteer.

Willow Oak FPD has written guidelines and procedures and reports having a training program that ensures personnel are competent and safe to execute operations. The FPD trains all incident response personnel in ICS (incident command system) and participates in the Yolo County Firefighters Association Training Program. Responding personnel are fit tested on an annual basis.

Incident Reporting and Adequacy of Services

Willow Oak FPD utilizes Emergency Reporting web-based program for reporting and documentation. National Fire Incident Reporting System (NFIRS) reports are exported monthly. Regarding the adequacy of response, standards for the number of personnel and apparatus were determined by the Fire Chiefs MSR Subcommittee for fire and rescue/EMS calls<sup>3</sup>.

Below is Willow Oak FPD's NFIRS response data for the last five fiscal years:



The above graphs show that, excepting FY 2016/17, Willow Oak FPD was able to respond to its rescue/EMS calls with sufficient staff coverage (which is the more common call at roughly a 5 to 1 ratio). And for fire calls, Willow Oak FPD was below the minimum 4 personnel the first two FYs, met/exceeded the standard the next two FYs, and then the average dropped just below again in FY 2020/21. Willow Oak FPD needs to keep an eye on its personnel response to fire calls to ensure adequate coverage.

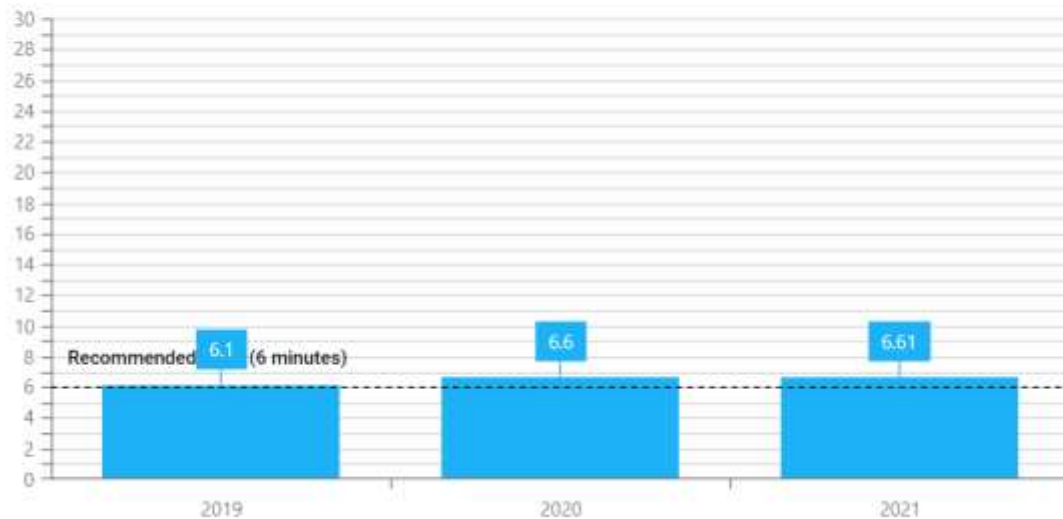
Response Time and Missed Calls

The MSR Subcommittee developed response time goals for rescue/emergency medical service (EMS) calls (6 minutes) and fire calls (9 minutes) for the first responding unit to arrive on scene. LAFCo recognizes it may be more difficult for volunteer and/or more rural FPDs to meet this goal, however as the MSR Subcommittee indicated, it represents a goal to focus on. FPD response time averages<sup>4</sup> for the 2019 – 2021 calendar years are shown below.

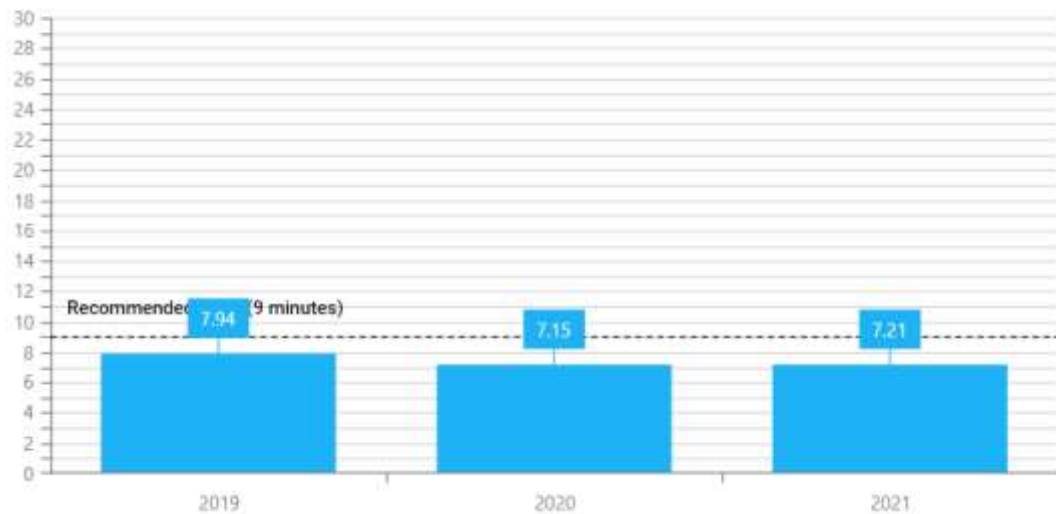
<sup>3</sup> By consensus of the Yolo Fire Chief's MSR Subcommittee, it was determined the minimum adequate response for a fire call is 4 personnel and 2 apparatus, and for a rescue/EMS call is 3 personnel and 1 apparatus.

