

Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the

Fire Protection Agencies

Fire Protection Districts (FPDs) + County Service Area (CSA) 9
LAFCo No. 21-05

Capay Valley FPD
Clarksburg FPD
Dunnigan FPD
East Davis FPD
Elkhorn FPD
Esparto FPD
Knights Landing FPD
Madison FPD
No Man's Land FPD
Springlake FPD
West Plainfield FPD
Willow Oak FPD
Winters FPD
Yolo FPD
Zamora FPD
Garcia Bend CSA 9

Yolo Local Agency Formation Commission
Public Review Draft June 15, 2022



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MSR/SOI Background and Context

ROLE AND RESPONSIBILITY OF LAFCO

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended (“CKH Act”) (California Government Code §§56000 et seq.), is LAFCo’s governing law and outlines the requirements for preparing Municipal Service Reviews (MSRs) for periodic Sphere of Influence (SOI) updates. MSRs and SOIs are tools created to empower LAFCo to satisfy its legislative charge of “discouraging urban sprawl, preserving open-space and prime agricultural lands, encouraging the efficient provision of government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances.” (§56301.) CKH Act Section 56301 further establishes that “[o]ne of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities.”

Based on that legislative charge, LAFCo serves as an arm of the State by preparing and reviewing studies and analyzing independent data to make informed, quasi-legislative decisions that guide the physical and economic development of the state (including agricultural uses) and the efficient, cost-effective, and reliable delivery of services to residents, landowners, and businesses. While SOIs are required to be updated every five years, they are not time-bound as planning tools by the statute but are meant to address the “probable physical boundaries and service area of a local agency.” (§56076.) SOIs therefore guide both the near-term and long-term physical and economic development of local agencies, and MSRs provide the near-term and long-term time-relevant data to inform LAFCo’s SOI determinations.

Purpose of a Municipal Service Review (MSR)

As described above, MSRs are designed to equip LAFCo with relevant information and data necessary for the Commission to make informed decisions on SOIs. The CKH Act gives LAFCo broad discretion in deciding how to conduct MSRs, including geographic focus, scope of study, and the identification of alternatives for improving the efficiency, cost-effectiveness, accountability, and reliability of public services, including by consolidating government agencies or functions. The purpose of a MSR in general is to provide a comprehensive inventory and analysis of the services provided by local municipalities, service areas, and special districts. A MSR evaluates the structure and operation of the local municipalities, service areas, and special districts and discusses possible areas for improvement and coordination. The MSR is intended to provide information and analysis to support a sphere of influence update. A written statement of the study’s determinations must be made in the following areas:

1. Growth and population projections for the affected area;
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence;
4. Financial ability of agencies to provide services;
5. Status of, and opportunities for, shared facilities;
6. Accountability for community service needs, including governmental structure and operational efficiencies; and
7. Any other matter related to effective or efficient service delivery, as required by commission policy.

- a. Local policy requires the MSR to address broadband availability; and
- b. The status of past MSR recommendations.

The MSR is organized according to these determinations listed above. Information regarding each of the above issue areas is provided in this document.

Purpose of a Sphere of Influence (SOI)

In 1972, LAFCOs were given the power to establish SOIs for all local agencies under their jurisdiction. As defined by the CKH Act, “‘sphere of influence’ means a plan for the probable physical boundaries and service area of a local agency, as determined by the commission.” (§56076.) SOIs are designed to both proactively guide and respond to the need for the extension of infrastructure and delivery of municipal services to areas of emerging growth and development. Likewise, they are also designed to discourage urban sprawl and the premature conversion of agricultural and open space resources to urbanized uses.

The role of SOIs in guiding the State’s growth and development was validated and strengthened in 2000 when the Legislature passed Assembly Bill (AB) 2838 (Chapter 761, Statutes of 2000), which was the result of two years of labor by the Commission on Local Governance for the 21st Century, which traveled up and down the State taking testimony from a variety of local government stakeholders and assembled an extensive set of recommendations to the Legislature to strengthen the powers and tools of LAFCOs to promote logical and orderly growth and development, and the efficient, cost-effective, and reliable delivery of public services to California’s residents, businesses, landowners, and visitors. The requirement for LAFCOs to conduct MSRs was established by AB 2838 as an acknowledgment of the importance of SOIs and recognition that regular periodic updates of SOIs should be conducted on a five-year basis (§56425(g)) with the benefit of better information and data through MSRs (§56430(a)).

Pursuant to Yolo County LAFCo policy, an SOI includes an area adjacent to a jurisdiction where development might be reasonably expected to occur in the next 20 years. A MSR is conducted prior to, or in conjunction with, the update of a SOI and provides the foundation for updating it.

LAFCo is required to make five written determinations when establishing, amending, or updating an SOI for any local agency that address the following (§56425(c)):

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
5. For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

FIRE PROTECTION DISTRICTS

A fire protection district (FPD) is a California Special District, a form of local government created by a community election process to provide fire protection, emergency rescue, and emergency medical services, as set forth in sections 13800-13970 of the California Health and Safety Code (HSC). The Fire Protection District Law was last updated by the State Legislature in 1987.

Fire districts in California are faced with considerable challenges, including securing adequate sustainable revenue, public reluctance to tax themselves to fund services, increased calls for service, demand on automatic/mutual aid, and loss of community volunteer base. The fire season has extended into nearly a

year-round event. Agencies that have traditionally relied primarily on volunteers are especially challenged, as many see declines in volunteer ranks and diminished availability of volunteer firefighters.

With most of the state in a declared drought emergency and record setting years for wildfires, many LAFcos statewide have either completed or are working on fire district reorganizations in their counties. LAFcos around the state have seen a significant uptick in applications seeking approval of service contracts, and more crucially, agency reorganization proposals.

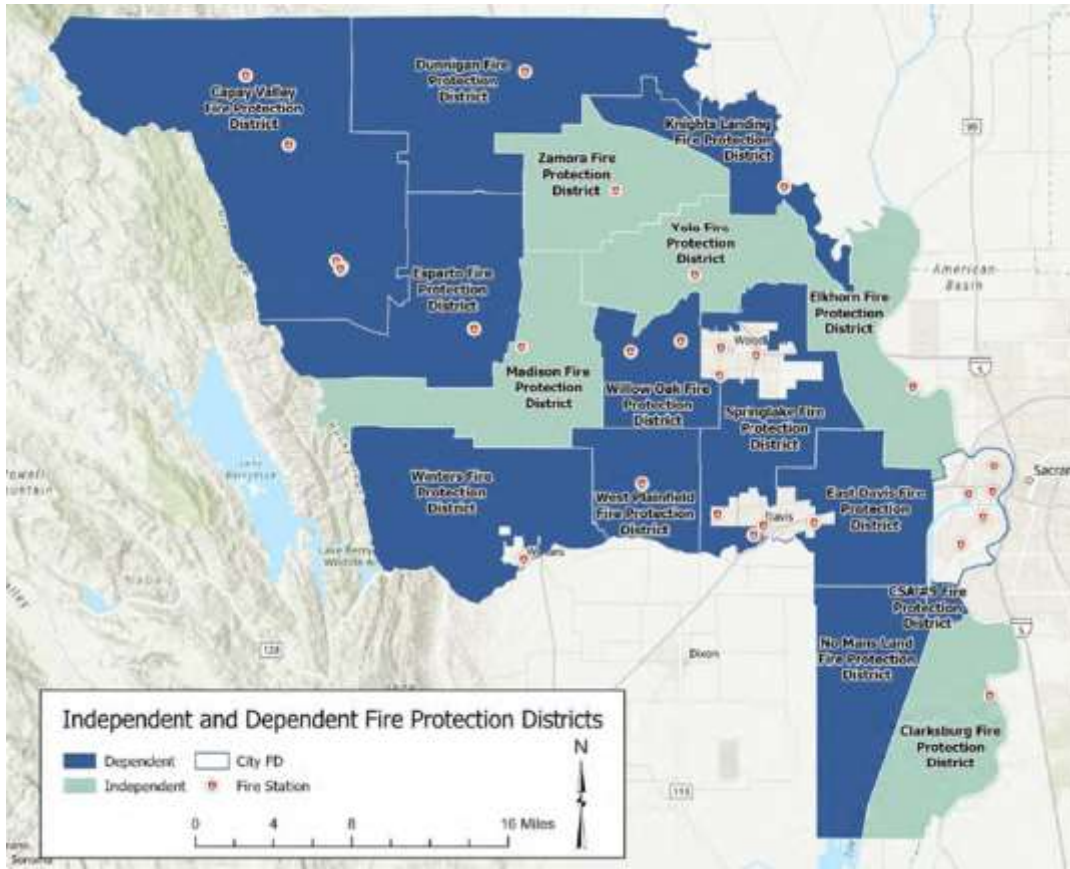
Agencies are passing special taxes and assessments to support a growing trend of moving to paid staffing, and they are also increasingly looking at “scaling up” by reorganizing with neighboring agencies or entering into service contracts with other providers.

There is no “one size fits all” approach to fire service from county to county, but it’s important to look at the evolving nature of fire service and get in front of trends. LAFcos are also using the Municipal Service Review process to identify reorganization opportunities, in some cases taking a leadership role in helping agencies identify more effective service provision models. This is the approach for the 2022 Yolo LAFco Municipal Service Review (MSR) for the Yolo Fire Protection Districts (FPDs).

Existing Fire Protection Districts and Governance

In Yolo County, there are currently 15 FPDs created between 1927 and 1974 that cover the entire unincorporated area. Every district is governed by a legislative body known as a “board of directors.” (HSC § 13840.) Five of the FPDs are governed by independent boards and the other 10 are dependent, meaning they are governed by the Board of Supervisors (BOS). (HSC § 13835.) For 9 of these 10 dependent districts, the Board of Supervisors has delegated its authority to a local “fire commission” to act on its behalf subject to removal for cause. (HSC § 13844.)

| FPD | Governance | Terms <small>Per H&S Code 13844</small> | Independent/ Dependent |
|-----------------|------------------------|---|-----------------------------------|
| Capay Valley | Fire Commission | 4 yr terms | Dependent |
| Clarksburg | FPD Board of Directors | 4 yr terms | Independent |
| Dunnigan | Fire Commission | 4 yr terms | Dependent |
| East Davis | Fire Commission | Indefinite | Dependent |
| Elkhorn | FPD Board of Directors | 4 yr terms | Independent |
| Esparto | Fire Commission | 4 yr terms | Dependent |
| Knights Landing | Fire Commission | 4 yr terms | Dependent |
| Madison | FPD Board of Directors | 4 yr terms | Independent |
| No Man’s Land | BOS | NA | Dependent |
| Springlake | Fire Commission | 4 yr terms | Dependent |
| West Plainfield | Fire Commission | 4 yr terms | Dependent |
| Willow Oak | Fire Commission | 4 yr terms | Dependent |
| Winters | Fire Commission | 4 yr terms | Dependent |
| Yolo | FPD Board of Directors | 4 yr terms | Independent |
| Zamora | FPD Board of Directors | 4 yr terms | Independent |



History of Consolidations and Reorganizations

Currently in Yolo County, most of the unincorporated area is served by 15 FPDs. While counties are not required to provide fire protection services in the unincorporated areas, a county Board of Supervisors may establish a County Service Area (CSA) to provide fire and emergency response services, among others (Gov't Code § 25213(b)). One such CSA is CSA 9 (also known as "Garcia Bend CSA"), south of West Sacramento. Together, these 16 districts cover all the unincorporated areas of the County to provide fire protection and emergency response services.

However, these services have not always been provided by these same 16 districts. FPD boundaries and governance has evolved over the decades with changing conditions as listed below. And this list may not be complete since LAFCos were created in 1963 and its records do not go back to 1927.

| Year | Consolidation/Significant Reorganization |
|------|---|
| 1959 | Dissolved Plainfield FPD and annexed into Springlake FPD |
| 1970 | Landowner petition to detach 57 acres from Elkhorn FPD and annex to Knights Landing FPD |
| 1971 | River Garden Farms FPD dissolved and annexed to Dunnigan and Knights Landing FPDs |
| 1979 | Clarksburg FPD extended to the Solano County line |
| 1980 | East Yolo FPD petition to annex 1,029 acres from Elkhorn FPD |
| 1983 | Consolidation of Bryte, Washington, and Westgate FPDs into East Yolo FPD |
| 1987 | East Yolo FPD dissolved for the City of West Sacramento incorporation |

FIRE PROTECTION DISTRICT FUNDING

Special District Funding Statewide

Special districts have coped with three decades of tough financial times. In 1977-78, the year before the voters passed Proposition 13, special districts received \$945 million in property tax revenues. In 1978-79, their property tax revenues dropped to \$532 million, a loss of almost 50%. In response to Proposition 13, legislators encouraged the special districts with the power to raise revenues with user fees and service charges and to reduce their reliance on property tax revenues. To help local governments weather the fiscal shock caused by Proposition 13, the state sent more state money to school districts and shifted some of the schools' property tax revenues to counties, cities, and special districts. For special districts, these supplemental property tax revenues went into a Special District Augmentation Fund (SDAF) in each county. The county boards of supervisors then allocated the SDAF money to the special districts in their counties. This practice lasted from 1978 to 1992.

Faced with huge budget deficits in 1992-93 and again in 1993-94, the state shifted almost \$4 billion in annual property taxes from local governments (counties, cities, special districts, and redevelopment agencies) to an Educational Revenue Augmentation Fund (ERAF) in each county. The property tax revenue in the ERAF offsets the State's constitutional duty to maintain certain funding levels for schools. Enterprise special districts that collected user fees for their services had better chances of coping with the ERAF shifts because their fees generate revenues rather than property taxes. The ERAF shifts hit the non-enterprise districts especially hard because they have few ways to make up for the lost revenues. Special legislation has granted fiscal relief to some special districts.

Proposition 172 History

To cushion the impact of the shift of property tax funds from local agencies to the ERAF, the State submitted a proposal for a new sales tax. Proposition 172 (Prop 172), the Local Public Safety Protection and Improvement Act of 1993, was approved by California voters. It replaced a half-cent sales tax, meaning taxpayers saw no net increase in their overall tax burden.

Mindful of the substantially larger proportion of ERAF's impact to counties than to cities and special districts, the State initially considered allocating all Prop 172 funds only to counties but realized success with the voters would be enhanced with the support of city officials, so a portion was allocated to cities as well. According to the Prop 172 analysis by the Legislative Analyst at the time, "the additional sales tax revenues resulting from this measure are intended to offset part of the \$2.3 billion in county and city revenue losses that resulted from adoption of the State's 1993-94 budget" that had shifted property tax revenues.

Yolo County lost 65% of its property taxes to fund schools through ERAF, which is an ongoing shift occurring annually. This shift equaled \$40.5 million in fiscal year (FY) 20/21 and the County's share of Prop 172 replaced \$24.5 million of that loss. FPDs are impacted differently by these property tax shifts. For FY 20/21 the ERAF tax shifts for 6 out of the 15 FPDs resulted in additional property tax revenue (ranging from +13.0% to +106.5% of property tax revenue), while the other 9 FPDs lost revenue (ranging from -3.8% to -20.0% of property tax revenue).

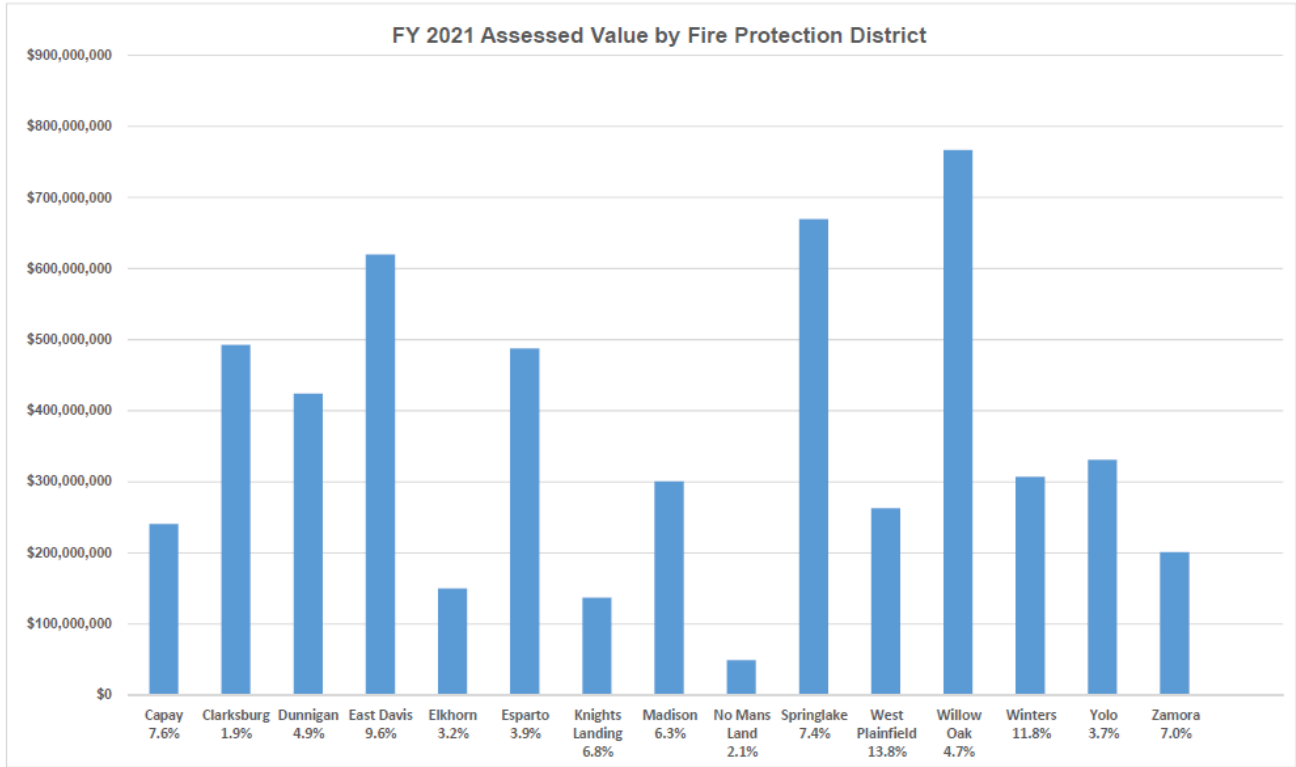
The purpose of Prop 172 was not increasing overall public safety funding, but to maintain public safety funding levels in spite of property tax shifts. The monies are collected and allocated to each county based on its proportionate share of statewide taxable sales. The FPDs are eligible to receive Prop 172 funding and board of supervisors determine the allocation to local public safety in their county. Most counties do not allocate Prop 172 funds for fire protection if it did not provide fire protection funding at the time Prop 172 was implemented. However, over the years some additional counties have begun to distribute some Prop 172 funds to FPDs and currently it is estimated 43 of 58 counties do so.

Proposition 1A (2004) made it much harder for the state to shift property taxes and other local revenues away from counties, cities, and special districts. These constitutional protections restore some fiscal stability to special districts.

Local Fire Protection District Funding

FPDs are all funded from property tax revenue and some have augmented revenue by passing a special benefit assessment on parcels in their service territory. Some FPDs also have Development Impact Fees (DIF) adopted for new development, but such revenue is not consistent and has restrictions on how it can be used.

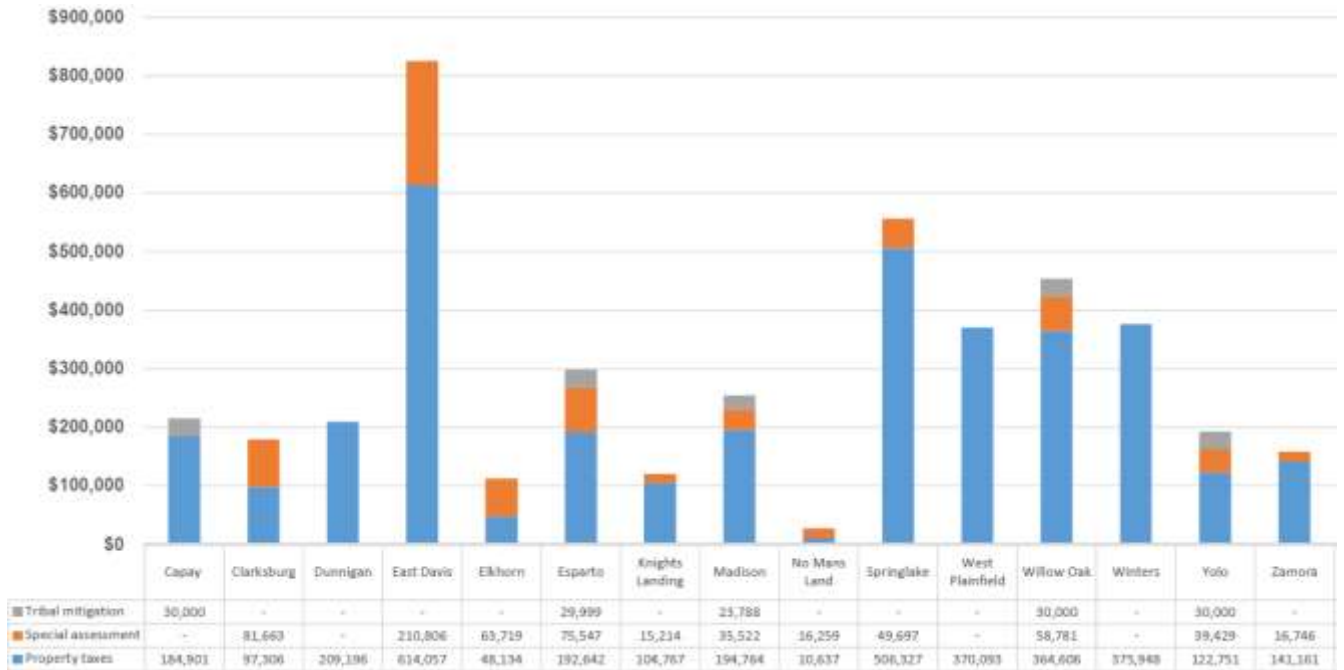
The total assessed value used to determine property tax collections varies across the FPDs and revenue collected has been reduced for many agricultural parcels by the Williamson Act program. Proposition 13 in 1978 and AB 8 that implemented it locked in the percentage of the property tax revenue received by the FPDs. The actual tax rate areas vary within each district, but the percentage in the graph below shows the average assessed property value of each FPD.



Note: % for each FPD indicates the average share of the 1% property taxes received by the district

The bar graph below shows the core revenue (i.e., reliable revenue not including DIF, grants, CAL FIRE, etc.) for each FPD.

Fiscal Year 2021 Core Revenues by FPD



Additional Financial Support

In addition to property tax and special assessment revenue, many FPDs have received a significant amount of direct funding support through grant funding from the Yocha Dehe Wintun Nation, funding from Yolo County (tribal mitigation, Cache Creek mitigation, and the Rural Initiatives program), and state and federal grants as shown in the table below.

FPD Funding from Other Agencies – 5 Year (FY 2017-2021) Total

| | YDWN Direct Funding | County Tribal Mitigation | Other County Funding | State/Federal Grants |
|-----------------|---------------------|--------------------------|----------------------|----------------------|
| Capay Valley | \$ 224,431 | \$ 220,000 | \$ 0 | \$ 14,000 |
| Clarksburg | - | - | - | 66,172 |
| Dunnigan | - | - | 50,000 | - |
| East Davis | - | - | - | - |
| Elkhorn | - | - | - | 67,157 |
| Esparto | 143,333 | 131,650 | 32,500 | - |
| Knights Landing | - | - | - | 101,757 |
| Madison | 148,333 | 110,413 | 32,500 | 14,737 |
| No Man's Land | - | - | 16,000 | - |
| Springlake | - | - | - | - |
| West Plainfield | 147,000 | - | 88,000 | 120,882 |
| Willow Oak | 450,000 | 127,170 | 32,177 | 12,792 |
| Winters | - | - | - | - |
| Yolo | 250,000 | 132,500 | 32,500 | 101,062 |
| Zamora | - | - | 50,000 | 68,690 |
| TOTAL | \$1,363,097 | \$721,733 | \$333,677 | \$567,249 |

In addition to FPD direct funding, the Yolo County Board of Supervisors approved several funding items to assist fire prevention and FPD needs in its FY 2021/22 budget:

- \$200,000 for immediate wildfire season needs, developed a framework for fire districts to apply for funding in October 2021, and granted funds to 14 of the fire districts in December 2021;
- \$300,000 of funding to prepare Proposition 218 studies for each FPD to improve fire service revenues. The selected consultant (SCI Consulting) has begun this process and it is anticipated that the 218 studies will be completed by the end of calendar year 2022; and
- \$550,000 (which is expected to be carried forward to FY 2022/23) to assist with the implementation of LAFCo's MSR/SOI recommendations at the direction of the Board of Supervisors.

PREVIOUS 2016 LAFCo MSR/SOI

2016 Governance Findings and Recommendations

LAFCo's last review of FPDs was prepared by Citygate Associates and adopted by LAFCo in 2016. The MSR identified the following key FPD challenges: rising costs and stagnant revenues, a shrinking volunteer labor pool, and increased demands for service.

The two complaints staff heard the most from FPD representatives about the 2016 MSR are: (1) the consultant's misunderstanding of the Yolo Emergency Communications Agency (YECA) data regarding missed calls; and (2) the FPDs financial projections penalized them for having reserve apparatus (i.e., maintenance costs were included for unused reserve apparatus). These issues undermined confidence in (and FPD acceptance of) the report and its recommendations. However, many of the 2016 MSR findings and recommendations for shared services and governance remain valid today, including:

- *Despite a continual recruitment effort, most Yolo County fire protection districts struggle to maintain an adequate roster of volunteer firefighters able to devote the time to maintain training requirements and also be available to regularly respond to emergency incidents. (Finding #4)*
- *Elkhorn FPD should consider a contract for service with the City of Woodland and/or the City of West Sacramento to achieve long-term fiscal sustainability and continuity of services. (Recommendation #8)*
- *Esparto and Madison FPDs should consider consolidating into a single district to enhance operational and fiscal efficiencies. (Recommendation #13)*
- *Services could be enhanced across all of the districts by creating a cooperative countywide regional fire service framework (Finding #14)*
 - *Training oversight*
 - *Common training and performance standards*
 - *Standardization of fire apparatus design specifications*
 - *Cooperative purchasing, including debt funding or lease purchasing of fire apparatus and other capital equipment*
 - *Shared reserve apparatus*
 - *Shared volunteer firefighters*
 - *Weekday staffing of selected districts with stipended firefighters to provide regional on-duty response coverage*
- *Creation of a cooperative countywide regional fire service framework could provide a structure that, in addition to potentially providing funding to support capital infrastructure replacement, could also provide other operational and support benefits to rural fire districts without loss of local control (Finding #40)*
- *The rural fire districts should consider exploring feasibility and support to expand the authority and powers of the West Valley Regional Fire Training Consortium, or the Yolo County Fire*

Chiefs Association, to provide a cooperative countywide regional fire service framework (Recommendation #14)

Unfortunately, no action has been taken by the FPDs on any of these recommendations listed above since the 2016 MSR. Therefore, these issues remain and are addressed again, albeit with a different strategy, with this 2022 MSR.

2016 LAFCo Recommendations Common to All FPDs

Below are the recommendations from the 2016 LAFCo MSR that were common to all FPDs, along with their respective status. The recommendations particular to individual FPDs are discussed in each individual FPD section of the report. The MSR's most far-reaching recommendation was to have an overarching joint powers agency (JPA) or association help with common FPD issues to achieve regional efficiencies, but it never occurred. Hopefully, the more incremental, regional approach of this 2022 MSR/SOI will help scale up the FPDs to be more efficient and resilient to withstand changing times.

1. *The Yolo County Fire Chiefs Association "No Response" policy could be enhanced by requiring acknowledgement of a dispatch by radio or telephone within a specified time period (e.g., 90 seconds) of the dispatch notification, indicating the district's ability to respond, before the next closest department is dispatched. (Status: completed)*
2. *The Yolo County Fire Chiefs Association considers requesting that YECA track the calls where the next fire district responds in place of the responsible fire district and a regular periodic report of "missed calls" from YECA. (Status: completed)*
3. *Within available funding, fire apparatus should be considered for replacement after not more than 25 years of service life. (Status: some FPDs cannot afford to maintain all apparatus within 25 years of service life)*
4. *The 11 districts that provide direct fire protection services should consider adopting a standardized fire apparatus inventory with common design specifications and equipment when purchasing new apparatus. (Status: not completed. FPDs often purchase used apparatus and every chief has a preference, but some standardization within reason could occur)*
5. *The rural fire districts should consider exploring feasibility and support to expand the authority and powers of the West Valley Regional Fire Training Consortium or the Yolo County Fire Chiefs Association to provide a cooperative countywide regional fire service framework. (Status: not completed)*
6. *The 11 districts that provide direct fire protection services should consider adopting a standardized fire apparatus inventory with common design specifications and equipment when purchasing new apparatus. (Status: not completed. FPDs often purchase used apparatus and every chief has a preference, but some standardization within reason could occur)*

2022 MSR SUBCOMMITTEE

The Yolo County Firefighters Association (YCFA) formed a volunteer subcommittee of fire chiefs to work with LAFCo providing critical fire professional expertise to assist LAFCo staff in preparing this report in-house. The MSR Subcommittee was invaluable and contributed to this report in the following ways:

- Identified the key information needed from each FPD to MSR review;
- Developed recommended guidelines for evaluation: response times, response adequacy in terms of minimum numbers of personnel and apparatus on scene;
- Recruited a fire commissioner with skills to perform data analytics and visualize the data for the MSR; and
- Governance recommendations.

DISPATCH RESPONSE TIME AND ADEQUACY: METHODOLOGY AND COMPARATIVE DATA

Dispatch Call Volume

FPD call volume has gone up over the last three years (some quite significantly) for all but one of the FPDs, by an average of 28%. Over this time medical calls were up while fire calls were down, which may reflect COVID surges, people on lockdown and more careful about drought conditions. Increased traffic along some corridors is also likely a contributing factor. If this trend continues, staff changes may be required to service increasing demand.

Dispatch call volume and percentage increase is shown for each FPD in the table below.

FPD Dispatch Call Volume and % Increase Over Last 3 FYs

| | FPD Est. Residential Population | Total Dispatch FY 18/19 | Total Dispatch FY 19/20 | Total Dispatch FY 20/21 | Dispatch % Change over 3 FYs |
|----------------------------|---------------------------------|-------------------------|-------------------------|-------------------------|------------------------------|
| Capay Valley FPD | 1,130 | 144 | 188 | 194 | 35% |
| Clarksburg FPD | 1,260 | 209 | 261 | 268 | 28% |
| Dunnigan FPD | 1,110 | 388 | 574 | 551 | 42% |
| East Davis FPD | 2,075 | 324 | 312 | 297 | -8% |
| Elkhorn FPD | 128 | 95 | 114 | 168 | 77% |
| Esparto FPD | 3,122 | 460 | 532 | 589 | 28% |
| Knights Landing FPD | 1,058 | 232 | 303 | 325 | 40% |
| Madison FPD | 962 | 266 | 299 | 321 | 21% |
| No Man's Land FPD | 82 | 13 | 6 | 15 | 15% |
| Springlake FPD | 6,587 | 208 | 225 | 240 | 15% |
| West Plainfield FPD | 752 | 140 | 194 | 233 | 66% |
| Willow Oak FPD | 2,502 | 467 | 484 | 554 | 19% |
| Winters FPD | 5,845 | 215 | 223 | 301 | 40% |
| Yolo FPD | 970 | 381 | 407 | 458 | 20% |
| Zamora FPD | 335 | 113 | 137 | 152 | 35% |
| TOTAL/AVERAGE | 27,918 | 3,655 | 4,259 | 4,666 | 28% |

FPD Response Time

LAFCo worked with the MSR Subcommittee appointed by the Yolo County Firefighters Association to determine adequate response times and the adequacy of response in terms of numbers of personnel and apparatus on scene.

The subcommittee indicated that the response times in NFPA 1720 are intended for structure fires only and indicate the time for all responding apparatus and personnel to arrive on scene. So instead, the MSR Subcommittee developed response time goals for fire calls (9 minutes) and rescue/emergency medical service (EMS) calls (6 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 for each calendar year are included in each report. The following data outliers were omitted:

- Any apparatus which went enroute, was cancelled and then went enroute again, as this gave an inflated response time.
- Any instances where an apparatus' enroute time matched it's on-scene time; and

- Any instances where apparatus was enroute but didn't show arrival after 30 minutes (because occasionally with the intensity on scene, responders forget to record arrival time).

FPD Adequacy of Response

In terms of the adequacy of response, it was decided by consensus of the MSR Subcommittee that the following response numbers are deemed an adequate response. These numbers represent the initial response needed to respond initially to a call. This was done to have objective data metrics for analysis and is based on the chiefs' combined experience and the assumption that additional staff would arrive after initial assessment via mutual/auto aid as needed.

| Types of Calls | Personnel | Apparatus |
|-------------------------------|-----------|-----------|
| Fire Calls (100 Series) | 4 | 2 |
| Rescue/EMS Calls (300 Series) | 3 | 1 |

The following performance data is based on FPD self-reported incident response data. In most cases, the data came directly from the National Fire Incident Reporting System (NFIRS) reports for each FPD. But in the case of Dunnigan, Yolo, and Zamora the data was reported directly to LAFCo in the same manner. Contract FPDs served by local cities are not included.

The tables below are sorted based on the average number of personnel responding to each type of call (highest to lowest). The FPDs that do not meet the recommended minimum standards are highlighted in yellow. Other information regarding FPD revenue, population, staffing, and dispatch numbers are included for informational purposes. It is interesting to note there is not a direct correlation between revenue and response, nor a volunteer staff versus paid staff model. There is no one answer, and each FPD is unique, but the strength of community (i.e., local events, volunteerism, people who remain local during daytime hours and do not commute out of the area, etc.) seems more indicative of effective response than any other factor. As the strength of a community and its population's involvement declines, FPDs must shift to a paid (stipended volunteer or full-time employee) staffing model.

FY 20/21 Fire Incident Response (100 Series)

| FPD | Total No. Incidents | Avg. No. Personnel | Avg. No. of | Est. | Station Staffing | Total | Total | % Enroutes Missed Inside FPD | | |
|-----------------|---------------------|--------------------|-------------|--------------|------------------|-----------------|------------------|------------------------------|---------------------------|----------------------------|
| | | | Apparatus | FY21 Revenue | | Residential Pop | Dispatch Numbers | | Total Inside Jurisdiction | Total Outside Jurisdiction |
| Capay Valley | 16 | 7.31 | 3.56 | \$ 345,054 | 1,130 | On Call | 194 | 149 | 45 | 0.7% |
| Clarksburg | 31 | 6.52 | 3.26 | \$ 185,488 | 1,260 | On Call | 268 | 250 | 18 | |
| West Plainfield | 20 | 4.50 | 3.30 | \$ 436,438 | 752 | Full Time 24/7 | 233 | 180 | 53 | |
| Zamora | 11 | 4.45 | 1.55 | \$ 163,500 | 335 | On Call | 152 | 110 | 42 | 1.8% |
| Yolo | 141 | 4.08 | 1.60 | \$ 273,598 | 970 | Part Time | 458 | 278 | 180 | |
| Esparto | 30 | 4.07 | 2.23 | \$ 378,394 | 3,122 | Part Time | 589 | 469 | 120 | 0.2% |
| Madison | 29 | 3.97 | 2.31 | \$ 325,805 | 962 | Part Time | 321 | 175 | 146 | |
| Willow Oak | 34 | 3.76 | 2.12 | \$ 750,321 | 2,502 | Full Time 24/7 | 554 | 382 | 172 | |
| Knights Landing | 22 | 3.05 | 2.50 | \$ 144,191 | 1,058 | On Call | 325 | 167 | 158 | 3.0% |
| Dunnigan | 100 | 2.61 | 1.49 | \$ 560,178 | 1,110 | Full Time 24/7 | 551 | 498 | 53 | 0.4% |
| Elkhorn | 8 | 1.50 | 1.50 | \$ 112,436 | 128 | On Call | 168 | 150 | 18 | 6.7% |

Highlighted FPDs are not meeting min of 4 personnel

FY 20/21 Rescue/EMS Incident Response (300 Series)

| FPD | Total No. Incidents | Avg. No. Personnel | Avg. No. of Apparatus | FY21 Revenue | Est. Residential Pop | Station Staffing | Total Dispatch Numbers | Total Inside Jurisdiction | Total Outside Jurisdiction | % Enroutes Missed Inside FPD |
|-----------------|---------------------|--------------------|-----------------------|--------------|----------------------|------------------|------------------------|---------------------------|----------------------------|------------------------------|
| Clarksburg | 96 | 5.82 | 2.59 | \$ 185,488 | 1,260 | On Call | 268 | 250 | 18 | |
| Yolo | 216 | 4.40 | 1.65 | \$ 273,598 | 970 | Part Time | 458 | 278 | 180 | |
| Capay Valley | 48 | 3.92 | 2.23 | \$ 345,054 | 1,130 | On Call | 194 | 149 | 45 | 0.7% |
| Zamora | 55 | 3.82 | 1.05 | \$ 163,500 | 335 | On Call | 152 | 110 | 42 | 1.8% |
| Willow Oak | 155 | 3.29 | 1.67 | \$ 750,321 | 2,502 | Full Time 24/7 | 554 | 382 | 172 | |
| West Plainfield | 67 | 3.10 | 2.07 | \$ 436,438 | 752 | Full Time 24/7 | 233 | 180 | 53 | |
| Knights Landing | 48 | 3.10 | 2.25 | \$ 144,191 | 1,058 | On Call | 325 | 167 | 158 | 3.0% |
| Madison | 103 | 2.91 | 1.73 | \$ 325,805 | 962 | Part Time | 321 | 175 | 146 | |
| Dunnigan | 267 | 2.50 | 1.29 | \$ 560,178 | 1,110 | Full Time 24/7 | 551 | 498 | 53 | 0.4% |
| Esparto | 317 | 2.37 | 1.68 | \$ 378,394 | 3,122 | Part Time | 589 | 469 | 120 | 0.2% |
| Elkhorn | 55 | 1.16 | 1.15 | \$ 112,436 | 128 | On Call | 168 | 150 | 18 | 6.7% |

Highlighted FPDs are not meeting min of 3 personnel

FINANCIAL SUSTAINABILITY: METHODOLOGY AND COMPARATIVE DATA

Fourteen of the 15 FPDs are financially stable on an annual revenue/expenditure, cash flow basis. No Man’s Land FPD is the only FPD operating in the negative or “in the red” on an annual basis. Where financial sustainability issues show up for the 11 FPDs that provide direct services (i.e., not the contract FPDs) is keeping up with apparatus and command vehicle replacement and being able to save enough funds for timely replacement. This is an especially volatile cost climate in 2022 with supply chain issues driving up costs and high inflation. To determine whether the FPD’s have adequate fund balances/reserves as of June 30, 2021, LAFCo used the following methodology to calculate recommended fund balances/reserves:

- Capital Asset Replacement Reserve.** The purpose of this calculation is to provide a high-level estimate to determine whether the District was on schedule to replace apparatus according to the recommended life of 25 years for apparatus and a life of 15 years for command vehicles. The estimated cost of replacement are estimates from the MSR Subcommittee. The calculation was based on depositing 1/25 or 1/15 of the estimated replacement cost each fiscal year after the year of acquisition, rounded to the nearest \$10,000. The calculation does not factor prices change or inflation. It is intended get a high-level view whether the district has been setting aside enough money to replace vehicles according to recommended lifespan.
- General reserve.** The State Controller’s Manual of Accounting Standards and Procedures for Counties (including dependent districts) 2021 Item 7.06 recommends a general reserve be established to cover potential cash shortfalls. FPDs receive most of its revenue from current secured property taxes and special assessments of which both are collected and distributed to districts using the same process. Districts receive 50% of these revenue in Dec/Jan, 45% in Apr/May and the remaining 5% in June. FPDs are operating from July to December with little revenue being received. The purpose of the General Reserve is to provide cash/liquidity during this July to December period. The calculation is 50% of current secured taxes and 50% of special assessments realized in fiscal year 2021.
- Unassigned Fund Balance.** As recommended by the Fund Balance Guidelines for the General Fund dated September 30, 2015, Government Finance Officers Association (GFOA) recommendation is to have an amount approximating 2 months of operating expenditures in unassigned fund balance to cover a revenue shortage and/or unanticipated expenditures. This amount is calculated by requiring an unassigned fund balance to equal 15% of fiscal year 2021 expenditures, excluding capital expenditures and deducted strike team reimbursements.
- Recommended Fund Balance.** The total of all the above.

2022 GOVERNANCE RECOMMENDATIONS OVERVIEW

Overall Strategy/Approach

The scope of this discussion is framed by the following determinations required for each MSR (collectively referred to as “governance” recommendations):

- *Shared Services and Facilities: “Status of, and opportunities for, shared services and facilities”*
- *Accountability, Structure and Efficiencies: “Accountability for community service needs, including governmental structure and operational efficiencies”*

Given the adequacy, deficiencies, and needs of fire services provided by each FPD, the MSR Subcommittee met five times in January 2022 to develop draft governance recommendations.