<sup>4</sup> Based on YECA data. For a list of the data outliers omitted, please reference the methodology discussion on page 1-10 of this MSR/SOI.

### Willow Oak FPD 300 (EMS) Response Time Average



### Willow Oak FPD 100 (Fire) Response Time Average



Willow Oak FPD has had 0 missed calls in the last three fiscal years as reported by YECA.

#### Annual Performance Evaluation

NFPA requires FPDs to evaluate its level of service, deployment, and response time objectives on an annual basis. Willow Oak FPD does not currently evaluate its level of service, deployment, and response time objectives at fire commission meetings. Issues are discussed at a staff level. It would be a good practice to provide a written evaluation of the Willow Oak FPD's level of service, deployment, and response time objectives on an annual basis.



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c) *Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable future growth?*

No. Please see the response to 1a.

d) *Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?*

No. The FPDs collectively report that climate change is not a factor in the valley and is only an issue for those FPDs that border the Coastal Range. Many FPDs benefit financially from staff and apparatus reimbursement revenue for supporting CalFire during wildfire events.

e) *Are there any service needs or deficiencies for disadvantaged unincorporated communities related to sewers, municipal and industrial water, and structural fire protection within or contiguous to the agency's sphere of influence?*

No. Not applicable. Please see the response to 2a.

**Capacity and Adequacy of Public Facilities and Services MSR Determination**

Willow Oak FPD's apparatus is all within the recommended 25 years of age and both stations are in adequate shape. Willow Oak FPD's ISO rating is 3/3Y, which is the best a community can achieve without a municipal water hydrant system. Willow Oak FPD was able to respond to its rescue/EMS calls with sufficient staff coverage (which is the more common call at roughly a 5 to 1 ratio). And for fire calls, Willow Oak FPD was below the minimum 4 personnel the first two FYs, met/exceeded the standard the next two FYs, and then the average dropped just below again in FY 2020/21. Willow Oak FPD needs to keep an eye on its personnel response to fire calls to ensure adequate coverage. Willow Oak FPD and has missed 0 calls in the last three FYs. There are no fire service deficiencies related to disadvantaged unincorporated communities.

**Capacity and Adequacy of Public Facilities and Services MSR Recommendation(s)**

- Willow Oak FPD should provide written evaluations of its level of service, deployment, and response time objectives to its fire commission on an annual basis.
- Willow Oak FPD needs to keep an eye on its personnel response to fire calls to ensure adequate coverage.

**4. FINANCIAL ABILITY**

Financial ability of agencies to provide services.

	YES	MAYBE	NO
a) <i>Is the subject agency in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues? Does revenue growth keep pace with increased costs?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Can the subject agency improve its use of generally accepted accounting principles including: summaries of all fund balances, summaries of revenues and expenditures, general status of reserves, and any un-funded obligations (i.e. pension/retiree benefits)? Does the agency need accounting and/or financial policies that guide the agency in how financial transactions are recorded and presented?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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<p>c) <i>Does the agency staff need to review financial data on a regular basis and are discrepancies identified, investigated and corrective action taken in a timely manner? The review may include reconciliations of various accounts, comparing budgets-to-actual, analyzing budget variances, comparing revenue and expense balances to the prior year, etc. If the agency uses Yolo County's financial system and the County Treasury, does the agency review monthly the transactions in the County system to transactions the agency submitted to the County for processing?</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>d) <i>Does the agency board need to receive regular financial reports (quarterly or mid-year at a minimum) that provide a clear and complete picture of the agency's assets and liabilities, fully disclosing both positive and negative financial information to the public and financial institutions?</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<p>e) <i>Is there an issue with the organization's revenue sources being reliable? For example, is a large percentage of revenue coming from grants or one-time/short-term sources?</i></p>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p>f) <i>Is the organization's rate/fee schedule insufficient to fund an adequate level of service, necessary infrastructure maintenance, replacement and/or any needed expansion? Is the fee inconsistent with the schedules of similar local agencies? Does the rate/fee schedule include a specific amount identified for capital asset replacement (tied to a capital improvement plan with implementation policies)?</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>g) <i>Is the organization needing additional reserves to protect against unexpected events or upcoming significant costs (excluding capital asset replacement, see 4f)? Has the agency identified and quantified what the possible significant risks and costs of infrastructure or equipment failure? Does the agency have a reserve policy?</i></p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>h) <i>Does the agency have any debt, and if so, is the organization's debt at an unmanageable level? Does the agency need a clear debt management policy, if applicable?</i></p>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY**