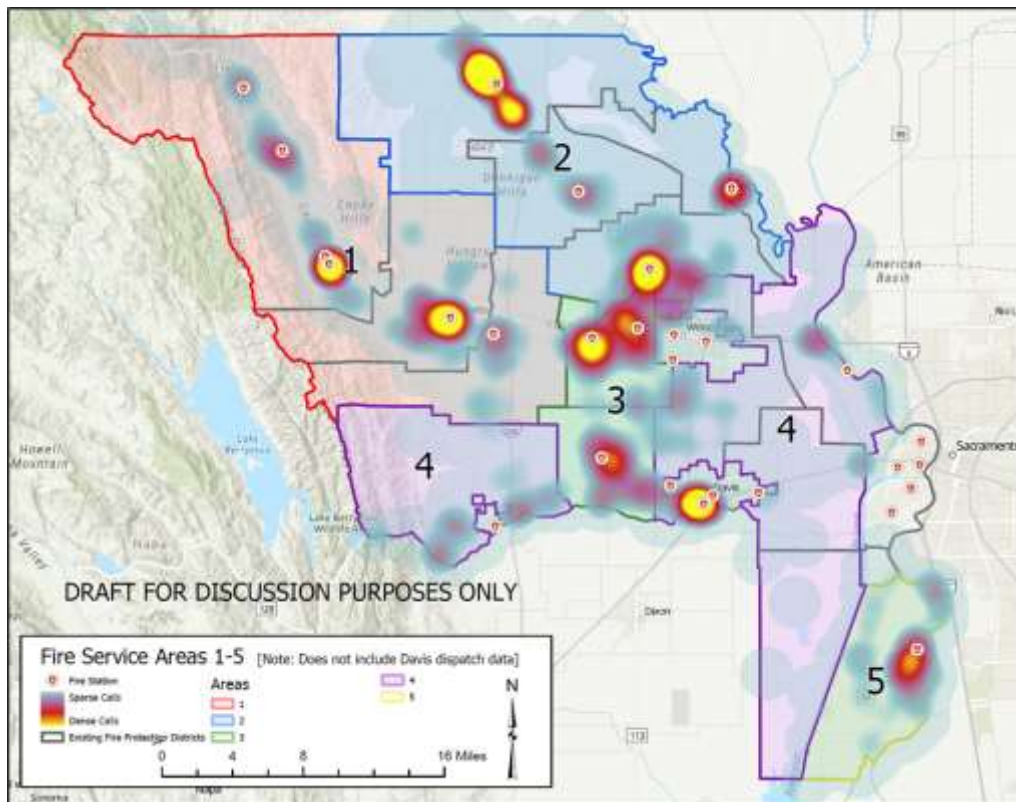
The MSR Subcommittee was guided by the following values and principles:

- What promotes the best service to the public?
- What is the most efficient and effective utilization of our resources?
- What is the “right” balance of economies of scale versus flexibility to address local conditions?

Below is an explanation of the overall approach and strategy. **Individual recommendations for each FPD to implement this strategy are included in each individual section of this MSR/SOI as applicable.**

The 15 FPDs are separated into Areas 1-5 with recommendations for each. The base map shows a heat map representing calls for service, a data visualization technique that shows the magnitude and spatial distribution of calls for service. Below this map a narrative follows that explains what is recommended for each of Areas 1-5 shown.

Fire Service Areas 1-5



Recommendations for Fire Service Areas 1-3

Fire Service Areas (“Areas”) 1-3 include FPDs that provide direct services (i.e., have their own personnel and equipment and do not contract with cities for service). Staff recommends the FPDs in each Area develop governance solutions that will provide for a coordinated and more uniform level of service and operation. The governance solution for each Area could take a variety of forms including: Joint Operation Agreements (JOAs), contracts for services, Joint Powers Agreements/Agencies (JPAs), or 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.

The selection for FPDs for each area were based on geography, history of working together formally or informally, and the fire service principle of “span of control.” Span of control refers to the number of individuals or resources that one supervisor can manage effectively during an incident. The optimal span of control is one supervisor to five subordinates (1:5) but can range from 1:3 to 1:7. For the MSR, this principle is being used instead as the ideal number of stations in Areas 1-3 for coordination purposes.

Area 1 FPDs (FY 20/21)

| FPD | Area (ac) | Est. | | Dispatches | | | | ISO | Station Coverage | Paid Fire Personnel (FTE) | Reserves with | |
|--------------|-----------|------------------|------------------|---------------------|--------------|---------------------|-------------|------|------------------|---------------------------|---------------|----|
| | | Residential Pop. | Total Dispatches | Inside Jurisdiction | Core Revenue | Ending Fund Balance | stipend | | | | Volunteers | |
| Capay Valley | D | 110,345 | 1,130 | 194 | 149 | \$214,901 | \$1,220,126 | 8 | On Call | 1.5 | 0 | 17 |
| Esparto | D | 48,161 | 3,122 | 589 | 469 | \$298,188 | \$ 810,273 | 5/10 | Regular Hours | 2.5 | 6 | 21 |
| Madison | I | 42,325 | 962 | 321 | 175 | \$254,074 | \$ 493,678 | 5/10 | Regular Hours | 2.0 | 12 | 12 |

Area 2 FPDs (FY 20/21)

| FPD | Area (ac) | Est. | | Dispatches | | | | ISO | Station Coverage | Paid Fire Personnel (FTE) | Reserves with | |
|-----------------|-----------|------------------|------------------|---------------------|--------------|---------------------|------------|-------|------------------|---------------------------|---------------|----|
| | | Residential Pop. | Total Dispatches | Inside Jurisdiction | Core Revenue | Ending Fund Balance | stipend | | | | Volunteers | |
| Dunnigan | D | 70,351 | 1,110 | 551 | 498 | \$209,196 | \$ 514,613 | NP | Full Time 24/7 | 0 | 0 | 31 |
| Knights Landing | D | 23,692 | 1,058 | 325 | 167 | \$119,981 | \$ 381,193 | 5/5Y | On Call | 0 | 0 | 13 |
| Yolo | I | 33,584 | 970 | 458 | 278 | \$192,180 | \$ 241,560 | 4/4Y | Regular Hours | 1.0 | 0 | 21 |
| Zamora | I | 33,709 | 335 | 152 | 110 | \$157,907 | \$ 648,080 | 8b/10 | On Call | 0 | 0 | 13 |

Area 3 FPDs (FY 20/21)

| FPD | Area (ac) | Est. | | Dispatches | | | | ISO | Station Coverage | Paid Fire Personnel (FTE) | Reserves with | |
|-----------------|-----------|------------------|------------------|---------------------|--------------|---------------------|------------|------|------------------|---------------------------|---------------|----|
| | | Residential Pop. | Total Dispatches | Inside Jurisdiction | Core Revenue | Ending Fund Balance | stipend | | | | Volunteers | |
| West Plainfield | D | 21,221 | 752 | 233 | 180 | \$370,093 | \$ 385,631 | 3/3Y | Full Time 24/7 | 3.75 | 3 | 19 |
| Willow Oak | D | 21,546 | 2,502 | 554 | 382 | \$453,387 | \$ 865,485 | 3/3Y | Full Time 24/7 | 4.0 | 15 | 16 |

The recommendation is for the FPDs to sign JOAs for each Area to share staff, apparatus, training, reporting, and standardization. These JOAs would create the framework for what’s called a “functional consolidation” in LAFCo terminology, meaning the FPDs in an Area are operating together for many practical purposes, but not a legal consolidation of the agencies. A JOA could lay the groundwork for a later consolidation or it may suffice long-term.

The matrix below shows the efficiencies that could be achieved with either a JOA or consolidation. Most efficiencies can be achieved with a JOA, so legal consolidation may not be worth the cost and effort depending on the situation.

Joint Operations Agreement Versus Legal Consolidation

| | Status Quo | Joint Operations Agreement | Consolidation (or Dissolution/Annexation) |
|--|------------|-------------------------------------|---|
| Improved station coverage | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Shared paid personnel, reserves and volunteers | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Shared reserve apparatus | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Standardization (equipment, UFC, training, testing, policies, and procedures) | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Cooperative Purchasing | | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| Consolidated FPD board/commission (1 instead of 3) | | | <input checked="" type="checkbox"/> |
| Reduced administration costs (1 insurance, incident reporting, SCO report, website, budget, AP, grants, etc. instead of 3) | | | <input checked="" type="checkbox"/> |
| Easier to Undo | NA | <input checked="" type="checkbox"/> | |

Recommendations for Fire Service Area 4

The FPDs in this area include Elkhorn FPD, the four contract FPDs, and CSA 9.

Area 4 FPDs (FY 20/21)

| FPD | | Area (ac) | Est. | | Dispatches | | | Core Revenue | Ending Fund Balance | ISO | Station Coverage | Paid Fire Personnel (FTE) | Reserves with stipend | Volunteers |
|--------------|---|-----------|------------------|-------|------------|--------------|-------------|--------------|---------------------|-----|------------------|---------------------------|-----------------------|------------|
| | | | Residential Pop. | Total | Inside | Jurisdiction | Core | | | | | | | |
| East Davis | D | 29,143 | 2,075 | 297 | 297 | \$824,863 | \$1,432,155 | NA (City) | City Contract | NA | NA | NA | | |
| Elkhorn | I | 30,703 | 128 | 168 | 150 | \$111,853 | \$ 365,374 | NR | On Call | 0 | 0 | 8 | | |
| No Mans Land | D | 35,639 | 82 | 15 | 15 | \$ 26,896 | \$ 2,879 | NA (City) | City Contract | NA | NA | NA | | |
| Springlake | D | 32,545 | 6,587 | 240 | 240 | \$556,024 | \$ - | NA (City) | City Contract | NA | NA | NA | | |
| Winters | D | 50,528 | 1,015 | 301 | 301 | \$375,948 | \$ 500,005 | NA (City) | City Contract | NA | NA | NA | | |

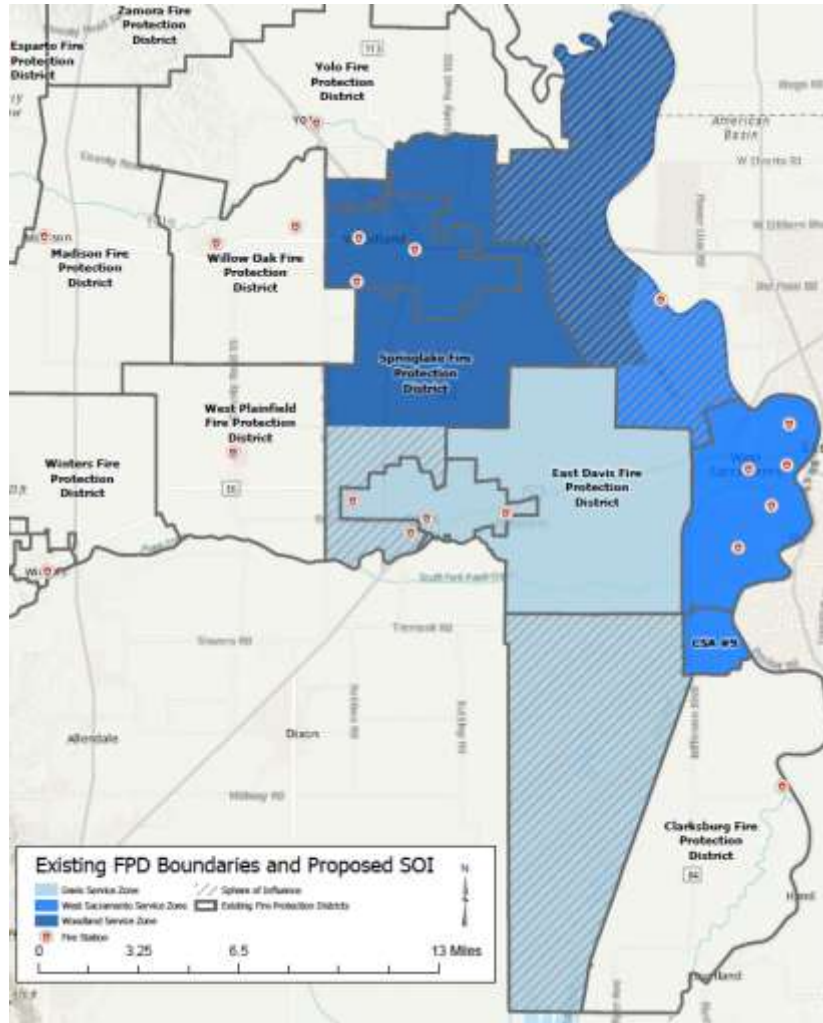
It is recommended Elkhorn FPD be dissolved and its service territory be divided between the cities of West Sacramento (by annexation into CSA 9) and Woodland (by annexation into Springlake FPD) for services per the 2015 auto aid agreement boundary.

LAFCo also recommends the following reorganization of the contract districts around Davis and Woodland:

- (i) Springlake FPD detach its territory south of County Road 29 and that area be annexed to East Davis FPD.
- (ii) No Man's Land FPD be dissolved and annexed to East Davis FPD.

The result is the reduction of five districts into three districts that align to each city service territory, as shown below. Winters FPD would remain as is because it already aligns to its city service area.

Area 4 Recommended Reorganization



Recommendations for Fire Service Area 5

Clarksburg FPD’s land-locked geography limits its ability to share services and operations with other FPDs. Therefore, it is recommended to remain as-is.

Area 5 FPD (FY 20/21)

| FPD | Area (ac) | Est. | | Dispatches | | | | Station Coverage | Paid Fire Reserves | | |
|------------|-----------|------------------|------------------|---------------------|--------------|---------------------|-----|------------------|--------------------|--------------|------------|
| | | Residential Pop. | Total Dispatches | Inside Jurisdiction | Core Revenue | Ending Fund Balance | ISO | | Personnel (FTE) | with stipend | Volunteers |
| Clarksburg | 34,665 | 1,260 | 268 | 250 | \$178,969 | \$ 853,612 | 5/8 | On Call | 0 | 0 | 20 |

Governance Recommendations Outreach

Once the FPD MSR Subcommittee arrived at the draft recommendation in January, LAFCo staff organized and presented at many outreach meetings to share the information as quickly as possible and obtain FPD and community feedback. Presentations were provided to all FPD Boards/Commissions (sometimes twice) except for Zamora FPD, which declined the presentation.

| Date | Meeting |
|-------------|--|
| February 8 | Yolo County Firefighters Association |
| February 17 | Winters FPD |
| February 17 | East Davis FPD |
| February 21 | Area 1 (Capay, Esparto & Madison FPDs) |
| February 28 | Area 3 (West Plainfield & Willow Oak FPDs) |
| March 2 | East Davis FPD |
| March 3 | Clarksburg FPD |
| March 7 | Yolo FPD |
| March 9 | Elkhorn FPD |
| March 9 | Dunnigan FPD |
| March 11 | Yolo Managers (city/county managers) |
| March 14 | Madison FPD |
| March 14 | Knights Landing FPD |
| March 25 | City of Winters |

As of June 2022, all FPDs in Areas 1-3 have already signed JOAs or are in the process of doing so. LAFCo applauds the FPDs for their work towards this effort. Recommendations are included for each of these FPDs to ensure they continue to contribute to these JOAs.

OVERARCHING MSR RECOMMENDATIONS

During this MSR/SOI process, several issues came up that span many or all of the FPDs and that should be implemented.

YCFA Recommendation

- The FPDs that use YECA for dispatch should collectively review the response matrix to ensure the fastest response on all calls (LAFCo's understanding is this currently occurs with medical aid calls only).

Yolo County Recommendations

- Yolo County should continue to review FPD progress towards implementing its district's 2022 MSR recommendations as it works with the FPDs on sustainability efforts going forward.
- Yolo County voluntarily provides \$150,000 of its Intergovernmental Agreement funding from the Yocha Dehe Wintun Nation each year to five FPDs (\$30,000 each) affected by the Cache Creek Resort operations. These have been traditionally earmarked for capital investments; however, the County should consider providing this funding as a pass-through for more FPD flexibility to meet service needs in their jurisdictions.
- Yolo County should work with its contract FPD fire commissions to standardize and streamline its service contracts with cities to the greatest extent feasible. Financially, contract FPDs should operate as pass-through districts similar to Springlake FPD and CSA 9. From a risk perspective, Winters FPD has strong provisions that should be considered as a model regarding providing contract FPDs return of its original station and necessary apparatus to minimize risk in the unlikely event a city ever closes its station or services are terminated.
- Yolo County DFS staff should meet each year with each dependent FPD (and independent FPDs if requested) 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. In addition, provide DIF reporting training as applicable.
- Yolo County DFS should work with districts to develop accounting policies, procedures, and accounting manuals. Assist districts with interpreting INFOR reports and develop user friendly

reports for fire commissioners and board members. Develop a periodic report/transactions review process to ensure only and all transactions approved by the board are included in the financial system.

ORGANIZATION OF THIS MSR/SOI STUDY

This report has been organized in a checklist format to focus the information and discussion on key issues that may be particularly relevant to the subject agency while providing required LAFCo's MSR and SOI determinations. There is one section per district. The checklist questions are based on the Cortese-Knox-Hertzberg Act, the LAFCo MSR Guidelines prepared by the Governor's Office of Planning and Research, and Yolo LAFCo's local policies and procedures. This report provides the following for each district:

- Provides a description of the subject agency;
- Provides any new information since the last MSR and a determination regarding the need to update the SOI;
- Provides MSR and SOI draft determinations for public and Commission review; and
- Identifies any other issues that the Commission should consider in the MSR/SOI.

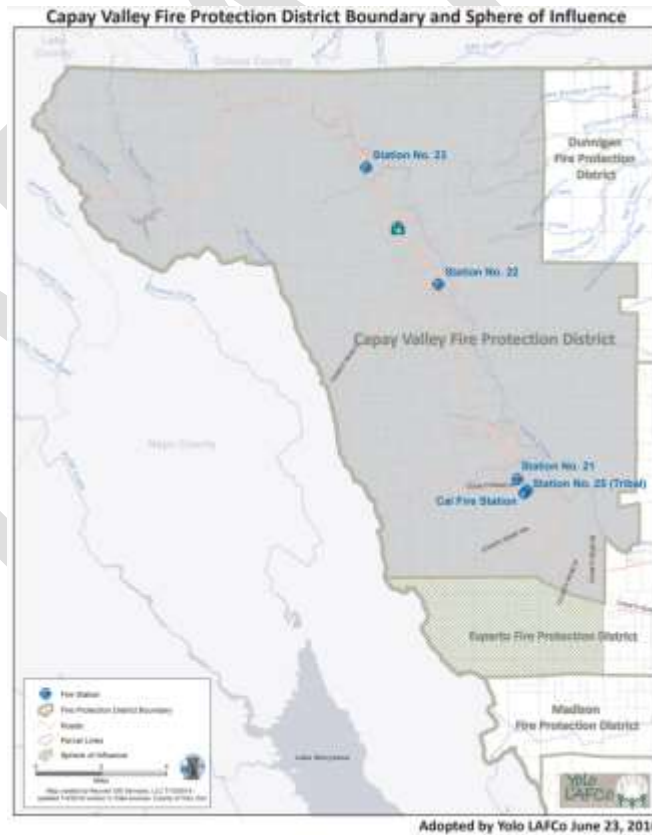
AGENCY PROFILE

The Capay Valley Fire Protection District (Capay Valley FPD) was formed in 1927 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 Capay Valley FPD is 110,345 acres in size and serves the unincorporated communities of Brooks, Guinda, Rumsey, and the surrounding rural area. The entire Capay Valley FPD territory is located within state and federal responsibility areas. CAL FIRE has a legal responsibility to provide fire protection on all State Responsibility Area (SRA) lands, which are defined based on land ownership, population density and land use. CAL FIRE does not have responsibility for densely populated areas, incorporated cities, agricultural lands, or lands administered by the federal government.

Capay Valley FPD contains 452 residential and 23 commercial addresses and its residential population is estimated to be 1,130 residents¹. The Capay Valley FPD has three stations: Station 21 located at 13635 Highway 16 in Brooks; Station 22 located at 7447 Highway 16 in Guinda; and Station 23 located at 3794 Highway 16 in Rumsey. The District has 7 apparatus has 1 part-time paid staff, 0 reserves and 18 volunteers (19 firefighters total). It also shares a full-time firefighter employed by Esparto FPD, which Capay Valley FPD uses 3 days per week.

The Capay Valley FPD boundary and sphere of influence (SOI) is shown below. The SOI area was adopted by LAFCo in 2016 to accommodate a territory swap with Esparto FPD to facilitate more efficient response.



¹ Population estimate is based on 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.

- Growth and Population
- Disadvantaged Unincorporated Communities
- Capacity, Adequacy & Infrastructure to Provide Services
- Financial Ability
- Shared Services
- Accountability
- Broadband Access
- 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.

1. GROWTH AND POPULATION

| Growth and population projections for the affected area. | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Will development 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 type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands?*

No. The population for Capay Valley FPD is currently estimated to be 1,130. The unincorporated towns of Brooks-Tancred has a population of 120, Guinda has a population of 245, and Rumsey has a population of 91 per the 2020 Census. None of these towns have municipal water or sewer systems, and therefore, cannot support significant growth.

However, according to data from the Yolo Emergency Communications Agency (YECA), Capay Valley FPD calls have increased. Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 144 in FY 18/19, 188 in FY 19/20 and 194 in FY 20/21, a 35% increase in only three years.

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

b) *Do changes in service demand suggest a change in the agency's services?*

No. In the 2016 MSR, a boundary swap was recommended with Esparto FPD to provide a more efficient response time, however, both FPDs have entered into a Joint Operations Agreement (JOA) and are working together and coordinating operations. Also, Yolo Emergency Communications Agency (YECA) dispatch response matrixes can be changed anytime regardless of boundaries. Therefore, boundary changes are no longer necessary.

Growth and Population MSR Determination

The population for Capay Valley FPD is currently estimated to be 1,130. The unincorporated towns do not have municipal water or sewer systems, and therefore, cannot support significant growth. However, according to data from the Yolo Emergency Communications Agency (YECA), Capay Valley FPD calls have increased. Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 144 in FY 18/19, 188 in FY 19/20 and 194 in FY 20/21, a 35% increase in only three years. Capay Valley FPD has entered into a JOA with Esparto FPD, therefore a boundary swap recommended in the 2016 MSR is no longer needed. Changes in service demand does not suggest a change in the District's services.