**Financial Background**

**WILLOW OAK FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**

	2017	2018	2019	2020	2021
<b>Revenue</b>					
Property taxes, in-lieu taxes, HOPTR	\$ 312,402	\$ 322,047	\$ 347,522	\$ 353,248	\$ 364,606
Development impact fees	18,623	20,912	18,348	36,022	56,899
Interest	3,828	9,113	31,017	20,306	1,014
Rents and concessions	23,550	24,700	27,360	10,550	6,700
Intergovernmental grants	-	-	-	-	8,609
County tribal mitigation	12,500	24,671	29,999	30,000	30,000
Other County funding	-	4,183	-	-	32,177
Yocha Dehe Wintun Nation funding	-	-	450,000	-	-
Special assessment	58,363	58,400	58,693	58,717	58,781
CA Fire	96,898	94,416	110,705	21,805	185,059
Other revenue	3,143	2,567	1,172	14,557	6,476
<b>Total Revenue</b>	<b>529,307</b>	<b>561,009</b>	<b>1,074,816</b>	<b>545,205</b>	<b>750,321</b>
<b>Expenditures</b>					
Salaries and benefits	218,074	225,240	262,177	253,974	274,216
Services and supplies	124,847	153,709	203,905	133,284	170,065
Contributions to volunteers	34,100	33,593	45,610	46,549	61,122
Capital Assets:					
Buildings and improvements	-	12,800	-	-	-
Equipment	47,698	-	552,331	292,249	25,207
<b>Total Expenditures</b>	<b>424,719</b>	<b>425,342</b>	<b>1,064,023</b>	<b>726,056</b>	<b>530,610</b>
<b>Net income (loss)</b>	<b>104,588</b>	<b>135,667</b>	<b>10,793</b>	<b>(180,851)</b>	<b>219,711</b>
<b>Beginning Fund Balance</b>	<b>575,577</b>	<b>680,165</b>	<b>815,832</b>	<b>826,625</b>	<b>645,774</b>
<b>Ending Fund Balances</b>	<b>\$ 680,165</b>	<b>\$ 815,832</b>	<b>\$ 826,625</b>	<b>\$ 645,774</b>	<b>\$ 865,485</b>
<b>Fund Balances</b>					
Restricted - Development impact fees	\$ 167,018	\$ 190,373	\$ 112,987	\$ 40,723	\$ 98,340
Assigned - Capital asset replacement	290,231	388,705	601,271	446,242	671,831
Assigned - General reserve	10,000	10,000	10,000	10,000	10,000
Unassigned	212,916	226,754	102,367	148,809	85,314
<b>Total Fund Balances</b>	<b>\$ 680,165</b>	<b>\$ 815,832</b>	<b>\$ 826,625</b>	<b>\$ 645,774</b>	<b>\$ 865,485</b>
<b>Y-T-Y Change in total Fund Balances</b>					
Amount Increase (Decrease)	\$ 104,588	\$ 135,667	\$ 10,793	\$ (180,851)	\$ 219,711
Percentage Increase (Decrease)	18.17%	19.95%	1.32%	-21.88%	34.02%
<b>Property Tax Analysis</b>					
a. Assessed Value (AV)	\$ 639,799,887	\$ 669,094,511	\$ 710,340,217	\$ 738,463,210	\$ 766,456,362
b. Y-T-Y Percentage change in AV	5.33%	4.58%	6.16%	3.96%	3.79%
c. Current secured, unsecured and HC	\$ 305,570	\$ 317,750	\$ 344,666	\$ 351,670	\$ 359,459
d. District share of general 1% levy (c)	4.7760%	4.7490%	4.8521%	4.7622%	4.6899%

**Discussion:**

- a) *Is the subject agency in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues? Does revenue growth keep pace with increased costs?*

No. The District's core revenues (property taxes, tribal mitigation, special assessments) have grown on average about 3.5% per year over the last five years, while operating expenditures (after deducting CalFire reimbursements) have increased 4%. Total net accumulated income over the past 5 years was \$289,908 which increased total fund balance from \$575,577 to \$865,485. Total fund balance as of June 30, 2021 was \$865,485 of which \$767,145 can be used for any purpose. The balance of \$98,340 is unexpended development impact fees that can only be expended on equipment and facilities that the District requires in order to provide services to new development within its service area.

**Revenue**

Willow Oak FPD revenue consists of property taxes, special assessments development impact fees, interest, town hall rents, grants from the County and the Yocha Dehe Wintun Nation and other miscellaneous revenue. Like other rural fire districts, Willow Oak FPD relies primarily on a share of the general 1% property tax levy for the majority of its revenue. In fiscal year 2021, property taxes of \$364,606 comprised 65% of total revenues (excluding CalFire reimbursements). The District's share of property taxes within its boundaries is approximately 4.7%, while the average for all rural FPDs in the county is 6.2%. The District has levied a special assessment since prior to 1988. In fiscal year 2021 special assessment revenue was \$58,781 which accounted for 10% of total revenue (excluding CalFire reimbursements). Total special assessments levied over the past 5 years have not changed. The District also imposes development impact fees (DIF) that are required for all new development. The DIF can only be used by the District to acquire equipment and facilities to service new development. Over the past 5 years the District has collected \$150,804 of DIF.

The District is also one of five FPDs, that since 2004, receives annual tribal mitigation funding from the County. Over the past five years the District has received \$127,170 of \$132,500 it was entitled to. According to administrative procedures adopted by the County Administrator's Office, the funds are to be used to purchase "equipment and capital assets". In addition, over the past 5 years the Willow Oak FPD has received other County funding of \$36,360, a grant from the Yocha Dehe Wintun Nation totaling \$450,000, strike team reimbursements of \$508,883 and other revenue totaling \$27,915.

**Expenditures**

District operating expenditures (after deducting CalFire reimbursements) have increased 4%.

**Capital expenditures**

2017:	\$ 47,698	Ford F250 Crew Cab Pick Up
2018:	\$ 12,800	Fencing
2019:	\$552,331	Type 1 Interface pumper
2020:	\$292,249	Freightliner water tender 2000 gallons
2021:	\$ 25,207	Pioneer 1000 Deluxe ATV

The District has generally been operating in the black during the past 5 years with the exception of fiscal year 2020 when the district funded the replacement of a water tender from fund balance.

- b) *Does the subject agency need to use generally accepted accounting principles including: summaries of all fund balances, summaries of revenues and expenditures, general status of reserves, and any un-funded obligations (i.e., pension/retiree benefits)? Does the agency have accounting and/or financial policies that guide the agency in how financial transactions are recorded and presented?*

No. The Willow Oak FPD maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the FPD is a dependent district, it is subject to the same accounting and financial policies of the County. Accounting and budget data including all cash receipts and disbursements are reviewed by County finance staff before they are posted.

- c) *Does the agency staff need to review financial data on a regular basis and are discrepancies identified, investigated and corrective action taken in a timely manner? The review may include reconciliations of various accounts, comparing budgets-to-actual, analyzing budget variances, comparing revenue and expense balances to the prior year, etc. If the agency uses Yolo County's financial system and the County Treasury, does the agency review monthly the transactions in the County system to transactions the agency submitted to the County for processing?*

No. The District's secretary produces their own reports from the County's financial system and reviews them thoroughly.

- d) *Does the agency board need to receive regular financial reports (quarterly or mid-year at a minimum) that provide a clear and complete picture of the agency's assets and liabilities, fully disclosing both positive and negative financial information to the public and financial institutions?*

No. The Commission receives a detailed budget report monthly, in addition to a review of monthly claims, deposits and annual budgets.

- e) *Is there an issue with the organization's revenue sources being reliable? For example, is a large percentage of revenue coming from grants or one-time/short-term sources?*

Maybe. Of the revenues received in 2021 approximately 60% are reliable. This includes property taxes, special assessments, and County tribal mitigation funding. The other 40% which includes development impact fees, interest, rents, other grant funding, and CalFire strike team reimbursements may not be reliable.

- f) *Is the organization's rate/fee schedule insufficient to fund an adequate level of service, necessary infrastructure maintenance, replacement and/or any needed expansion? Is the fee inconsistent with the schedules of similar local agencies? Does the rate/fee schedule include a specific amount identified for capital asset replacement (tied to a capital improvement plan with implementation policies)?*

Yes. The District's fund balance of \$865,485 is over \$900,000 less than the minimum recommended fund balance of \$1,783,000, mostly due to the underfunding of the capital asset replacement reserve. See also 4g.

- g) *Is the organization needing additional reserves to protect against unexpected events or upcoming significant costs (excluding capital asset replacement, see 4f)? Does the agency need to identify and quantify what the possible significant risks and costs of infrastructure or equipment failure? Does the agency need a reserve policy?*

Yes. The District does not have any reserve policies or a formal capital improvement plan. Total fund balance is over \$900,000 below the minimum recommended amount. The minimum recommended fund balance is the total of 3 components as follows:

- Capital asset replacement. Using estimated apparatus replacement costs, this estimate divides this cost by the recommended life of each apparatus and assumes a straight-line projection and contribution to a capital asset replacement sinking fund.
- General reserve. This is the total of 50% of current secured taxes and 50% of special assessments to maintain liquidity from July through December each year when no tax/assessment revenue is received.
- Unassigned fund balance. GFOA recommendation of 15% of operating expenditures to mitigate revenue shortages and/or unanticipated expenditures.