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 Capay Valley FPD territory is not disadvantaged² 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.*

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

Not applicable.

Disadvantaged Unincorporated Communities MSR Determination

The Capay Valley FPD territory is not disadvantaged per the 2020 Census and all “inhabited unincorporated communities” countywide receive structural fire protection services. Therefore, there is no concern that Capay Valley is either not receiving fire protection services or not receiving similar services due to disadvantaged economic issues in the Capay Valley FPD community.

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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Are there any issues regarding the agency’s capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <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)?*

Maybe.

Fire Station

Station 21 (Brooks) was built in the early 1970s, Station 22 (Guinda) was built in 1940, and Station 23 (Rumsey) was built in 2003. Station 22 in Guinda is the primary station used by the District. Since the station is 80 years old, it needs improvements. Capay Valley FPD is seeking a DWR grant for a new transfer pump for its water storage tanks. The leach lines for the septic system were recently found to be non-functional due to tree root infiltration which will require either replacement or extensive repair. Also, new concrete work is needed in the station, which is estimated to cost approximately \$120,000. It is also seeking FEMA funds for an exhaust source capture system for diesel exhaust and hopes to build personnel sleeping quarters in the station to facilitate 24-hour staffing in the future.

Station 21 (Brooks) has a water tender housed there. Capay Valley FPD is assessing the best location for additional apparatus in Brooks given the location of firefighters’ residences and most common types

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of emergency calls in the area. Station 23 (Rumsey) is also a less-frequently used volunteer station. Capay Valley FPD also has an auto aid agreement with the Yocha Dehe Fire Department.

Station 22 in Guinda is shown below.



Apparatus:

The table below lists the CVFCD apparatus.

| Use | Apparatus | Type | Age | Reserve? |
|------------------------|-----------|------------|-----|----------|
| Structure Fires | Engine 22 | 1 | 7 | No |
| | Engine 23 | 2 | 26 | No |
| Wildlands Fires | Brush 222 | 3 | 1 | No |
| | Brush 22 | 6 | 5 | No |
| | Brush 21 | 3 | 20 | Yes |
| Water Tenders | Water 222 | Tactical 1 | 0 | No |
| | Water-22 | Tactical 1 | 21 | No |
| | Water 21 | Tactical 1 | 30 | Yes |
| Command/Utility | None | | | |
| Other Apparatus | None | | | |

One of Capay Valley FPD’s apparatus exceeds the recommended 25-year life span. However, it is located at the volunteer station, is scheduled to be the next replacement vehicle, and the Chief reports it is completely reliable at this time.

All Capay Valley FPD apparatus receive annual service, regularly scheduled rig checks, and annual pump testing. Hoses and ladders are currently not tested regularly. Capay Valley FPD currently supplies all responding members with appropriate, up-to-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 all bottles are current in hydro date. Capay Valley FPD operates adequate communications equipment including radios with current programming that

meets the needs for incident response. All apparatus seats have a dedicated radio which are older but are serviceable and compatible with CAL FIRE.

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. Capay Valley FPD's ISO rating is 8. 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).*

No.

Staff, Coverage and Training

The Capay Valley FPD 1 paid staff, 0 reserves and 18 volunteers (19 firefighters total). Its part-time paid firefighter staffs Guinda Station 22 3 days a week during the daytime hours. The station is also staffed by a volunteer firefighter an additional 3-4 days a week during daytime hours to provide 6-7 day a week coverage for the Capay Valley. All volunteers respond on-call 24/7 when available.

All new staff members are provided a handbook that documents and ensures all members are getting base level minimum training to respond to incidents adequately and safely. Incident Command System (ICS) basic training is a requirement before responders can respond to incidents, and it is included in new staff member handbooks. Capay Valley FPD participates in the Yolo County Firefighters Association Training Program. Responding firefighters are fit tested on an annual basis.

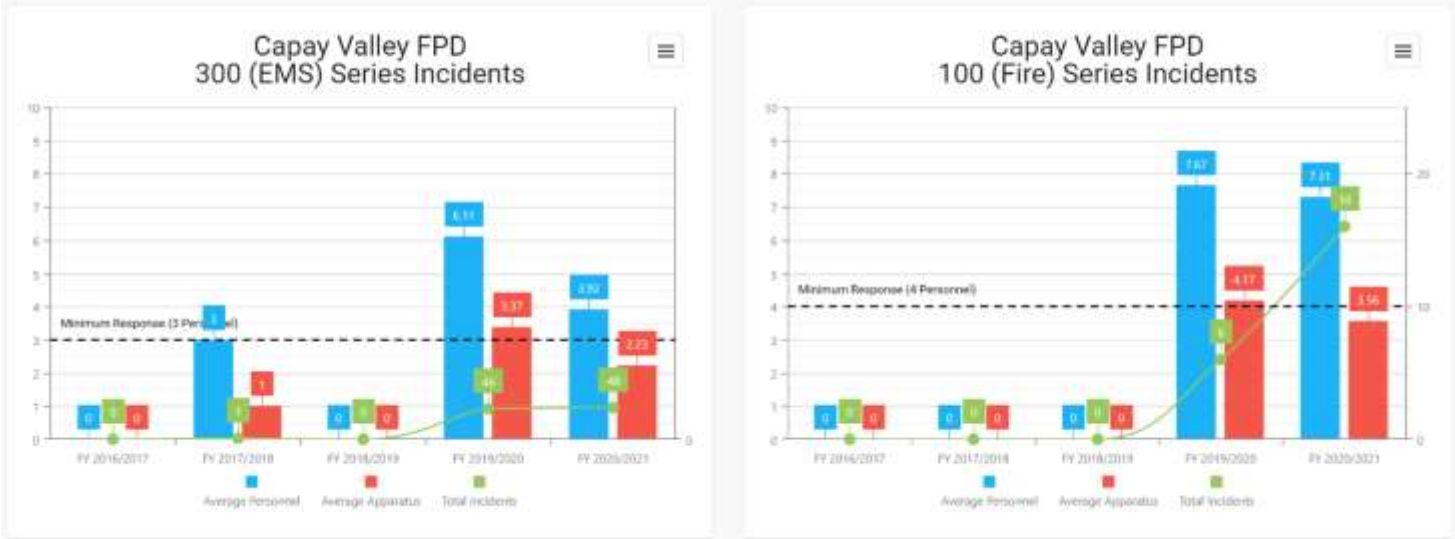
Capay Valley FPD has written operating policies and guidelines for its staff. Esparto and Capay Valley FPDs are working toward standardizing written operating policies and guidelines due to the two districts entering into a JOA.

Incident Reporting

Capay Valley FPD utilizes Emergency Reporting web-based program for reporting and documentation. National Fire Incident Reporting System (NFIRS) reports are exported monthly, although staff indicated the data is not complete until the last two fiscal years. Jennifer Bowman at Cal Stats (California Incident Data and Statistics Program) confirmed for the Chief that Capay Valley FPD's call information since 2006 was properly submitted and is in the State database, but it did not make it into NFIRS for some reason. The Chief will ask for it to be updated manually, but it will not be timely enough to be included in this report.

Capay Valley FPD has had 5 missed calls in the last three FYs and has exceeded the benchmarks determined by the Fire Chiefs MSR Subcommittee for average number of personnel and apparatus every year for the past 5 FYs.

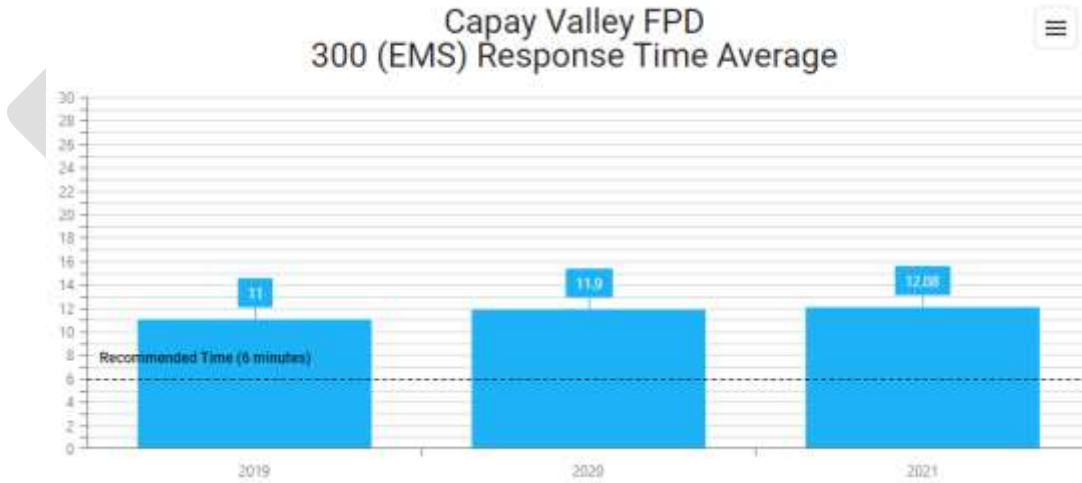
Below is Capay Valley FPD's NFIRS response data for the last five FYs:



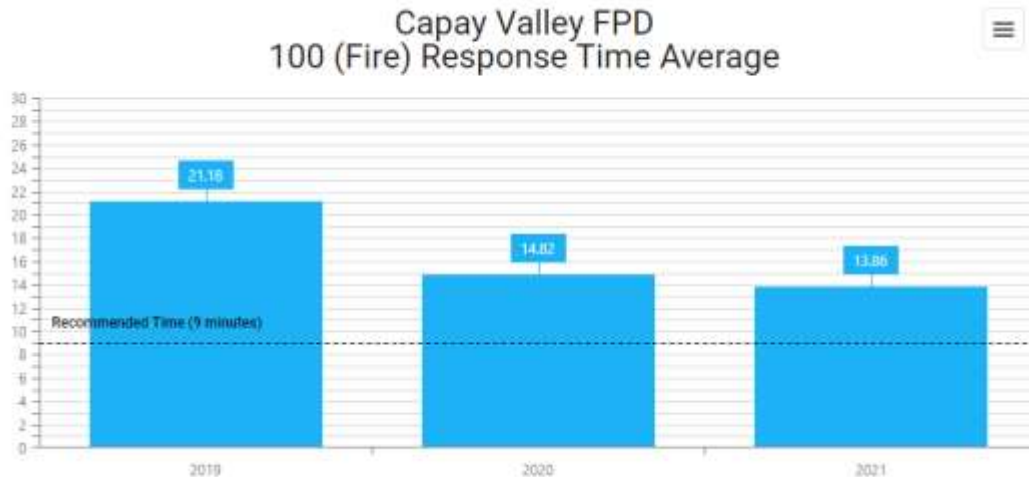
As noted above, the graphs above only show NFIRS data for the last two fiscal years. However for the years provided, Capay Valley FPD exceeds recommended personnel and apparatus response for both rescue/EMS and fire calls.

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 averages³ for the 2019 – 2021 calendar years are shown below.



³ 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.



According to YECA data, Capay Valley FPD has 2 missed calls (or 2.1%) in FY 18/19, 2 missed calls (or 1.4%) in FY 19/20, and 1 missed call (or 0.7%) in FY 20/21.

Annual Performance Evaluation

NFPA requires FPDs to evaluate its level of service, deployment, and response time objectives on an annual basis. Although Capay Valley FPD may discuss levels of service and performance verbally at fire commission meetings, it would be a good practice to provide a written evaluation of the Capay Valley FPD’s level of service, deployment, and response time objectives on an annual basis.

- b) *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.

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

No. The Capay Valley FPD borders the Coastal Range and is included in the State Responsibility Area. Fires in 2020 significantly impacted the valley and Capay Valley FPD was the first line of defense before CalFire came on scene. There has been a significant wildfire every season in recent years except 2021. That said, Capay Valley FPD has included this high fire risk in its assessment of infrastructure and service needs. It has the apparatus and hose length to address significant wildfire risk. Most of the Capay Valley FPD ranges from medium to very high fire hazard severity zones.

Capay Valley FPD’s goal in its 5-year plan is to increase staffing and improve preparedness in the community. The Capay Valley Emergency Response Auxiliary (CVERA) operates under the Capay Valley FPD umbrella to help ready and educate the community regarding defensible space, go bags, etc. Capay Valley FPD is also working with the Yolo County Fire Safe Council.

- d) *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

Capay Valley FPD has some potential deficiencies in needed station improvements, especially to its Guinda Station 22 and has one apparatus that exceed the recommended 25 years of age limit (at 26 years of age but is still reliable). However, there are no deficiencies in agency service. NFIRS data provided indicate Capay Valley FPD exceeds recommended personnel and apparatus response for both rescue/EMS and

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fire calls. It has missed 5 calls in the last 3 fiscal years. Response time issues are somewhat understandable considering the geography of the District. Yocha Dehe Fire Department also responds to calls when it can via an auto aid agreement with Capay Valley FPD. There are no growth issues in the community that are anticipated to increase demand, although call volume is going up despite population remaining relatively constant or even going down. Climate adaptation is significantly affecting the Capay Valley FPD's service needs but it is planning, responding, and adapting to these changes. There are no deficiencies related to disadvantaged unincorporated communities.

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

- The Capay Valley FPD should consider scheduling station improvements, replacing any apparatus that exceed the recommended 25-year life span, and including these needs in a CIP.
- Capay Valley FPD should provide written evaluations of its level of service, deployment, and response time objectives on an annual basis at a Fire Commission meeting.

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? Is revenue growth not keeping 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"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Is the organization's revenue 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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g) *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?*

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 debt management policy, if applicable?*

DRAFT

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**CAPAY VALLEY FIRE PROTECTION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|---------------------|---------------------|---------------------|
| Revenue | | | | | |
| Property taxes, in-lieu taxes and HOPTR | \$ 153,406 | \$ 157,224 | \$ 169,834 | \$ 179,036 | \$ 184,901 |
| Development impact fees | 16,905 | 10,017 | 11,837 | 15,134 | 33,265 |
| Interest | 4,493 | 11,135 | 28,683 | 34,373 | 1,369 |
| Intergovernmental grants | - | - | - | - | 14,000 |
| County tribal mitigation | 100,000 | 30,000 | 30,000 | 30,000 | 30,000 |
| Yocha Dehe Wintun Nation funding | 6,667 | - | - | 199,431 | 18,333 |
| CA Fire | 55,919 | - | 10,296 | 13,970 | 62,918 |
| Other revenue | - | 60,000 | - | - | 268 |
| Total Revenue | 337,390 | 268,376 | 250,650 | 471,944 | 345,054 |
| Expenditures | | | | | |
| Salaries and benefits | 50,945 | 29,662 | 34,014 | 36,835 | 70,982 |
| Services and supplies | 131,726 | 30,978 | 55,536 | 60,867 | 91,137 |
| Contributions to volunteers | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 |
| Capital Assets: | | | | | |
| Buildings and improvements | - | - | - | - | 14,000 |
| Equipment | - | - | - | 392,241 | - |
| Total Expenditures | 196,671 | 74,640 | 103,550 | 503,943 | 190,119 |
| Net income (loss) | 140,719 | 193,736 | 147,100 | (31,999) | 154,935 |
| Beginning Fund Balance | 615,635 | 756,354 | 950,090 | 1,097,190 | 1,065,191 |
| Ending Fund Balances | \$ 756,354 | \$ 950,090 | \$ 1,097,190 | \$ 1,065,191 | \$ 1,220,126 |
| Fund Balances | | | | | |
| Restricted - Development impact fees | \$ 51,633 | \$ 59,668 | \$ 67,557 | \$ 83,197 | \$ 117,561 |
| Assigned - Capital asset replacement | 273,412 | 367,842 | 72,165 | 103,334 | 434,417 |
| Assigned - General reserve | 56,269 | 56,269 | 56,269 | 56,269 | 106,269 |
| Unassigned | 375,040 | 466,311 | 901,199 | 822,391 | 561,879 |
| Total Fund Balances | \$ 756,354 | \$ 950,090 | \$ 1,097,190 | \$ 1,065,191 | \$ 1,220,126 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 140,719 | \$ 193,736 | \$ 147,100 | \$ (31,999) | \$ 154,935 |
| Percentage Increase (Decrease) | 22.86% | 25.61% | 15.48% | -2.92% | 14.55% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 201,924,046 | \$ 210,112,318 | \$ 220,443,515 | \$ 233,335,507 | \$ 241,013,568 |
| b. Y-T-Y Percentage change in AV | 3.13% | 4.06% | 4.92% | 5.85% | 3.29% |
| c. Current secured, unsecured and HOP | \$ 149,767 | \$ 155,222 | \$ 167,828 | \$ 177,347 | \$ 183,346 |
| d. District share of general 1% levy (c/a) | 7.4170% | 7.3876% | 7.6132% | 7.6005% | 7.6073% |

Discussion:

- a) *Is the subject agency in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues? Is revenue growth not keeping pace with increased costs?*

No. The Capay Valley FPD's core annual revenues (property taxes, and tribal mitigation) have remained stable and total fund balance has steadily increased over the past five years. The increased operating expenditures in 2017 and 2021 were due to participating in strike teams. Expenditures relating to strike teams are reimbursed by the State. Total fund balance has increased from \$615,635 to \$1,220,126 of that \$1,102,565 can be used by the District for any purpose. The remaining \$117,561 is unexpended development impact fees that can only be expended on equipment and facilities that the District requires to provide services to new development within its service area.

Revenue

Capay Valley FPD's revenue consists of property taxes, development impact fees, interest, tribal mitigation funds from the County, grants from Yocha Dehe Wintun Nation and other miscellaneous revenue. Like other rural fire districts, Capay Valley 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 \$184,901 comprised 54% of total revenues. The District's share of property taxes within its boundaries is approximately 7.6%, while the average for all FPDs in the county is 6.2%. The District has not yet levied a special assessment. Since 2006 the District has been receiving development impact fees (DIF) which can only be used by the District to acquire equipment and facilities to service new development. Since inception of adopting development impact fees, the Capay Valley FPD has collected \$242,478 through FY 2021. Over the past 5 years the District has collected \$87,158 of DIF. The District is one of the five FPDs that since 2004 receives tribal mitigation funding from the County annually. Over the past five years the District has received \$220,000 of \$220,000 it was entitled to receive. 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 Capay Valley FPD has received State OES funding of \$14,000, grants from the Yocha Dehe Wintun Nation totaling \$224,431, strike team reimbursements of \$143,103 and other revenue totaling \$60,268.

Expenditures

District expenditures, excluding capital expenditures increased little from 2017 through 2021, with the exception of increased operating expenditures in 2017 and 2021 due to participating in strike teams.

Capital expenditures

2020: \$392,241 Type 3 Freightliner Engine

Currently annual District revenues have exceeded expenditures by, on average, about \$120,000 per year.

- b) *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?*

No. The Capay Valley FPD maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the Capay Valley 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?*

Maybe. During fiscal year 2018 the County incorrectly recorded tribal fund revenue of \$8,185.80 that was intended for another district. This error was not detected by the District or County DFS. Also, in fiscal year 2021 the District's PSPS grant was not recognized as revenue (removed from unearned income) and a vehicle purchased in 2020 was not removed from CIP. If needed, the District should be trained in understanding how to read the County financial reports. These errors were detected during the MSR process.

- 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?*

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No. District staff creates and presents financial reports based on best available information since the County has often closed out periods late. When the County has closed a fiscal period and distributed final reports to CVFPD staff emails them to the Board.

- 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?*

No. Revenues are reliable, with the majority coming from property taxes and county apportioned revenues such as interest and tribal mitigation funds.

- f) *Is the organization's revenue 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. Capay Valley FPD's revenue does not provide for sufficient funding for capital asset replacement. See 4g below.

- g) *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?*

Yes. The CVFPD has a total fund balance of \$1,220,126 as of June 30, 2021, which is \$493,874 below the recommended total fund balance of \$1,714,000. The 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.

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

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|--------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | 434,417 | | |
| Other funds | 117,561 | | |
| | <u>551,978</u> | 1,610,000 | (1,058,022) |
| General reserve | 106,269 | 87,000 | 19,269 |
| Unassigned | 561,879 | 17,000 | 544,879 |
| Total Recommended Fund Balance | <u>\$ 1,220,126</u> | <u>\$ 1,714,000</u> | <u>\$ (493,874)</u> |

In addition, CVFPD does not have formal reserves policies. The District's 5-year plan does not quantify in dollar amounts the District's current or future needs.

- 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 debt management policy, if applicable?*

No. The District does not have any debt, nor does it provide any post-retirement benefits to employees.

Financial Ability MSR Determination

Due to conservative budget practices Capay Valley FPD is currently financial stable. The District's core annual revenues (property taxes, interest, and tribal mitigation) have remained stable and total fund balance has steadily increased over the past five years. Annual District revenues have exceeded expenditures by, on average, about \$120,000 per year. The CVFPD has a total fund balance of \$1,220,126 as of June 30, 2021, which is \$493,874 below the recommended total fund balance of \$1,714,000.

Recently, Capay Valley FPD staff have begun to review financial data on a regular basis for any discrepancies. In addition, the Capay Valley FPD fire commission should receive regular financial reports (quarterly or mid-year at a minimum). The District has facility and equipment needs that could negatively impact services if not taken care of in the near future. Although the District has a healthy fund balance as of June 30, 2021, the District has current facility and equipment needs that may be in excess of the current fund balance. The 5-year plan does not quantify in dollar amounts the District's current or future needs. The District does not have formal reserves policies. Additional funding may be required to fund these needs and maintain adequate reserve balances.

Financial Ability MSR Recommendation(s)

- 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 the equipment, apparatus and facilities indicated in the latest study.
- The Capay Valley FPD Fire Commission should 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.
- The Capay Valley FPD should consider developing a formal capital improvement plan to make sure it can fund needed station improvements and apparatus replacement.
- Capay Valley FPD should consider adoption of a special assessment to increase revenues to provide funding for current staffing, facilities and equipment needs.

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 type="checkbox"/> | <input checked="" 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?*

Maybe. Capay Valley FPD and Esparto FPD have entered into a JOA 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:

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

Shared Services MSR Determination

Capay Valley FPD and Esparto FPD have entered into a JOA 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 type="checkbox"/> | <input checked="" 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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololafo.org/yolo-local-government-website-transparency-scorecards)?</i> | <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)?*

Maybe. Capay Valley FPD has already entered into a JOA with Esparto FPD designed to improve operations and efficiencies. The recommendation below is to ensure Capay Valley FPD continues to maintain 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. The Capay Valley community is engaged in FPD activities and the fire commission is relatively stable. Four of the five fire commission seats are filled and LAFCo staff’s understanding is there an appointment in process. There does not appear to be an issue with maintaining fire commission members.

| Name / Title | Start | End |
|-------------------|------------|------------|
| Mark Burns / | 09/24/2019 | 07/01/2023 |
| Dawnmarie Eason / | 06/29/2021 | 03/01/2024 |
| Wyatt Cline / | 12/15/2020 | 01/01/2025 |
| Judith Redmond / | 09/28/2021 | 09/01/2025 |
| Vacant Seat #1 / | | 04/01/2026 |

- 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. The longtime chief of the Capay Valley FPD retired in May 2022 and the commission has promoted existing personnel into the chief position. The Capay Valley FPD has a strong group of volunteers that live and work locally and are available to respond to calls. The chief reports that it’s difficult to find volunteers that do not commute outside the valley and it’s sometimes hard to find weekend staffing from April-October.

- 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. The District has some employee related policies and commission bylaws. Since Capay Valley FPD is a dependent district, it also must comply with the County’s accounting policies. However, it still needs more comprehensive policies. LAFCo can provide samples/templates of policies that every district “should have”.

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

No. Capay Valley FPD complies with Conflict-of-Interest Code requirements and is current with commission and staff Statement of Economic Interests (Form 700) disclosures.

- f) *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 Capay Valley FPD) are included in the annual audit of the County’s Annual Comprehensive Financial Report (ACFR). The Capay Valley FPD is reported as a discretely presented component unit. According to the State Controller’s Office, the County’s audited ACFR meets the general audit requirements and the ACFR satisfies the requirements of Government 26909⁴.

⁴ Per email dated July 6, 2021 from Sandeep Singh, Manager, Local Government Policy Section Office of State Controller, Local Government Programs and Services Division

- g) *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. Capay Valley 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, comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable.

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

Maybe. Websites are not legally required for dependent districts, but highly encouraged. The Capay Valley FPD received a 47% best practices transparency score in 2021. Please see the report posted on the LAFCo website for where improvements are needed.

Accountability, Structure and Efficiencies MSR Determination

There are no recommended changes to Capay Valley FPD's governmental structure or operations that will increase accountability and efficiency. Capay Valley FPD has already entered into a JOA with Esparto FPD designed to improve operations and efficiencies. The recommendation below is to ensure Capay Valley FPD continues to maintain standing in good faith to achieve JOA goals. Capay Valley FPD is effective in its current structure operating with a mostly volunteer model. 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. Capay Valley FPD has some basic policies but should consider adopting additional policies regarding meeting attendance, conduct, responsibilities of officers, personnel, and accounting/financial procedures. CVPFD 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, Capay Valley FPD should consider establishing a website presence for transparency purposes.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- Capay Valley, Esparto and Madison 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.
- Capay Valley FPD has some basic employee related policies and bylaws, however, it needs more comprehensive policies. LAFCo can provide samples/templates of policies that every district "should have".
- 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 are not legally required to maintain a website. The Capay Valley FPD has a website but received a 47% transparency score for best practices in 2021. Please see the report at <https://www.yololafo.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.

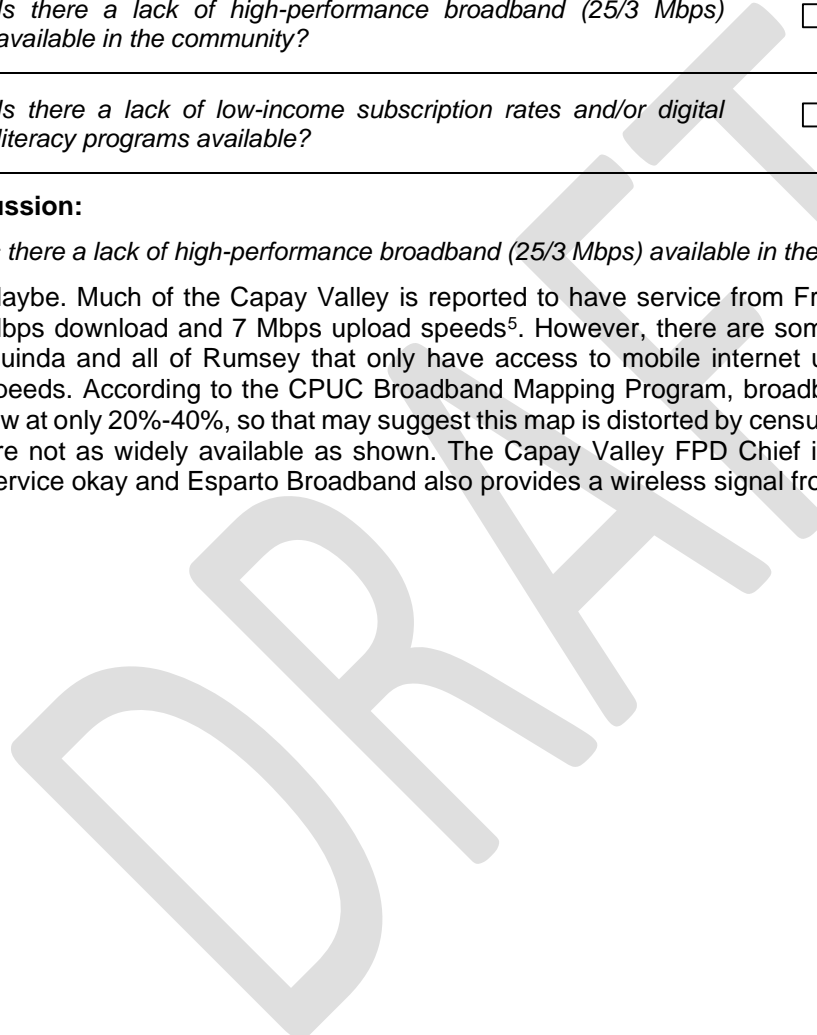
Per Yolo LAFCo Project Policy 6.2 “it is the intent of Yolo LAFCo to comprehensively review broadband access in MSRs of local agencies that either serve communities and/or provide emergency services where broadband connection is critical (i.e. cities, CSDs, CSAs, FPDs and RDs).”

| | YES | MAYBE | NO |
|--|--------------------------|-------------------------------------|-------------------------------------|
| a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input 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"/> |

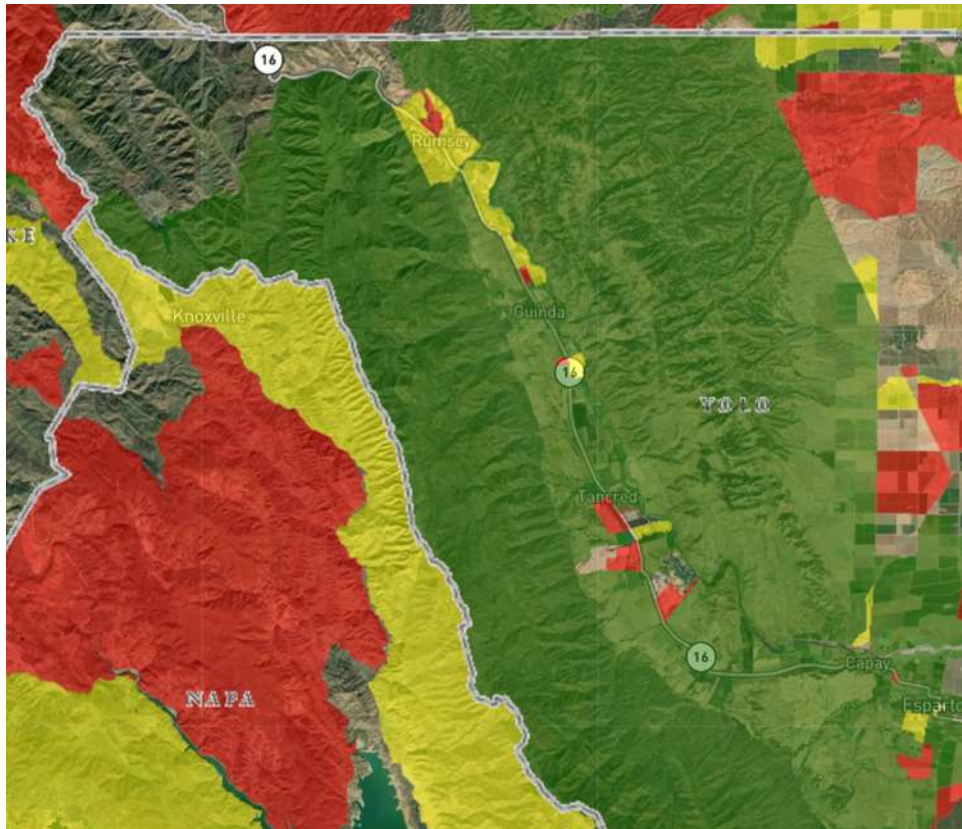
Discussion:

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

Maybe. Much of the Capay Valley is reported to have service from Frontier Communications at 115 Mbps download and 7 Mbps upload speeds⁵. However, there are some pockets in valley in Brooks, Guinda and all of Rumsey that only have access to mobile internet up to 9.7/2.8 download/upload speeds. According to the CPUC Broadband Mapping Program, broadband adoption at 25/3 Mbps is low at only 20%-40%, so that may suggest this map is distorted by census tracts and broadband speeds are not as widely available as shown. The Capay Valley FPD Chief indicates residents can call for service okay and Esparto Broadband also provides a wireless signal from Bald Mountain.



⁵ CPUC Broadband Mapping Program data as of December 31, 2019. Speeds provided are maximum advertised speeds and not necessarily typical speeds experienced by the subscriber.



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

No. Frontier Communications offers a low-income subscription rate of \$9.25 per month. Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account⁶ and generally help troubleshoot technology challenges. Information and 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

According to the CPUC Broadband Mapping Program, much of the Capay Valley is reported to have service from Frontier Communications at 115 Mbps download and 7 Mbps upload speeds. Frontier Communications offers a low-income subscription rate of \$9.25 per month. However, there are some pockets in valley in Brooks, Guinda and all of Rumsey that only have access to mobile internet up to 9.7/2.8 download/upload speeds. And more significantly, broadband adoption at 25/3 Mbps is low at only 20%-40%, suggesting the CPUC data is either distorted by census tracts or inaccurate and broadband speeds are not as widely available as shown. The Capay Valley FPD Chief indicates residents can call for service sufficiently and Esparto Broadband also provides a wireless signal from Bald Mountain.

Broadband Access MSR Determination Recommendation

- Yolo County should consider the lack of broadband service in the Capay Valley area as it addresses rural access issues.

⁶ Email from Mark Fink, Yolo County Librarian on May 26, 2021

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?*

Yes.

2016 MSR Recommendations Specific to the Capay Valley 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: Capay Valley FPD policies have not been adopted. Please see the response to item 6d.

Status of Previous Recommendations MSR Determination

The 2016 LAFCo MSR included only one recommendation specific to Capay Valley FPD. It pointed out the need for the District to adopt fiscal policies. This has not yet occurred but should be resolved via the JOA's efforts to adopt consistent and comprehensive policies. A recommendation to adopt polices has been reiterated in the Financial Ability section.

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.

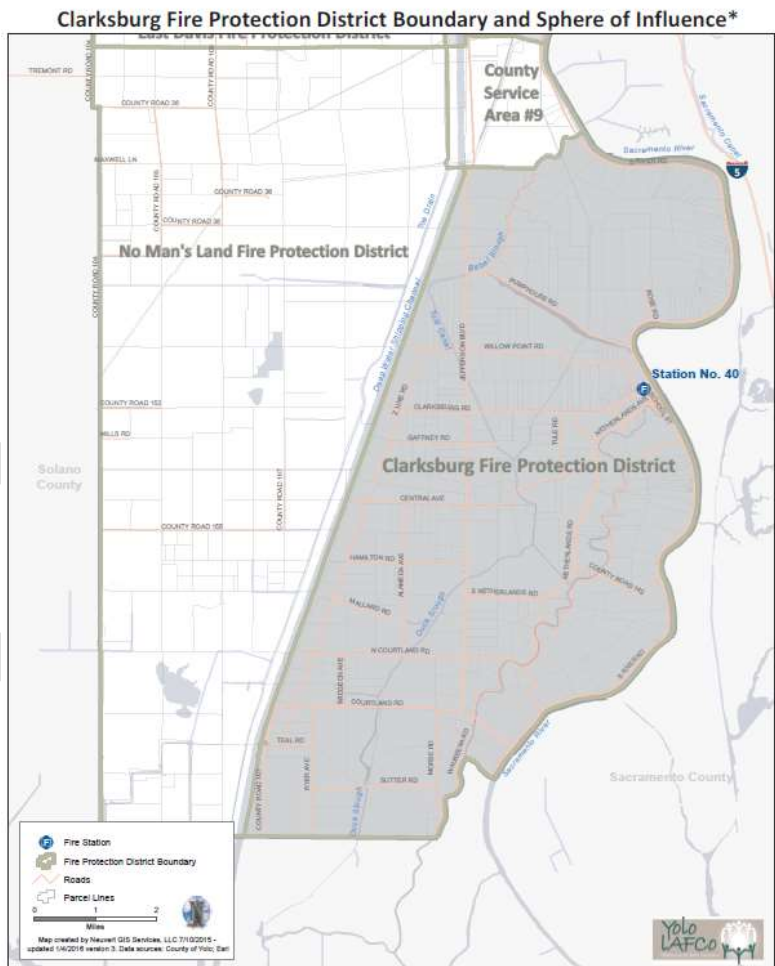
DRAFT

AGENCY PROFILE

The Clarksburg Fire Protection District (FPD) was formed on December 17, 1946 and is authorized to provide fire protection and emergency response services. It was formed, and has continuously remained, as an independent district with a five-member Board of Directors, each member appointed by the Board of Supervisors to serve four-year terms.

The Clarksburg FPD is 34,665 acres in size and serves the unincorporated town of Clarksburg and the surrounding rural area as shown in the map below. The Clarksburg FPD territory is predominantly agricultural with approximately 95 percent of the land under Williamson Act contracts. The Clarksburg FPD contains 504 residential and 16 commercial addresses, and its residential population is estimated to be 1,260 residents¹. The Clarksburg FPD station is located at 52902 Clarksburg Avenue, in Clarksburg. The Clarksburg FPD houses 7 apparatus and is staffed by 23 volunteer firefighters. There are no full-time paid positions or reserve staff. The Chief and Board Secretary receive minimal monthly stipends for their services.

The Clarksburg FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the District boundary.



* Note: Sphere of Influence is coterminous with boundary
Adopted by Yolo LAFCo June 23, 2016

¹ 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 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 checked="" 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.

| 1. GROWTH AND POPULATION | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| Growth and population projections for the affected area. | YES | MAYBE | NO |
| a) <i>Will development 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 type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands?*

No. The resident population in the Clarksburg FPD is currently estimated to be 1,260 and has limited infill growth opportunities. Except for the town of Clarksburg which has a residential population of 402 per the 2020 Census, it is entirely zoned for agricultural use.

According to data from the Yolo Emergency Communications Agency (YECA), Clarksburg FPD calls have increased significantly. Over the last three fiscal years, total calls that resulted in Clarksburg FPD dispatched apparatus/responders were 209 in FY 18/19, 261 in FY 19/20 and 268 in FY 20/21, a 28% increase in only three years.

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

b) *Do changes in service demand suggest a change in the agency's services?*

No. Increased service demand does not suggest a change in the agency's services or boundaries. The Clarksburg FPD territory is relatively landlocked between the City of West Sacramento (and County Service Area #9) to the north, the County boundary to the south, the Sacramento River to the east and the Sacramento River Deep Water Ship Channel to the west.

Growth and Population MSR Determination

The resident population in the Clarksburg FPD is currently estimated to be 1,260 and has limited infill growth opportunities. Except for the town of Clarksburg which has a residential population of 402 per the 2020 Census, it is entirely zoned for agricultural use. Over the last three fiscal years, total calls that resulted in Clarksburg FPD dispatched apparatus/responders were 209 in FY 18/19, 261 in FY 19/20 and 268 in FY 20/21, a 28% increase in only three years. Increased 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 Clarksburg FPD territory is not disadvantaged² 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.

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

Disadvantaged Unincorporated Communities MSR Determination

The Clarksburg FPD territory is not disadvantaged, and all “inhabited unincorporated communities” countywide receive structural fire protection services. Therefore, there is no concern that Clarksburg is either not receiving fire protection services or not receiving similar services due to disadvantaged economic issues in the Clarksburg FPD community.

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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Are there any issues regarding the agency’s capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <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)?*

Maybe.

Fire Station

The original fire station was constructed in 1947 and the Clarksburg FPD recently completed improvements to it in 2015. Clarksburg FPD also purchased a quarter-acre lot and built an additional station annex in 2016 to house apparatus and equipment. The station has a well it’s been using for water with no issues. But its sewer system is a septic system (as is typical in Clarksburg), and therefore, will not currently support the station to be equipped with a shower. The firehouse could use cement or

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

blacktop aprons in front of the main firehouse, an apparatus exhaust system if overnight coverage were ever needed, and a sewer system that can support showers and washing machines.



Apparatus and Equipment:

The table below lists the Clarksburg FPD apparatus.

| Use | Apparatus | Type | Age (yrs) | Reserve? |
|------------------------|------------|----------------|-----------|----------|
| Structure Fires | Engine 40 | I | 19 | No |
| | Engine 240 | I | 12 | No |
| Wildlands Fires | Grass 240 | II/III | 12 | No |
| | Grass 40 | II/III | 1 | No |
| Water Tenders | Water 40 | 4,000 gallon | 36 | No |
| | Water 240 | 2,000 gallon | 26 | No |
| Other Apparatus | Squad 40 | Medical/Rescue | 5 | No |

All Clarksburg FPD apparatus receive rig checks weekly or more often, regular scheduled maintenance service, and inspection. ISO typically requires department pump testing, but because Clarksburg FPD apparatus carries much more water than is required, it has not required pump testing. Preventative maintenance is performed at manufacturer's specified intervals by licensed vendors. In addition, Clarksburg firefighters inspect and document the fitness of all apparatus on a weekly basis. If deficiencies are noted that apparatus is immediately referred for corrective maintenance. Periodically, each apparatus has a 29-point inspection performed at a California Highway Patrol certified terminal. Clarksburg FPD currently supplies all responding members with appropriate, current personal protective equipment (PPE). All PPE is within recommended service life and checked yearly. All self-contained breathing apparatus (SCBA) receive annual flow testing. All apparatus has a mounted radio, and each volunteer has a personal radio always accessible. Radios are sent in for repair/maintenance as needed.

Two of Clarksburg FPD's apparatus (water tenders) exceed the recommended 25-year life span. Clarksburg FPD indicates additional funding is needed to be able to replace apparatus in a timely manner and keep pace with increasing costs. The 4,000-gallon water tender should be replaced with a 3,000-gallon water tender for safety and staffing issues because its weight and handling make the apparatus difficult to drive (currently only 4 personnel out of 23 can operate this water tender with its 13-speed manual transmission). The 2,000-gallon water tender is starting to age out and is scheduled to be replaced altogether or with a new chassis.

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. Clarksburg FPD’s ISO rating is 5/8. 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).*

No.

Staff, Coverage and Training

The Clarksburg FPD station houses 7 apparatus and has 0 paid staff, 0 reserves and 23 volunteers. The station is not staffed on a regular schedule and responds to calls as needed.