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The June 30,2021 actual and estimated recommended fund balance amounts are as follows:

	<b>6/30/2021 Actual Balance</b>	<b>6/30/2021 Recommended Balance</b>	<b>Excess/ (Shortage)</b>
Apparatus Replacement			
Development impact fees	98,340		
Other funds	671,831		
	<u>770,171</u>	1,543,000	(772,829)
General reserve	10,000	192,000	(182,000)
Unassigned	85,314	48,000	37,314
Total Recommended Fund Balance	<u>\$ 865,485</u>	<u>\$ 1,783,000</u>	<u>\$ (917,515)</u>

h) *Does the agency have any debt, and if so, is the organization’s debt at an unmanageable level? Does the agency need a clear capital financing and debt management policy, if applicable?*

No. The District does not have any debt, including pension and OPEB liabilities.

**Financial Ability MSR Determination**

Due to conservative budget practices Willow Oak FPD is currently financial stable. The District’s total annual core revenues (property taxes, tribal mitigation, and special assessments) and total fund balances have steadily grown over the past five years. Total fund balance has increased from \$575,577 to \$865,485, of that \$767,145 can be used by the District for any purpose. However, the total fund balance is over \$900,000 less than what appears to be needed, mostly due to underfunding of the capital asset replacement reserve. The District does not have formal reserve policies. Additional funding may be required to maintain adequate reserve balances. Willow Oak FPD maintains its funds in the County Treasury and uses the County’s financial system to maintain its accounting records. Willow Oak FPD fire commission receives financial reports at each meeting, but this needs to be reflected on meeting agendas and minutes. As a dependent district, Willow Oak FPD is included in the County’s Annual Comprehensive Financial Report (ACFR).

**Financial Ability MSR Recommendation(s)**

- Create a CIP to determine how much funding needs to be set aside each year and determine whether current revenues are adequate to fund the program. Develop reserve policies to fund increased services, the CIP, and maintain and adequate fund balances.
- Consider increasing Willow Oak FPD’s special assessment to provide funding for staffing, facilities and apparatus/equipment needs.
- The District has received over \$500,000 from participating in strike teams. This revenue should not be relied on as stable revenue source to fund ongoing/normal operating costs.
- Willow Oak FPD should reflect in the minutes that the fire commission received and reviewed the budget status report.
- Districts that collect an AB 1600 Development Impact Fees should, every five years, make the findings required by Government Code Section 66001(d) to help ensure that fees collected from new development are spent solely on appropriate facilities.

**5. SHARED SERVICES AND FACILITIES**

Status of, and opportunities for, shared facilities.

	YES	MAYBE	NO
a) <i>Are there any opportunities for the organization to share services or facilities with neighboring, overlapping or other organizations that are not currently being utilized?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Discussion:**

- a) *Are there any opportunities for the organization to share services or facilities with neighboring, overlapping or other organizations that are not currently being utilized?*

Yes. LAFCo recommends Willow Oak FPD and West Plainfield FPD scale up its services and operate more as a regional unit via a JOA. Both FPDs are already working on draft agreements and are working towards standardizing written operating policies and guidelines. It also has mutual/auto aid agreements with surrounding fire departments.

The goal for coordinated/joint operations is to achieve a similar service standard, efficient use of resources, consistent training/testing/reporting, standardization, and improved coordination during incident response. Additional things that should be included as a required element of the JOA is:

- Apparatus/equipment standardization,
- Shared reserve apparatus, and
- Cooperative purchasing

**Shared Services MSR Determination**

LAFCo recommends Willow Oak FPD and West Plainfield FPD scale up its services and operate more as a regional unit via a JOA. Both FPDs are already working on draft agreements and are working towards standardizing written operating policies and guidelines. It also has mutual/auto aid agreements with surrounding fire departments. The goal for coordinated/joint operations is to achieve a similar service standard, efficient use of resources, consistent training/testing/reporting, standardization, and improved coordination during incident response.

**Shared Services MSR Determination Recommendation**

- Additional items that should be included as a required element of the JOA are apparatus/equipment standardization, shared reserve apparatus, and cooperative purchasing. These efficiencies are currently either optional or not included in the JOA.

**6. ACCOUNTABILITY, STRUCTURE AND EFFICIENCIES**

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

	YES	MAYBE	NO
a) <i>Are there any recommended changes to the organization's governmental structure or operations that will increase accountability and efficiency (i.e. overlapping boundaries that confuse the public, service inefficiencies, and/or higher costs/rates)?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) <i>Are there any issues with filling board vacancies and maintaining board members? Is there a lack of board member training regarding the organization's program requirements and financial management?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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c) Are there any issues with staff capacity and/or turnover? Is there a lack of staff member training regarding the organization’s program requirements and financial management?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Does the agency need adequate policies (as applicable) relating to personnel/payroll, general and administrative, board member and meetings, and segregating financial and accounting duties among staff and/or board to minimize risk of error or misconduct (see suggested policies list)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Does the agency need liability and workers compensation insurance coverage?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Does the agency need to secure independent audits of financial reports that meet California State Controller requirements? Are the same auditors used for more than six years? Are audit results <u>not</u> reviewed in an open meeting?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) If the agency is not audited annually, does the agency need to have a qualified external person review agency finances each year (at a minimum), comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Does the organization need to improve its public transparency via a website (see <a href="https://www.yololaftco.org/yolo-local-government-website-transparency-scorecards">https://www.yololaftco.org/yolo-local-government-website-transparency-scorecards</a> )?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Discussion:**