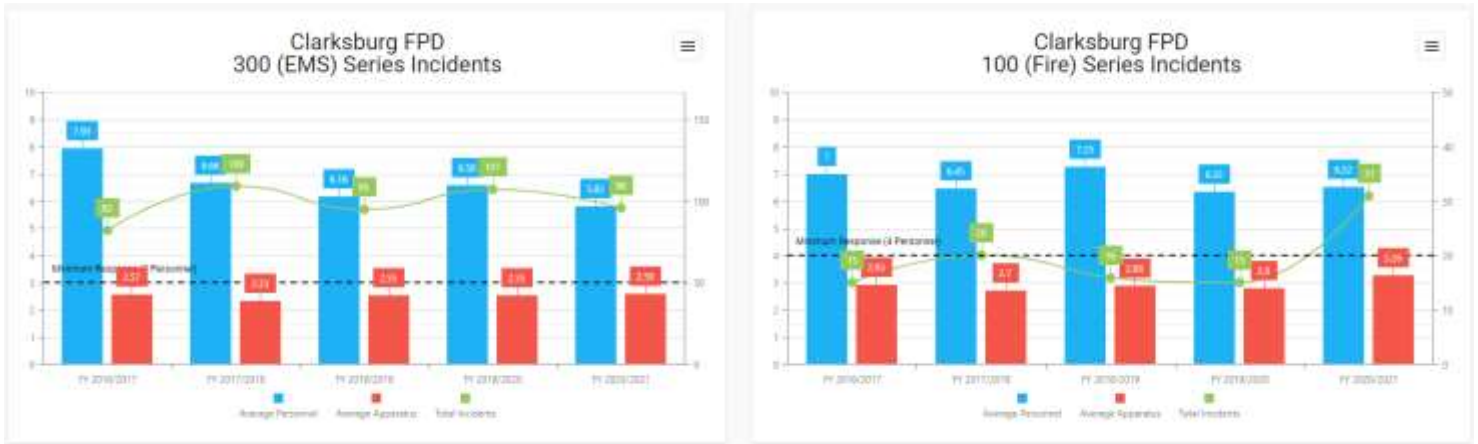
Clarksburg FPD has written operational guidelines and procedures and reports having sufficient training to ensure personnel are competent and safe to execute operations. The Clarksburg FPD trains incident response personnel in ICS (incident command system). Most Clarksburg FPD training is done locally by volunteers with specialized training in the areas of engineering, fire suppression, medical aid, and other areas related to fire operations because it is not practical to regularly participate in the Yolo County Firefighters Association Training Program due to the Clarksburg FPD’s geographic isolation. In addition, the Clarksburg FPD utilizes Vector Solutions, an online training program to provide education in the areas of fire suppression, driver safety, emergency medical response (EMS), and related mandatory requirements. Related mandatory requirements include, but are not limited to, Ethics Training, Bloodborne Pathogens, and the Health Information Portability and Privacy Act (HIPPA). All personnel are fit tested on an annual basis.

Incident Reporting and Adequacy of Services

Clarksburg FPD documents calls via FirePrograms Software of Ocala Florida and files quarterly reports with the National Fire Information Reporting System (NFIRS). This software is also utilized to generate local reports for staff and the Governing Board. Clarksburg FPD has had 0 missed calls in the last three FYs and has exceeded the benchmarks determined by the Fire Chiefs MSR Subcommittee for average number of personnel and apparatus every year for the past 5 FYs. Standards for the number of personnel and apparatus were determined by the Fire Chiefs MSR Subcommittee for fire and rescue/EMS calls³.

Below is Clarksburg FPD’s NFIRS response data for the last five fiscal years:

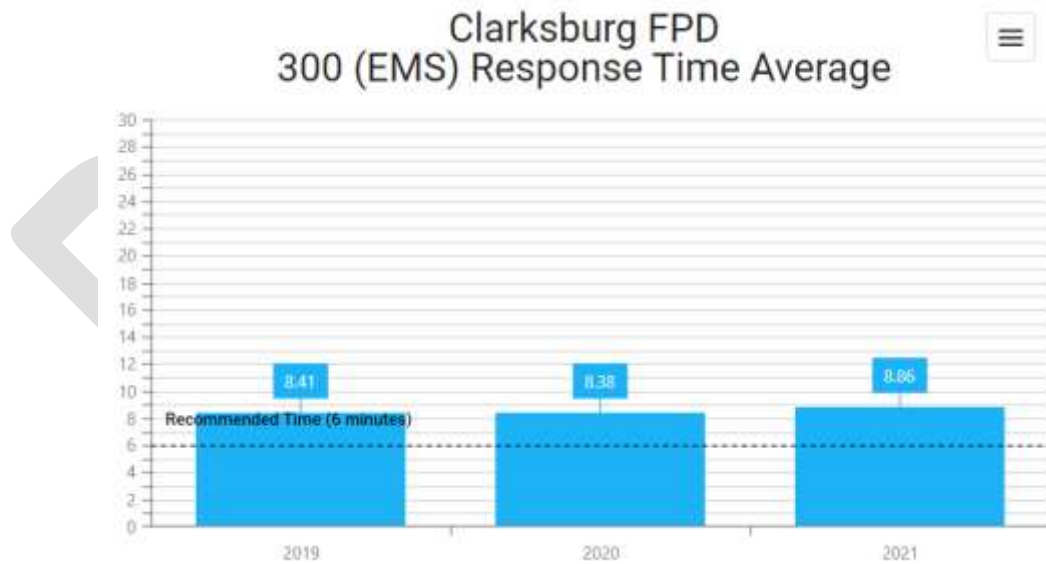
³ By consensus of the Yolo Fire Chief’s MSR Subcommittee, it was determined the minimum adequate response for a fire call is 4 personnel and 2 apparatus, and for a rescue/EMS call is 3 personnel and 1 apparatus.



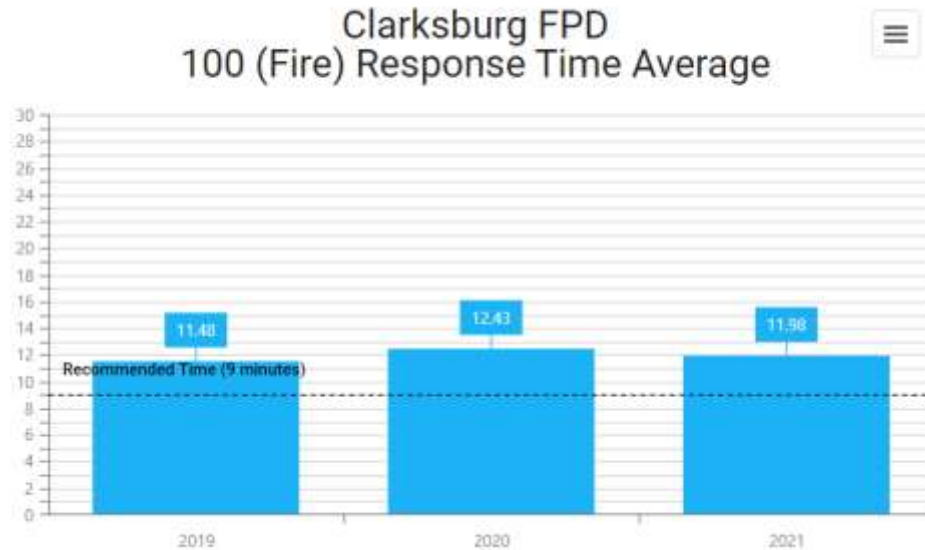
Data for the last five FYs indicate that Clarksburg FPD is responding with more than adequate personnel and apparatus to rescue/EMS calls (which outnumber fire calls by 3:1 in FY 2020/21). This data is among the highest response in the unincorporated County.

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 averages⁴ for the 2019 – 2021 calendar years are shown below.



⁴ 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.



Clarksburg FPD has 0 missed calls in the last three fiscal years.

Annual Performance Evaluation

NFPA requires FPDs to evaluate its level of service, deployment and response time objectives on an annual basis. Although Clarksburg FPD discusses levels of service and performance verbally at each board meeting, it would be a good practice to provide a written evaluation of the Clarksburg FPD's level of service, deployment and response time objectives on an annual basis.

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

No. Clarksburg is not anticipated to have significant growth. Please see the response to 1(a).

- 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 actually benefit financially from staff and apparatus reimbursement revenue for supporting CalFire during wildfire events. Clarksburg FPD staff indicates that the drought has shifted many agricultural lands to drip irrigation systems which result in less weeds that can become a fire hazard.

- 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

Clarksburg FPD has some potential deficiencies in needed station improvements and has two water tenders that exceed the recommended 25 years of age limit. However, there are no deficiencies in agency service. Incident response data indicates the Clarksburg FPD can respond to calls more than sufficiently with volunteer staff. Data for the last five FYs indicate that Clarksburg FPD is responding with more than adequate personnel and apparatus to rescue/EMS calls (which outnumber fire calls by 3:1 in FY 2020/21). This data is among the highest response in the unincorporated County. The Clarksburg FPD shared that during a wind event on January 26, 2021 it had 19-20 volunteers in action and responded to over 25 calls with electrified wires in one day. On another occasion when the power was out for four days, the FPD deployed its water trucks so residents could access water.

There are no growth issues in the community that are anticipated to increase demand, although call volume is going up despite population remaining relatively constant or even going down. Climate adaptation is not significantly affecting the Clarksburg FPD's service needs and there are no deficiencies related to disadvantaged unincorporated communities.

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

- The Clarksburg FPD should consider and schedule the replacement of its two water tenders that exceed the recommended 25-year life span.
- In addition to verbal updates at each meeting, the Clarksburg FPD should provide written evaluations of its level of service, deployment, and response time objectives on an annual basis.

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? Is revenue growth not keeping 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"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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| | | | |
|--|-------------------------------------|--------------------------|-------------------------------------|
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Is the organization's revenue insufficient to fund an adequate level of service, necessary infrastructure maintenance, replacement and/or any needed expansion? Is the rate/fee schedule 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

DRAFT

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Discussion:

Financial Background

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| Property taxes, in-lieu tax and HOPTR | \$ 81,674 | \$ 82,755 | \$ 91,961 | \$ 95,120 | \$ 97,306 |
| Development impact fees | 551 | 1,935 | 855 | 20,473 | 2,499 |
| Interest | 3,082 | 5,448 | 14,820 | 20,414 | 1,058 |
| Intergovernmental grants | - | 10,585 | 45,215 | 8,910 | 1,462 |
| Special assessment | 81,600 | 81,602 | 81,605 | 81,715 | 81,663 |
| CA Fire | 28,624 | 13,616 | 51,017 | 3,490 | - |
| Other revenue | 5 | - | - | - | 1,500 |
| Total Revenue | 195,536 | 195,941 | 285,473 | 230,122 | 185,488 |
| Expenditures | | | | | |
| Salaries and benefits | 31,532 | 22,600 | 46,212 | 18,023 | 14,966 |
| Services and supplies | 68,088 | 134,314 | 81,923 | 45,369 | 55,192 |
| Contributions to volunteers | 4,400 | 4,800 | 4,800 | 5,200 | 4,906 |
| Other expenditures | 170 | 147 | 176 | 179 | 168 |
| Capital Assets: | | | | | |
| Buildings and improvements | 28,346 | - | - | - | - |
| Equipment | 197,439 | - | - | - | - |
| Total Expenditures | 329,975 | 161,861 | 133,111 | 68,771 | 75,232 |
| Net income (loss) | (134,439) | 34,080 | 152,362 | 161,351 | 110,256 |
| Beginning Fund Balance | 530,002 | 395,563 | 429,643 | 582,005 | 743,356 |
| Ending Fund Balances | \$ 395,563 | \$ 429,643 | \$ 582,005 | \$ 743,356 | \$ 853,612 |
| Fund Balances | | | | | |
| Restricted - Development impact fees | \$ 87,953 | \$ 2,669 | \$ (4,411) | \$ 18,473 | \$ 21,166 |
| Assigned - Capital asset replacement | 142,925 | 233,353 | 435,589 | 524,210 | 598,153 |
| Assigned - General reserve | 138,394 | 138,394 | 41,934 | 41,934 | 41,934 |
| Unassigned | 26,291 | 55,227 | 108,893 | 158,739 | 192,359 |
| Total Fund Balances | \$ 395,563 | \$ 429,643 | \$ 582,005 | \$ 743,356 | \$ 853,612 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ (134,439) | \$ 34,080 | \$ 152,362 | \$ 161,351 | \$ 110,256 |
| Percentage Increase (Decrease) | -25.37% | 8.62% | 35.46% | 27.72% | 14.83% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 431,412,298 | \$ 446,042,751 | \$ 469,042,144 | \$ 485,758,219 | \$ 492,943,371 |
| b. Y-T-Y Percentage change in AV | 4.12% | 3.39% | 5.16% | 3.56% | 1.48% |
| c. Current secured, unsecured, HOPTR | \$ 79,815 | \$ 81,658 | \$ 91,302 | \$ 94,395 | \$ 95,799 |
| d. District share of general 1% levy (c/a) | 1.8501% | 1.8307% | 1.9466% | 1.9433% | 1.9434% |

- a) *Is the subject agency in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues? Is revenue growth not keeping pace with increased costs?*

No. The Clarksburg FPD's total core revenues (property taxes and special assessments) have increased, on average, by 4.5% a year, and total fund balances have steadily grown over the past five years (21% on average). Total fund balance has increased from \$530,002 to \$853,612 of which \$832,446 can be used by the District for any purpose (includes assigned and unassigned fund balances). The remaining \$21,166 is unexpended development impact fees that can only be expended on equipment and facilities that the Clarksburg FPD requires to provide services to new development within its service area. However, the amount of revenue the special assessment raises has not changed since 1993. Clarksburg FPD should consider reviewing current and future expenditures to determine whether the special assessment should be increased.

Revenue

Clarksburg Fire Protection Clarksburg FPD's revenue consists of property taxes, special assessments, development impact fees, interest, grants and other miscellaneous revenue. Like other rural fire districts, Clarksburg PFD 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 \$97,306 comprised 52% of total revenues. The Clarksburg FPD's share of property taxes within its boundaries is approximately 1.94%, significantly below the average for all rural FPDs in the county of 6.2%. The Clarksburg FPD has also levied a special assessment since 1989. In 2021 special assessment revenue was \$81,663 which accounted for 44% of total revenue. The annual special assessment revenue has increased \$37,349 since inception in 1989, however, over the past five years the special assessment revenue has not increased at all. Since 2001 the Clarksburg FPD also began receiving development impact fees (DIF) which is required for all new development. The DIF can only be used by the Clarksburg FPD to acquire equipment and facilities to service new development. Over the past 5 years the District has collected \$26,313 of DIF. In addition, over the past 5 years Clarksburg FPD has received \$66,172 in state and federal grants, strike team reimbursements of \$96,747 and other revenue totaling \$1,500.

Expenditures

Clarksburg FPD expenditures, excluding capital expenditures have remained relatively flat over the past 5 years, not including reimbursable expenditures related to grants and strike team activities. Fiscal year 2021 expenditures totaled \$75,232, of that \$9,966, or 13% of total expenditures was for stipends for the fire chief and the assistant chief/secretary. Another \$5,000 of salary and benefits is for workers compensation that mostly covers the volunteer firefighters. The bulk of the expenditures, \$55,192 or 73% of the total, was for services and supplies, general operating costs of the District, which includes maintenance of equipment and the firehouse, supplies, insurance, etc. Other costs of \$5,074 includes \$4,906 paid to the volunteer association and \$168 for tax assessments.

Capital Expenditures

2017: \$28,346 Final expenditures to complete the new firehouse

2017: \$197,439 New light rescue squad

- b) *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?*

No. The District maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Although the District is independent, it follows the same accounting policies the County adheres to. Accounting and budget data, including all cash receipts and disbursements, are reviewed by County finance staff before being posted to the County's financial system.

- 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*

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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?

Yes. Accounting transactions over the years have been recorded to the proper accounts in a very consistent manner. However, the 2016-17 \$30,000 addition to capital asset reserves, the \$8,000 decrease to DIF reserve, and the 2017-18 \$36,000 addition to capital asset reserves were not recorded until 2018-19 when it was discovered. The 2019-20 \$43,827 additions to capital asset reserve have not been recorded. Although County DFS made the error, agencies need to review the reports regularly to ensure accuracy.

- 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 Clarksburg FPD includes mid-year (December) and end of year (June) financial reviews as part of the board meetings. At this time, Infor reports (trial balance, general ledger, budget report) are distributed to each board member for discussion, particularly related to budget compliance. Typically, at the May meeting the Board considers budget revisions that consider actual year-to-date expenditures and any changes to revenues.

- 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?*

No. Revenues are reliable, with the majority coming from property taxes and special assessments.

- f) *Is the organization's revenue insufficient to fund an adequate level of service, necessary infrastructure maintenance, replacement and/or any needed expansion? Is the rate/fee schedule 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. Please see item 3a. Clarksburg FPD regularly reviews current and estimated future expenditures to determine whether the special assessment should be increased to fund needed apparatus replacement and potentially other station improvements. Clarksburg FPD has adopted a funding plan through 2037 to ensure continued financial resources are available. However as of June 30, 2021 the District's total fund balance of \$853,612 is over \$1 million less than minimum recommended total fund balance of \$1,894,000 primarily due to underfunding the capital asset replacement reserve (see 4g) below).

- 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 Clarksburg FPD has a total fund balance of \$853,612 as of June 30, 2021, which is \$1,040,388 below the recommended total fund balance of \$1,894,000. 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:

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|--------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | 21,166 | | |
| Other funds | 598,153 | | |
| | <u>619,319</u> | <u>1,808,000</u> | <u>(1,188,681)</u> |
| General reserve | 41,934 | 75,000 | (33,066) |
| Unassigned | 192,359 | 11,000 | 181,359 |
| Total Recommended Fund Balance | <u>\$ 853,612</u> | <u>\$ 1,894,000</u> | <u>\$ (1,040,388)</u> |

- 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 capital financing and debt management policy, if applicable?*

No. The agency does not have any debt, nor does it provide any post-retirement benefits to employees.

Financial Ability MSR Determination

Clarksburg FPD is in a stable financial position and its conservative financial practices have enabled it to accumulate an unrestricted fund balance of \$832,446 as of June 30, 2021 and has no debt. Excluding one-time expenditures, such as purchases of equipment, the Clarksburg FPD generally operates in the black. The Clarksburg FPD has a total fund balance of \$853,612 as of June 30, 2021, which is \$1,040,388 below the recommended total fund balance of \$1,894,000. Annual net income after expenditures averaged over \$114,000 for the past four years. The Clarksburg FPD board receives regular financial reports. To improve the financial information provided by the County, staff should review the ledger more thoroughly to ensure accuracy and mitigate against potentially making a financial decision based on inaccurate data. Clarksburg FPD should consider reviewing current and future expenditures to determine whether the special assessment should be increased to fund needed apparatus replacement and potentially other station improvements. To maintain the high degree of liquidity the Clarksburg FPD will need to consider using a combination of increased revenues and debt financing to purchase updated apparatus. Overall, Clarksburg FPD's board and staff have consistently maintained a financially stable local agency.

Financial Ability MSR Recommendation(s)

- The amount of revenue the special assessment raises has not changed since 1993. Clarksburg FPD should consider reviewing current and future expenditures to determine whether the special assessment should be increased.
- Clarksburg FPD should review financial data on a regular basis and identify and discrepancies. The review should include reconciliations of various accounts, comparing budgets-to-actual, analyzing budget variances, comparing revenue and expense balances to the prior year, etc. It also should review monthly the transactions in the County system to transactions the agency submitted to the County for processing.
- 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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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?*

No. Clarksburg FPD's landlocked geography limits its ability to share services with neighboring FPDs. Most Clarksburg FPD training is done locally by volunteers with specialized training in the areas of engineering, fire suppression, medical aid, and other areas related to fire operations because it is not practical to regularly participate in the Yolo County Firefighters Association Training Program due to the Clarksburg FPD's geographic isolation. Mutual and auto aid agreements already cover the countywide FPDs for incident response. Clarksburg FPD would like to participate in any shared services that makes sense, such as pooled purchasing.

Shared Services MSR Determination

Clarksburg FPD's landlocked geography limits its ability to share services with neighboring FPDs. Mutual and auto aid agreements already cover the countywide FPDs for incident response. Clarksburg FPD would like to participate in any shared services that benefit from economies of scale with the Yolo County Firefighters Association and/or FPD JOAs that makes sense, such as pooled purchasing.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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- | | | | |
|---|-------------------------------------|--------------------------|-------------------------------------|
| 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 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"/> |
| g) 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 type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) Does the organization need to improve its public transparency via a website (see https://www.yololaftco.org/yolo-local-government-website-transparency-scorecards)? | <input checked="" type="checkbox"/> | <input 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)?

No. Clarksburg FPD’s structure is operationally accountable and efficient as it is.

- 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 Clarksburg FPD Board seats are filled and there does not appear to be an issue with maintaining members. There have only been 3 member changes in the past 5 years.

| Name / Title | Start | End |
|--------------------|------------|------------|
| Steve Pylman / | 04/07/2020 | 07/01/2022 |
| Mark Pruner / | 11/20/2018 | 12/01/2022 |
| Joseph Gomes / | 02/23/2021 | 02/01/2025 |
| Nancy Kirchhoff / | 02/23/2021 | 03/01/2025 |
| John Webber, Jr. / | 02/23/2021 | 03/01/2025 |

- 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. The Clarksburg FPD chief and assistant chief positions have been stable for many years. It has 22 volunteer firefighters that live in the community that are committed. Clarksburg FPD is aware of the need and is working on succession planning.

- 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. The Clarksburg FPD has a written “Administrative Code (AC) of the Clarksburg Fire Protection Clarksburg FPD”, last update May 2020. This document includes the following, mission statement, district responsibilities, purpose, board of commissioners, conflict of interest, billing and purchasing, firehouse use, training, drills, job descriptions, personnel recruitment, and retention, hiring policy, driver safety, equipment, communications, fire scene, traffic safety, meetings and use of private vehicle.

The Clarksburg FPD should include, within the Board of Commissioners section of the AC, policies related to attendance at meetings, meeting conduct, responsibilities of officers, etc. In addition, the District should adopt additional policies and procedures related to personnel and payroll including employee/volunteer promotions, performance evaluations, drug and alcohol policies, payroll

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processing, etc. Also, accounting, and financial policies should be developed to include general accounting, processing and recording of disbursements and receipts, allowable expenditures, employee and board travel and expense reimbursements, capital assets, debt and borrowing, credit card use, etc. Sample policies will be provided 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 Yolo County Board of Supervisors is the conflict-of-interest code reviewing body for these districts. Review occurs every two years and was last approved on October 6, 2020. The Clarksburg FPD is current on filing Form 700s⁵.

- f) *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 Clarksburg FPD is on a 2-year audit cycle and is current on its independent audits.

- g) *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?*

No. The FPD reviews the ledgers periodically and discuss the ledgers at length at board meetings.

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

Yes. The Clarksburg FPD received a 54% best practices transparency score in 2021. Please see the report posted on the LAFCo website for where improvements are needed.

Accountability, Structure and Efficiencies MSR Determination

There are no recommended changes to Clarksburg FPD's governmental structure or operations that will increase accountability and efficiency. Clarksburg FPD is highly effective in its current structure operating with a volunteer model. There are no issues with maintaining board members and staff. Board members and key staff are trained regarding the organization's program requirements and financial management. Clarksburg FPD has some basic policies but should consider adopting additional policies regarding meeting attendance, conduct, responsibilities of officers, personnel, and accounting/financial procedures. CFPD is current in making its Statement of Economic Interests (Form 700) disclosures and is current in its independent audits. Clarksburg FPD should improve its website transparency (see the latest website transparency scorecard posted on the LAFCo website for details).

Accountability, Structure and Efficiencies MSR Recommendation(s)

- The Clarksburg FPD should adopt policies related to meeting attendance, conduct, responsibilities of officers, and personnel (including employee/volunteer promotions, performance evaluations, drug and alcohol policies, payroll processing, etc.) In addition, accounting and financial policies should be developed to include general accounting, processing, and recording of disbursements and receipts, allowable expenditures, employee and board travel and expense reimbursements, capital assets, debt and borrowing, credit card use, etc. LAFCo will provide policy templates for FPD use.
- The Clarksburg FPD received a 54% best practices transparency score in 2021. Please see the report at <https://www.yololafo.org/yolo-local-government-website-transparency-scorecards> for where improvements are needed.

⁵ Per email from Liz Mahovlich, Yolo County Clerk/Recorder's office on October 18, 2021.

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 MSR 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).”

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

Discussion:

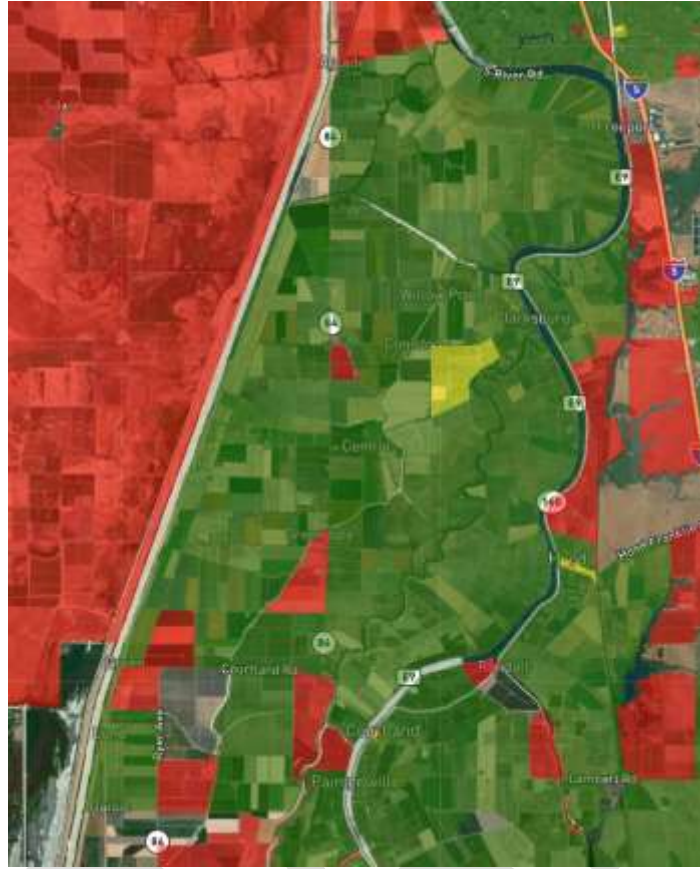
a) *Is there a lack of high-performance broadband (25/3 Mbps) available in the community?*

Maybe. Most of the Clarksburg FPD territory is serviced by California Broadband Services with fixed wireless speeds up to 40 Mbps download and 20 Mbps upload speeds⁶. However, according to the provider’s website, a service plan to achieve download speeds of 25 Mbps or higher would cost \$170 per month, which is relatively exorbitant. Frontier Communications also has DSL service in some portions of the town of Clarksburg at either 18/1 Mbps or 6/1 Mbps depending on location, however, Frontier has effectively abandoned any upgrades to this service.

The Clarksburg FPD station has been provided internet from a wireless signal provided by the County to the FPD tower that is then directed to the County library in Clarksburg. Clarksburg FPD has facilitated internet services at Clarksburg library for many years. But now that the County is working on a project to bring fiber to the library, the Clarksburg FPD is concerned the signal will be taken down. The Clarksburg FPD’s station and reverse 911 system uses the internet, so this is an issue that needs to be resolved so there is no impact to public safety. However, the County confirmed it will be stopping the signal from the station to the library, but the signal to the station will continue and not be taken down⁷.

⁶ 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.

⁷ Email from Lee Gerney, Yolo County IT Director June 10, 2022.



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

Yes. California Broadband Services is the only service provider that can provide speeds at 25/3 Mbps and its subscription rates are very high at \$170 per month. Frontier has low-income subscription rates, but its advertised speeds are either 18/1 Mbps or 6/1 Mbps depending on location. According to the CPUC Broadband Mapping Program, broadband adoption at 25/3 Mbps is high at 80%.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account⁸ and generally help troubleshoot technology challenges. Information and 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.

⁸ Email from Mark Fink, Yolo County Librarian on May 26, 2021

Broadband Access MSR Determination

The Clarksburg FPD territory is mostly covered by broadband level service; however, it is relatively exorbitant and low-income subscription rates are not available. California Broadband Services provides fixed wireless speeds up to 40Mbps download and 20 Mbps upload speeds. However, according to the provider's website, a service plan to achieve 25Mbps or higher with data caps would cost \$170 per month. According to the CPUC Broadband Mapping Program, broadband adoption for the area is high at 80%.

Broadband Access MSR Recommendation

- Yolo County should note that rural areas such as the Clarksburg FPD served by California Broadband Services as the only provider option are being charged relatively exorbitant rates (\$170 for broadband speeds) and additional providers should be encouraged and incentivized where possible to create market competition.

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 type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Discussion:

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

2016 MSR Recommendations Specific to the Clarksburg FPD and Status

1. Clarksburg and West Plainfield FPDs should consider reducing annual expenditures, seeking additional revenues, or a combination of both to achieve long-term fiscal sustainability.
 Status: The Clarksburg FPD is financially stable. However, the amount of revenue the special assessment raises has not changed since 1993. Clarksburg FPD should consider reviewing current and future expenditures to determine whether the special assessment should be increased. See the response to item 4a.

Status of Previous Recommendations MSR Determination

The 2016 MSR recommended Clarksburg FPD consider reducing annual expenditures and/or seeking additional revenues to achieve long-term fiscal sustainability. The Clarksburg FPD is currently financially stable. However, the amount of revenue the special assessment raises has not changed since 1993. Clarksburg FPD should consider reviewing current and future expenditures to determine whether the special assessment should be increased. This recommendation is reiterated in the Financial Ability section.

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.

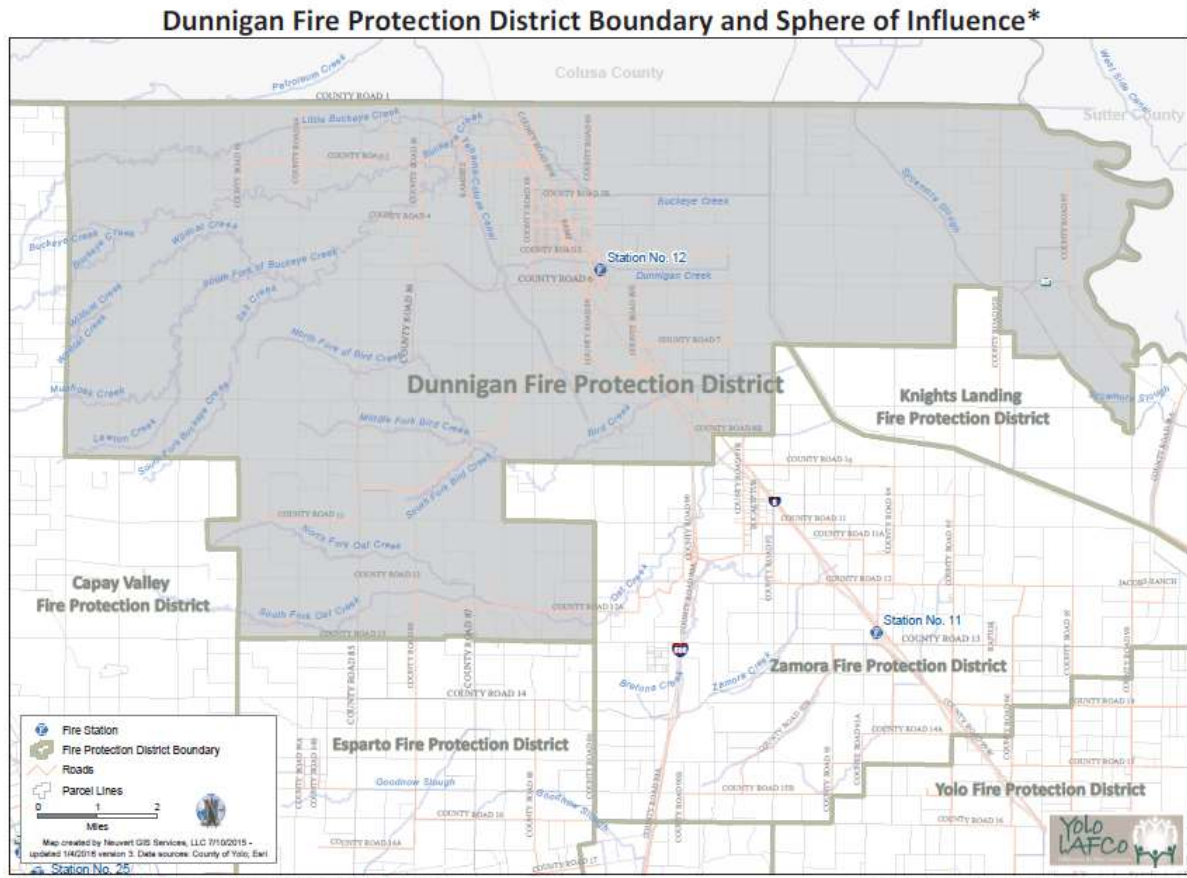
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AGENCY PROFILE

The Dunnigan Fire Protection District (FPD) was established in 1927 and is authorized to provide fire prevention and protection and emergency response services. It was formed as a dependent district to Yolo County, which delegated its decision-making authority to a local Fire Commission with five members, each appointed by the Board of Supervisors to serve four-year terms.

The Dunnigan FPD is 70,351 acres in size and serves a largely rural area, which includes the unincorporated community of Dunnigan, where the District’s station is located. The Dunnigan FPD territory is generally located in northeastern Yolo County, extending north to the Colusa County line and east to the Sacramento River. Dunnigan FPD is bordered on the west by the Capay Valley FPD and to the south by the Esparto, Zamora, and Knights Landing FPDs. The District contains 444 residential and 22 commercial addresses, and the population is estimated to be 1,110 residents¹. The Dunnigan Fire Station is located at 9145 Main Street, in Dunnigan. The District has 6 apparatus and 1 command vehicle. The FPD has a volunteer chief that receives a minimal stipend, a part-time clerk. There are 24 firefighters total (2 within the District and 22 reserves).

The Dunnigan FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.



¹ 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 checked="" type="checkbox"/> Growth and Population | <input checked="" type="checkbox"/> Shared Services |
| <input checked="" type="checkbox"/> Disadvantaged Unincorporated Communities | <input checked="" type="checkbox"/> Accountability |
| <input checked="" type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input checked="" 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.

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

Discussion:

- a) *Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands?*

Maybe. The population for Dunnigan FPD is currently estimated to be 1,110 and there are no new large growth areas designated or anticipated by the County that would compromise service levels. However, there is highway commercial development anticipated along I-5 and Dunnigan FPD has a Development Impact Fee.

The recent Department of Finance Population Estimates for Cities, Counties, and the State (Report E-1) estimates are not useful for unincorporated population projections for this MSR due to COVID. In 2021, the unincorporated population is estimated to have declined by -14.8%. In 2022, it is estimated to have increased +26.5%. This has been mostly attributed to the UC Davis student population being

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

sent home for online classes and then brought back in person again, so the data is too skewed to be meaningful for FPD population change.

The data that is more applicable to fire service demand is call data, which has increased more than population countywide. Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 388 in FY 18/19, 574 in FY 19/20 and 551 in FY 20/21, a 42% increase in only three years.

b) *Do changes in service demand suggest a change in the agency's services?*

No. Population changes would not require a change to the Dunnigan FPD boundary or SOI.

Growth and Population MSR Determination

The population for Dunnigan FPD is currently estimated to be 1,110 and there are no new large growth areas designated or anticipated by the County that would compromise service levels. However, there is highway commercial development anticipated along I-5 and Dunnigan FPD has a development impact fee (DIF). Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 388 in FY 18/19, 574 in FY 19/20 and 551 in FY 20/21, a 42% increase in only three years. Dunnigan FPD's call volume in FY 20/21 was the 3rd highest at 551 dispatches (including mutual aid calls). The difference is the FPDs with comparable/higher call volume have 2.5 – 4 FTE paid staff each.

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 checked="" type="checkbox"/> | <input 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?*

Maybe. Although all territory countywide receives structural fire protection services, Dunnigan FPD may not receive equal access to services due to its disadvantaged status. It appears the Dunnigan FPD is receiving a lower level of service as compared to other FPDs which is likely due in part to its disadvantaged status and corresponding lack of funding. For more information regarding service issues, please see item 3e.



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.

No. All territory countywide receives structural fire protection services, therefore, the Dunnigan FPD boundaries do not need to be changed.

Disadvantaged Unincorporated Communities MSR Determination

Dunnigan FPD boundaries do not need to be changed because all territory countywide receives structural fire protection services, although Dunnigan FPD may not receive equal access to and revenue for needed services due to its disadvantaged status. It appears the Dunnigan FPD is receiving a lower level of service as compared to other FPDs which is likely due in part to its lack of funding. Support of a Proposition 218 is likely affected by the disadvantaged income status of roughly half of its territory.

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 infrastructure, equipment, and capacity of agency facilities 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Are there any deficiencies in the adequacy of services 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 checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

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)?*

Yes.

Fire Stations

The Dunnigan FPD has one station located at 29145 Main Street, Dunnigan. Station 12 is having well and septic issues. The District is moving forward with eminent domain to acquire land needed for the new leach field lines and well. Yolo County is assisting with grants to help with these costs, but the anticipated Dunnigan FPD costs are currently unknown. Additional station needs identified are raising the doors on the station and installing a new sensitive material secured area.



Apparatus

Dunnigan FPD has 6 apparatus (plus a new engine in process) and 1 command vehicle as follows. However, the new Chief has submitted a draft 5-year plan that would reduce this number to 5 apparatus and 1 command unit with one Type-I engine moving to reserve status.

| Use | Apparatus | Type | Age (yrs) | Reserve? (Y/N) |
|------------------------|----------------------|------|-----------|----------------|
| | Engine 212* (new) | I | 0 | No |
| | Engine 212 (donated) | I | 17 | Yes |
| | Engine 12 | II | 17 | No |
| Wildlands Fires | Grass 12 | III | 33 | Yes |
| | Brush 12 | V | 14 | No |
| | Squad 12 | VI | 1 | No |
| Water Tenders | Water 12 | I | 23 | No |
| Command/Utility | C 1200 | | 12 | No |

- * *Engine 212 was totaled in an accident in 2021 and a 17 year old donated engine will replace it July 2022 temporarily. A new engine will be ordered through insurance and the donated engine will become reserve apparatus.*

All Dunnigan FPD apparatus receive regular maintenance service, regularly scheduled rig checks, and annual pump testing. Hoses and ladders are tested every two years; however, the ladders were last tested in 2019.

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 all bottles are current in hydro date. Dunnigan FPD operates adequate communications equipment including radios; but they need to be updated. Dunnigan FPD does not have portable radios for every seat, but enough for responding personnel.

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. It's unknown if the Dunnigan FPD has an ISO rating. The new Chief has been unable to determine if the FPD has been rated and will call ISO to begin the process anew.

- 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).*

Yes.

Staff, Coverage and Training

The Dunnigan FPD station has essentially volunteer staff of 24 firefighters total. The Chief receives a small stipend and some of the reserves (drivers only) receive a small stipend for an overnight shift. Dunnigan FPD is staffed by 2-3 volunteer personnel 24 hours per day, 7 days per week.

Dunnigan 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.

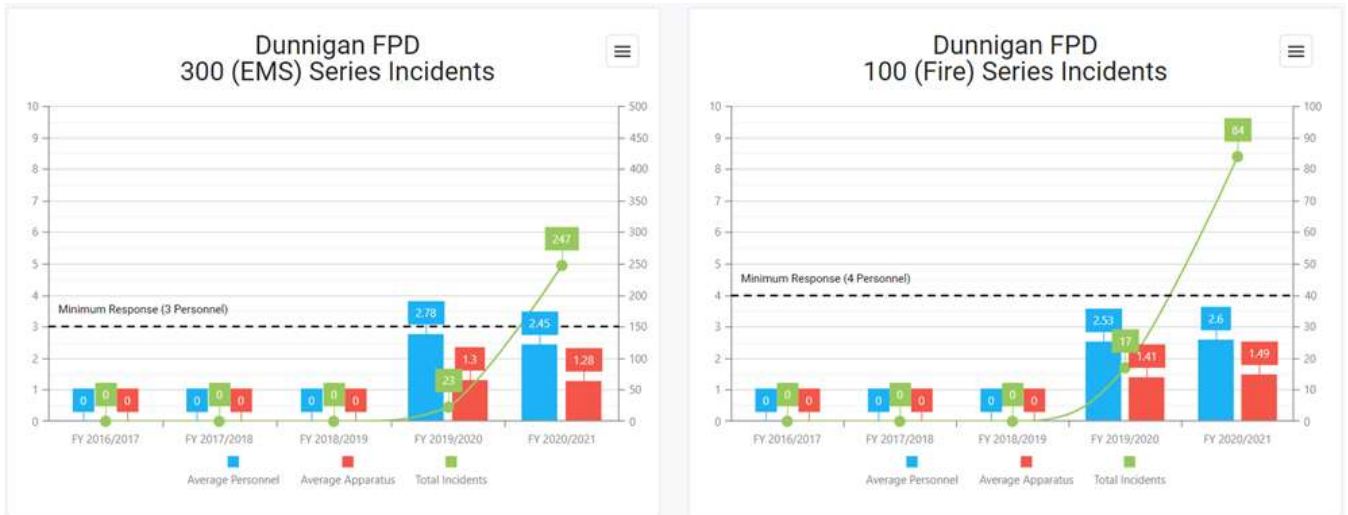
Incident Reporting and Adequacy of Services

Dunnigan FPD recently transitioned to and utilizes ESO web-based program for reporting and documentation. National Fire Incident Reporting System (NFIRS) reports are exported quarterly. 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 calls².

² 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.