- a) Are there any recommended changes to the organization’s governmental structure or operations that will increase accountability and efficiency (i.e. overlapping boundaries that confuse the public, service inefficiencies, and/or higher costs/rates)?

Yes. Willow Oak FPD has entered into a JOA with West Plainfield FPD designed to improve operations and efficiencies. The recommendation below is to ensure Willow Oak FPD enters into the JOA and maintains standing in good faith to achieve JOA goals.

- b) Are there any issues with filling board vacancies and maintaining board members? Is there a lack of board member training regarding the organization’s program requirements and financial management?

No. All of the Willow Oak FPD fire commission seats are filled with terms as shown below. There do not appear to be any issues maintaining fire commissioners. Only one seat turned over in the last five years.

Name / Title	Start	End	Active?
Kenneth Breckenridge /	05/19/2020	05/01/2024	Y
Kim Timothy /	11/23/2021	07/01/2025	Y
Robert Frommelt /	11/23/2021	09/01/2025	Y
Robert Johnson /	11/23/2021	10/01/2025	Y
Steve Chriss /	04/12/2022	04/01/2026	Y

- c) Are there any issues with staff capacity and/or turnover? Is there a lack of staff member training regarding the organization’s program requirements and financial management?

No. Willow Oak FPD paid staff are relatively stable. It is normal to have turnover in a reserve program as stipend personnel gain experience and leave for career positions. The challenge is that it takes 3-5 years to train a volunteer to a level where they can work efficiently with minimal supervision and drive apparatus. Shared staffing via the JOA should help with this issue.

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- d) *Does the agency need adequate policies (as applicable) relating to personnel/payroll, general and administrative, board member and meetings, and segregating financial and accounting duties among staff and/or board to minimize risk of error or misconduct?*

Yes. Willow Oak FPD has bylaws, standard operating polices and an employee handbook. Willow Oak FPD should adopt policies related to fire commission meetings, to include attendance, conduct, and responsibilities of officers. Even though Willow Oak FPD is a dependent District and is subject to the County's accounting policies it should review those accounting policies and develop ones that are unique to the District. They should include general accounting, processing and recording of disbursements and receipts, allowable expenditures, employee and commission travel and expense reimbursements, capital assets, debt and borrowing, credit card use, etc. LAFCo will provide policy templates for FPD use.

- e) *Are any agency officials and designated staff not current in making their Statement of Economic Interests (Form 700) disclosures?*

No. The Willow Oak FPD is current in filing its required Statement of Economic Interests (Form 700) disclosures.

- f) *Does the agency need liability and workers compensation insurance coverage?*

No. Coverage is provided by YCPARMIA.

- g) *Does the agency need to secure independent audits of financial reports that meet California State Controller requirements? Are the same auditors used for more than six years? Are audit results not reviewed in an open meeting?*

No. The dependent FPD's (including Willow Oak FPD) are included in the annual audit of the County's Annual Comprehensive Financial Report (ACFR). The FPD is reported as a blended component unit and accounted for as a special revenue fund. According to the State Controller's Office, the County's audited ACFR meets general audit requirements and the ACFR satisfies the requirements of Government Code 26909<sup>5</sup>.

- h) *If the agency is not audited annually, does the agency need to have a qualified external person review agency finances each year (at a minimum), comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable?*

Maybe. Willow Oak FPD is audited annually as part of the County's ACFR but it does not include individual review of the dependent FPDs, just the aggregate total balance of all dependent FPDs (so review is at a high level and not detailed). Yolo County should review agency finances with each dependent FPD each year to review agency finances, comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable.

- i) *Does the organization need to improve its public transparency via a website (see <https://www.yololafco.org/yolo-local-government-website-transparency-scorecards>)?*

Maybe. Dependent special districts are not legally required to maintain a website. The Willow Oak FPD has a website but received a 20% transparency score for best practices in 2021. Please see the report posted on the LAFCo website for where improvements are recommended.

### **Accountability, Structure and Efficiencies MSR Determination**

Willow Oak FPD entered into a JOA with West Plainfield FPD in June 2022 designed to improve operations and efficiencies. The recommendation below is to ensure FPDs continue to maintain standing in good faith to achieve JOA goals. Willow Oak FPD is effective in its current structure and there are no issues with maintaining fire commissioners and staff. Commissioners and key staff are trained regarding the organization's program requirements and financial management. Willow Oak FPD has some basic policies

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<sup>5</sup> Per email dated July 6, 2021 from Sandeep Singh, Manager, Local Government Policy Section Office of State Controller, Local Government Programs and Services Division

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but should consider adopting additional policies regarding meeting attendance, conduct, responsibilities of officers, personnel, and accounting/financial procedures. WOPFD is current in making its Statement of Economic Interests (Form 700) disclosures and as a dependent FPD, Yolo County performs its audits. Although it's not legally required, the Willow Oak FPD has a website but received a 20% best practices transparency score in 2021.

**Accountability, Structure and Efficiencies MSR Recommendation(s)**

- Willow Oak and West Plainfield FPDs should provide for a coordinated and more uniform level of service and operation through either: (1) a Joint Operation Agreement (JOA); or (2) agency merger/consolidation. The goal for coordinated/joint operations in each Area is to achieve a similar service standard, efficient use of resources, consistent training/testing/reporting, standardization, and improved coordination during incident response. If any of these agencies enter into a JOA and fail to make reasonable efforts in good faith to promote these goals, a LAFCo reorganization to combine FPDs should be initiated if its determined consolidation would promote better service to the public and be a more efficient and effective utilization of resources.
- Once the Area 3 JOA is operating successfully, combining the JOAs for Areas 1 and 3 into one larger JOA should be considered (in the 3 to 5-year timeframe).
- The Willow Oak FPD should adopt policies related to fire commission meetings, to include attendance, conduct, and responsibilities of officers. Even though Willow Oak FPD is a dependent District and is subject to the County's accounting policies it should review those accounting policies and develop ones that are unique to the District. They should include general accounting, processing and recording of disbursements and receipts, allowable expenditures, employee and commission travel and expense reimbursements, capital assets, debt and borrowing, credit card use, etc. LAFCo will provide policy templates for FPD use.
- Yolo County should review agency finances with each dependent FPD each year to review agency finances, comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable.
- Dependent special districts, such as Willow Oak FPD, are not legally required to maintain a website. The Willow Oak FPD has a website but received a 20% transparency score in 2021. Please see the report at <https://www.yololafco.org/yolo-local-government-website-transparency-scorecards> for where improvements are needed.

**7. BROADBAND ACCESS**

Any other matter related to effective or efficient service delivery, as required by commission policy.

Per Yolo LAFCo Project Policy 6.2 "it is the intent of Yolo LAFCo to comprehensively review broadband access in MSRs of local agencies that either serve communities and/or provide emergency services where broadband connection is critical (i.e. cities, CSDs, CSAs, FPDs and RDs)."

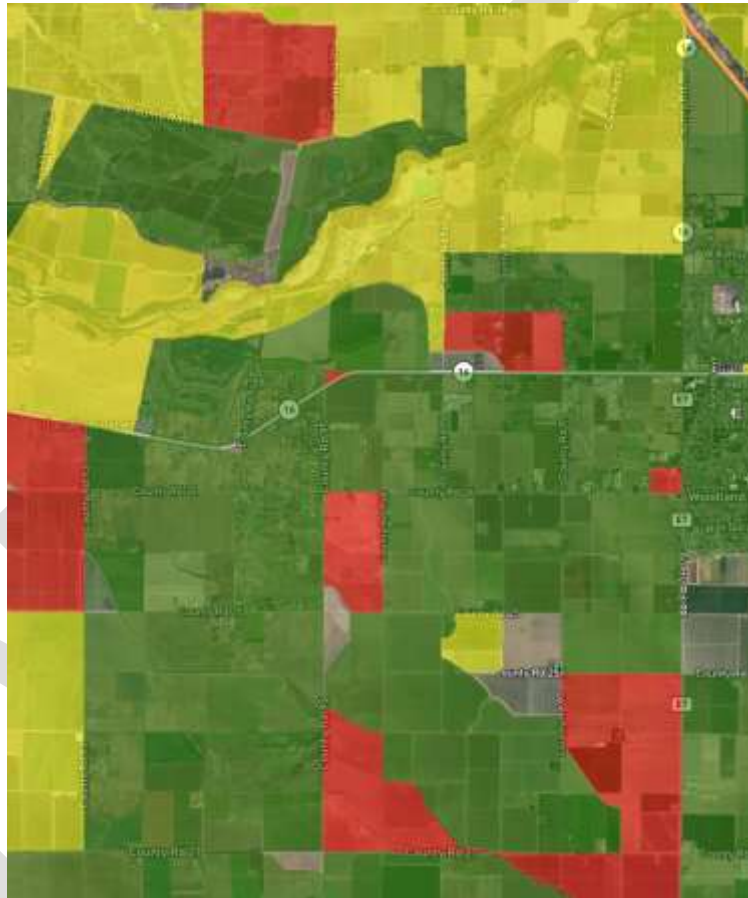
	<b>YES</b>	<b>MAYBE</b>	<b>NO</b>
a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Is there a lack of low-income subscription rates and/or digital literacy programs available?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



**Discussion:**

- a) *Is there a lack of high-performance broadband (25/3 Mbps) available in the community?*

No. According to the CPUC maps<sup>6</sup> which are based on provider data, the Willow Oak FPD Station No. 6 has access to high-speed wireline broadband available from AT&T at 100/20 Mbps and Station No. 7 has access to broadband fixed wireless services from Esparto Broadband at 50/20 Mbps. The unincorporated communities in the FPD territory have varying service available as well. Wild Wings has wireline service from AT&T at 50/10 Mbps (however, anecdotally residents have reported service connections have been capped by the provider) but also can access the same Esparto Broadband fixed wireless service. The community of Willow Oak has wireline service from AT&T at 100/20 Mbps. Monument Hills and the surrounding rural areas have several wireless providers available. Succeed, Inc at 50/10 Mbps, AFES at 15/15 Mbps, and Internet Free Planet at 15/15 Mbps.



- b) *Is there a lack of low-income subscription rates and/or digital literacy programs available?*

No. AT&T offers low-income subscription rates. However, as a small local provider, Esparto Broadband, Inc. does not offer low-income subscription rates, but its 25 Mbps “Light” plan is offered at \$41.00 per month. Succeed, Inc. offers broadband speed subscriptions at \$80/month. The other two providers do not offer broadband speeds. According to the CPUC Broadband Mapping Program, broadband adoption at 25/3 Mbps speeds is 20% - 40% for the Willow Oak FPD territory.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account and generally help troubleshoot technology challenges. Information and

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<sup>6</sup> CPUC Broadband Mapping Program data as of December 31, 2019. Speeds provided are maximum advertised speeds and not necessarily typical speeds actually experienced by the subscriber

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instruction about basic computer/tablet/smartphone use is offered in ESL conversation clubs, classes and in Yolo Reads Adult and Family Literacy program. The library also provides hotspots and Chromebooks for those that need these items. The library does not have a formalized technology curriculum, although there have been discussions regarding adding it as a service.

**Broadband Access MSR Determination**

The Willow Oak FPD Station No. 6 has access to high-speed wireline broadband available from AT&T at 100/20 Mbps and Station No. 7 has access to broadband fixed wireless services from Esparto Broadband at 50/20 Mbps. The unincorporated communities in the FPD territory have varying service available as well. Wild Wings has wireline service from AT&T at 50/10 Mbps (however, anecdotally residents have reported service connections have been capped by the provider) but also can access the same Esparto Broadband fixed wireless service. The community of Willow Oak has wireline service from AT&T at 100/20 Mbps. Monument Hills and the surrounding rural areas have several wireless providers available. Succeed, Inc at 50/10 Mbps, AFES at 15/15 Mbps, and Internet Free Planet at 15/15 Mbps.

According to the CPUC Broadband Mapping Program, broadband adoption at 25/3 Mbps speeds is low at 20% - 40% for the Willow Oak FPD territory. Willow Oak FPD has access to broadband services for most of the FPD territory, however, affordability may be an issue. AT&T offers low-income subscription rates, however in the rural areas, Succeed, Inc. offers broadband speed subscriptions at \$80/month. Small local providers do not offer low-income subscription rates.

**8. STATUS OF PREVIOUS MSR RECOMMENDATIONS**

	YES	MAYBE	NO
a) <i>Are there any recommendations from the agency's previous MSR that have not been implemented?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Discussion:**

a) *Are there any recommendations from the agency's previous MSR that have not been implemented?*

2016 MSR Recommendations Specific to the Willow Oak FPD and Status

1. All of the districts (except Clarksburg, Dunnigan, West Plainfield, and Yolo FPDs with existing fiscal policies and/or capital renewal/replacement plans) should develop and adopt written fiscal policies addressing budgeting, procurement, reserve funds, fiscal audits, and capital renewal/replacement planning in conformance with recognized industry best fiscal practices.

Status: Not completed. See item 6d.

**Status of Previous Recommendations MSR Determination**

Willow Oak FPD has not adopted written fiscal policies addressing budgeting, procurement, reserve funds, and capital renewal/replacement planning and this recommendation has been reiterated under item 6d.

**SPHERE OF INFLUENCE STUDY**

On the basis of the Municipal Service Review:

- Staff has reviewed the agency's Sphere of Influence and recommends that a SOI Update is NOT NECESSARY in accordance with Government Code Section 56425(g). Therefore, NO CHANGE to the agency's SOI is recommended and SOI determinations HAVE NOT been made.
- Staff has reviewed the agency's Sphere of Influence and recommends that a SOI Update IS NECESSARY in accordance with Government Code Section 56425(g). Therefore, A CHANGE to the agency's SOI is recommended and SOI determinations HAVE been made and are included in this MSR/SOI study.

DRAFT