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Below is Dunnigan FPD’s NFIRS response data for the last five fiscal years:

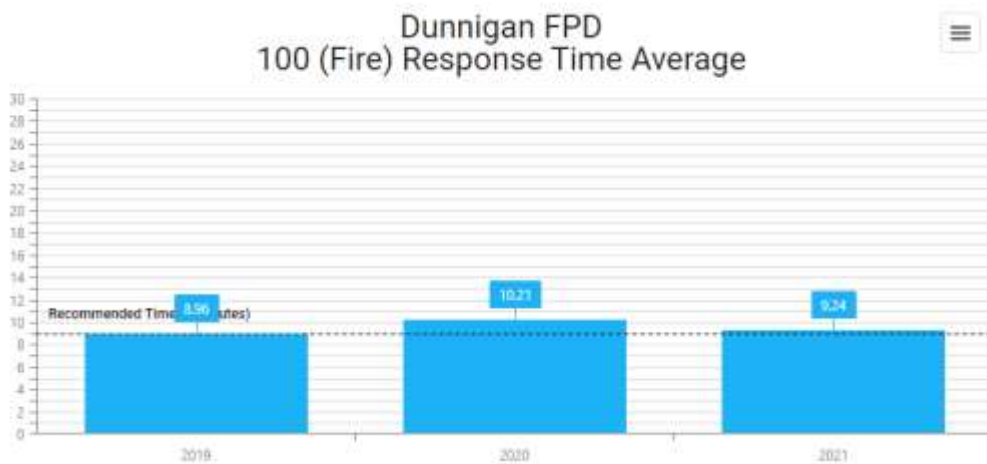
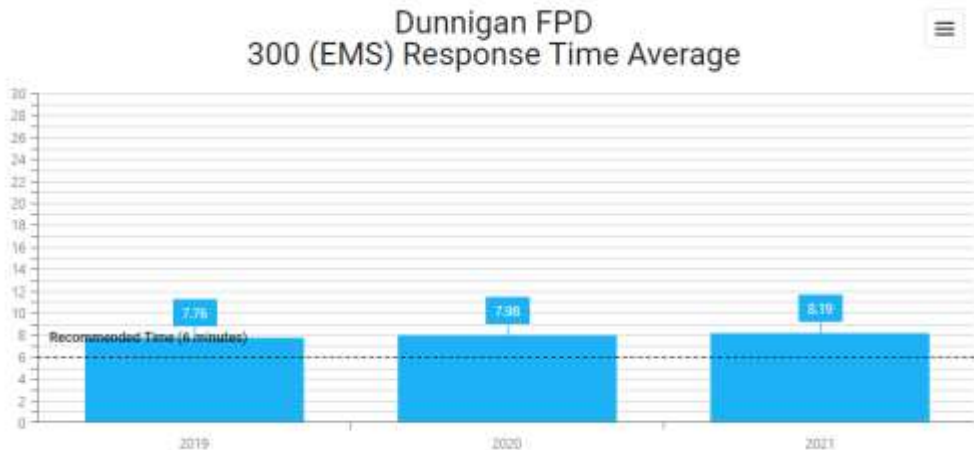


Dunnigan FPD incident data was apparently provided at least in part to NFIRS, but not signed off by the Chief so it was not completed in the system. The above graphs data that was provided to LAFCo directly for the last one plus FYs. The data shows that the Dunnigan FPD is unable to respond with the recommended minimum of 3 personnel to rescue/EMS calls (which outnumber fire calls by roughly 3:1) and 4 personnel to fire calls. Other FPDs typically have more personnel on fire calls as compared to rescue/EMS calls, which suggests volunteers are coming from the community to help. However, these response numbers are similar for both types of calls which may indicate there are 2 or 3 volunteers onsite at any given time (not all cleared to drive apparatus), and there is not as much community volunteer support to augment fire calls. Dunnigan FPD needs to increase its personnel response, especially considering the call volume it is handling.

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 averages³ for the 2019 – 2021 calendar years are shown below.

³ 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.



Dunnigan FPD had 0 missed calls in FY 18/19, 1 missed call (or 0.2%) in FY 19/20, and 2 missed calls (or 0.4%) in FY 20/21.

Annual Performance Evaluation

NFPA requires FPDs to evaluate its level of service, deployment, and response time objectives on an annual basis. From review of the meeting minutes, it does not appear this review is occurring. Therefore, establishing this review and evaluation process at least on an annual basis is a recommendation.

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

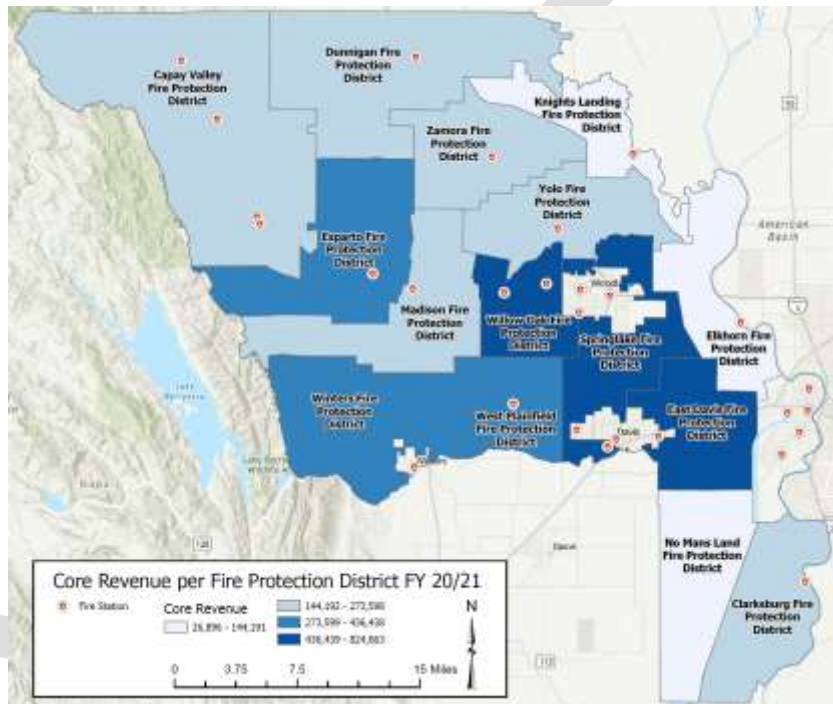
Maybe. Dunnigan FPD is struggling to respond to the calls it has with sufficient personnel. Call volume has increased significantly at 42% over the last three years. More personnel, likely paid staff, is needed to serve the Dunnigan FPD demands for service. Please also see the response to 1(a).

- 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. The drought is affecting the District's well. According to the Chief it is an older well that is not very deep, and 3-5 years ago started showing signs of inadequacy. But the FPD is already aware and addressing this issue.

- 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?

Yes. The eastern half of the Dunnigan FPD is disadvantaged (see the response to 2a). While the Dunnigan FPD receives structural fire protection services, the level of service (measured by number of personnel responding) is lower than compared to other FPDs that are not disadvantaged. Dunnigan FPD's core revenues are relatively low, yet in FY 20/21 it had the highest number of dispatches of all the FPDs inside its jurisdiction (i.e., not including mutual aid calls). Dunnigan FPD needs increased personnel, which will likely require increased revenue. Some Dunnigan FPD fire commissioners and personnel express skepticism the voters will approve a Proposition 218 assessment to increase its revenue. Support of a Proposition 218 is likely affected by the disadvantaged income status of roughly half of its territory.



Capacity and Adequacy of Public Facilities and Services MSR Determination

Station 12 is having well and septic issues and is eminent domain proceedings to acquire land to accommodate new systems. Yolo County has assisted with preparing grant applications. All Dunnigan FPD apparatus receive regular maintenance service, regularly scheduled rig checks, and annual pump testing. The FPD currently supplies all responding members with appropriate, in-date personal protective equipment (PPE). Dunnigan FPD is not ISO rated and will reach out to ISO to begin the process.

The Dunnigan FPD station has 24 firefighters total which are essentially volunteer staff with some minimal stipends. Dunnigan FPD is staffed by 2-3 volunteer personnel 24 hours per day, 7 days per week. DPFD response times comply with NFPA 1720 standards. However, incident response data indicates Dunnigan FPD is struggling to respond to calls with sufficient personnel. Call volume has increased significantly at 42% over the last three years. More personnel, likely paid staff, is needed to serve the Dunnigan FPD high demands for service. But Dunnigan FPD's core revenues are relatively low, even though in FY 20/21 it had the highest number of dispatches of all the FPDs inside its jurisdiction (i.e., not including mutual aid calls). Dunnigan FPD needs increased personnel, which will likely require increased revenue. Some Dunnigan FPD fire commissioners and personnel have expressed skepticism the voters will approve a Proposition

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218 assessment to increase its revenue. Support of a Proposition 218 would likely be affected by the disadvantaged income status of roughly half of its territory.

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

- Schedule needed station improvements (well, septic, raised bay doors, hazardous materials handling, etc.) so it can be incorporated into a CIP.
- Call ISO to determine its rating or consider having a new rating done.
- Provide written evaluations of its level of service, deployment, and response time objectives on an annual basis at a Fire Commission meeting.
- Complete its NFIRS reporting on an ongoing basis and obtain training if needed.
- Dunnigan FPD needs to increase its personnel response, especially considering the call volume it is handling. More personnel are needed to serve the Dunnigan FPD demands for service, which will likely require paid staff and increased revenue. It may be difficult for the voters to support a Proposition 218 assessment to increase Dunnigan FPD revenue due to the disadvantaged income status of roughly half of its territory.

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"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

| | | | |
|--|-------------------------------------|--------------------------|-------------------------------------|
| f) <i>Is the organization's revenue 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Financial Background

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| Property tax, in-lieu tax, HOPTR | \$ 164,246 | \$ 173,943 | \$ 198,941 | \$ 198,307 | \$ 209,196 |
| Development impact fees | 24,381 | 19,376 | 18,732 | 6,856 | 12,747 |
| Licenses and permits | 5,296 | 19,649 | 17,312 | 25,807 | 37,715 |
| Interest | 1,132 | 3,507 | 8,962 | 13,008 | (2,656) |
| County tribal mitigation | - | - | 50,000 | - | - |
| CA Fire | 4,773 | 37,037 | 53,033 | 50,392 | 297,567 |
| Other revenue | 1,743 | 11,395 | 7,275 | 3,953 | 5,609 |
| Total Revenue | 201,571 | 264,907 | 354,255 | 298,323 | 560,178 |
| Expenditures | | | | | |
| Salaries and benefits | 51,489 | 107,876 | 136,633 | 87,520 | 255,165 |
| Services and supplies | 56,096 | 116,302 | 117,172 | 173,922 | 176,001 |
| Debt service (principal and interest) | 65,372 | 6,528 | - | - | - |
| Capital Assets: | | | | | |
| Equipment | - | - | - | - | 61,087 |
| Total Expenditures | 172,957 | 230,706 | 253,805 | 261,442 | 492,253 |
| Net income (loss) | 28,614 | 34,201 | 100,450 | 36,881 | 67,925 |
| Beginning Fund Balance | 246,542 | 275,156 | 309,357 | 409,807 | 446,688 |
| Ending Fund Balances | \$ 275,156 | \$ 309,357 | \$ 409,807 | \$ 446,688 | \$ 514,613 |
| Fund Balances | | | | | |
| Restricted - Development impact fee | \$ 35,916 | \$ 41,434 | \$ 40,751 | \$ 40,415 | \$ 8,715 |
| Assigned - Capital asset replacement | 117,300 | 177,534 | 203,196 | 258,031 | 30,693 |
| Assigned - General reserve | 6,000 | 6,000 | 6,000 | 6,000 | 6,000 |
| Unassigned | 115,940 | 84,389 | 159,860 | 142,242 | 469,205 |
| Total Fund Balances | \$ 275,156 | \$ 309,357 | \$ 409,807 | \$ 446,688 | \$ 514,613 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 28,614 | \$ 34,201 | \$ 100,450 | \$ 36,881 | \$ 67,925 |
| Percentage Increase (Decrease) | 11.61% | 12.43% | 32.47% | 9.00% | 15.21% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 347,555,132 | \$ 369,904,793 | \$ 407,460,103 | \$ 403,296,128 | \$ 423,936,432 |
| b. Y-T-Y Percentage change in AV | 6.87% | 6.43% | 10.15% | -1.02% | 5.12% |
| c. Current secured, unsecured and H | \$ 160,377 | \$ 169,721 | \$ 197,395 | \$ 196,034 | \$ 205,886 |
| d. District share of general 1% levy | 4.6144% | 4.5882% | 4.8445% | 4.8608% | 4.8565% |

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) have increased from \$164,246 in 2017 to \$209,196 in 2021, an average of 6% per year. Although total fund balances have increased from \$246,542 as of June 30, 2016 to \$514,613 as of June 30, 2021, it appears the fund balance has increased due to income from participating in strike teams, which is not a reliable revenue source (and requires the initial

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outlay of funds and a reimbursement process). Over the past five years strike team reimbursements totaled \$442,802, while over this same period fund balance has increased \$268,071. As of June 30, 2021, total fund balance was \$514,613 of which \$505,898 can be used for any purpose. The remaining \$8,715 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

Dunnigan Fire Protection District’s revenue consists of property taxes, development impact fees, inspection fees related to new development, interest, a grant from the County and other miscellaneous revenue. Like other rural fire districts, Dunnigan PFD 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 \$209,196 comprised 80% of total revenues (excluding CalFire reimbursements). The District’s share of property taxes within its boundaries is approximately 4.9%, while the average for all rural FPDs in the county is 6.2%. The District began receiving development impact fee (DIF) revenue in fiscal year 2005. The fee is required to be paid by developers for all new development within the district and can only be used by the District to fund equipment and facilities to service new development. From inception to June 30, 2021 the district has received \$243,246 from development impact fees of which \$82,092 has been collected over the past 5 years. In 2019 the District received a one-time grant in the amount of \$50,000 from the County to finance repairs to the training hall. In addition, over the past 5 years Dunnigan FPD has received, inspection fees of \$105,779, strike team reimbursements of \$442,802 and other revenue totaling \$29,975.

Expenditures

The District expenditures appear to have remained steady over the past five years, excluding expenditures related to strike teams. Salaries and benefits include pay for two part-time employees, shift pay to firefighters and strike team pay as presented in the table below.

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--------------|---------------|----------------|----------------|---------------|----------------|
| Chief | 4,821 | 4,802 | 4,800 | 5,571 | 6,026 |
| Clerk | 12,728 | 12,677 | 12,672 | 14,097 | 15,263 |
| Shift pay | 30,508 | 66,318 | 50,711 | 67,852 | 84,798 |
| Strike Teams | 3,432 | 24,079 | 68,450 | 0 | 149,078 |
| | <u>51,489</u> | <u>107,876</u> | <u>136,633</u> | <u>87,520</u> | <u>255,165</u> |

Service and supplies have increased due to participation in strike teams. In 2018 the District paid off a loan from the County.

Capital expenditures

2021: \$61,087, 2020 Ram 5500, Squad 12

The main core revenue of the district is property tax revenue which comprises about 80% of fiscal year 2021 total revenue, excluding CalFire reimbursements. Property tax receipts have increased on average 6% a year. Without additional revenue sources the district cannot support increased paid staffing to improve response performance calls, existing facility needs and replacement of apparatus.

- b) *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?*

No. The district maintains all funds in the County Treasury and uses the County’s financial system to maintain its accounting records. Since the district 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 DFS staff before posting to the financial system.

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- c) *Does the agency staff fail 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. District staff reviews financial reports, provided by the County, on a regular basis. Staff regularly reports financial information to the commission to request budget amendments, transfer reserves, etc.

- d) *Does the agency board fail 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. Although not noted in the minutes, the commission receives a monthly financial report that includes budget-to-actual data and other balances.

- 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?*

Yes. Of the revenues received in 2021 approximately 56% are reliable. This includes only property taxes. The other 44% includes, permit inspection fees, development impact fees, interest, CalFire reimbursements and other revenue which are not considered reliable. Over the past 5 years the District received \$442,802 for participating in strike teams which was 26% of total revenue the past 5 years. The District received \$297,567 in fiscal year 2021. A large portion of the increases in fund balance over the past 5 years is attributable to strike team reimbursements and cannot be counted on annually to fund ongoing operating expenditures.

- f) *Is the organization's revenue 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 has many current needs such as additional paid staff to improve call responses, facility repairs, apparatus replacement and to maintain adequate reserves. Also see 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 written reserve policies or a capital improvement plan. In addition, the District's total fund balance as of June 30, 2021 is \$514,613 and is over \$1,000,000 below the minimum recommended fund balance. 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 balances amounts are as follows:

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|--------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | 8,715 | | |
| Other funds | 30,693 | | |
| | <u>39,408</u> | <u>1,413,000</u> | <u>(1,373,592)</u> |
| General reserve | 6,000 | 98,000 | (92,000) |
| Unassigned | 469,205 | 20,000 | 449,205 |
| Total Recommended Fund Balance | <u>\$ 514,613</u> | <u>\$ 1,531,000</u> | <u>\$ (1,016,387)</u> |

- 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 capital financing and debt management policy, if applicable?*

No. As of June 30, 2021, the District did not have any debt, nor is liable for any unfunded pension and/or other postemployment benefits (OPEB), such as retiree health insurance. In fiscal year 2018 the district paid off the remaining balance of a loan from the County.

Financial Ability MSR Determination

The District has operated at a net gain over the past 5 years and has a total available fund balance of \$514,613. The District's only core revenues (property taxes) grew on average only 6% a year and total fund balances have increased by \$268,071. Much of the growth in fund balance can be attributable to strike team reimbursements. Over the past 5 years the District received \$442,802 for participating in strike teams which was 26% of total revenue the past 5 years, cannot be counted on annually to fund ongoing operating expenditures. In addition, the District has staffing, facility and equipment needs which will require additional revenue to fund on an ongoing basis. The District does not have any written reserve policies or a capital improvement plan. In addition, the District's total fund balance as of June 30, 2021 of \$514,613 is over \$1,000,000 below the minimum recommended fund balance. The Dunnigan FPD needs to increase its core revenue, but it may be difficult for the voters to support a Proposition 218 assessment to increase Dunnigan FPD revenue due to the disadvantaged income status of roughly half of its territory.

The District does not have written reserve policies nor a capital improvement plan. Dunnigan FPD maintains its funds in the County Treasury and uses the County's financial system to maintain its accounting records. Dunnigan FPD fire commission receives financial reports at each meeting, but this needs to be reflected on meeting agendas and minutes. As a dependent district, Dunnigan FPD is included in the County's Annual Comprehensive Financial Report (ACFR).

Financial Ability MSR Recommendation(s)

- Create a capital improvement plan 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.
- 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.
- The Dunnigan FPD has received over \$442,000 from participating in strike teams. This revenue should not be relied on as stable revenue source to fund ongoing/normal operating costs.
- Dunnigan FPD should reflect in the minutes that the fire commission received and reviewed the budget status report.

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- The Dunnigan FPD needs to increase its core revenue and should consider instituting a special assessment to fund increased staffing, facility and apparatus needs, and reserves. It may be difficult for the voters to support a Proposition 218 assessment to increase Dunnigan FPD revenue due to the disadvantaged income status of roughly half of its territory.

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 Dunnigan FPD along with Knights Landing, Yolo and Zamora FPDs scale up its services and operate more as a regional unit via a JOA. These FPDs signed a JOA in May 2022 and need to work 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 Dunnigan FPD along with Knights Landing, Yolo and Zamora FPDs scale up its services and operate more as a regional unit via a JOA. The FPDs have recently signed a JOA in May 2022 and need to work 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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) <i>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?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololafo.org/yolo-local-government-website-transparency-scorecards)?</i> | <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. Dunnigan FPD entered into a JOA May 2022 with Knights Landing, Yolo and Zamora FPDs designed to improve operations and efficiencies. The recommendation below is to ensure Dunnigan FPD enters into the JOA and maintains standing in good faith to achieve JOA goals.

Another Dunnigan FPD issue regarding service inefficiencies is the Uniform Fire Code (UFC) plan check process. All the other FPDs except Dunnigan FPD use the Yolo County contract service provider for plan checks for a uniform process (except the FPDs that contract with cities for service that then utilize the cities for plan check). Customers complain of slow service and rigid UFC interpretations with Dunnigan FPD. LAFCo recommends Dunnigan FPD utilize the Yolo County contract service provider to streamline the plan check process and make it consistent with other unincorporated areas.

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- 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?*

Maybe. A Dunnigan FPD fire commission vacancy was just recently filled after one seat had remained vacant for over two years. A review of Dunnigan FPD meeting minutes over the five-year review period indicated the commission had to cancel meetings multiple times for lack of a quorum.

| Name / Title | Start | End |
|------------------|------------|------------|
| Tim Hornbuckle / | 01/28/2020 | 12/01/2023 |
| Neil Busch / | 09/01/2020 | 08/01/2024 |
| John Reyes / | 03/09/2021 | 11/01/2024 |
| Anita Tatum / | 10/12/2021 | 04/01/2025 |
| John Keeble / | 03/22/2022 | 06/01/2025 |

- 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?*

Yes. As discussed in the capacity section, in FY 2020/21 the Dunnigan FPD had more calls in jurisdiction than any other FPD countywide and is managing this demanding workload with a volunteer chief earning a minimal annual stipend and a combination of reserves/volunteers. The previous chief resigned in January 2022 and the commission recently appointed a longstanding Dunnigan FPD firefighter volunteer as Acting Chief. Dunnigan FPD should consider funding full-time positions as needed to reduce burnout, turnover, and create more department stability.

- 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. Dunnigan FPD has a comprehensive employee handbook. Dunnigan FPD should adopt policies related to fire commission meetings, to include attendance, conduct, and responsibilities of officers. Even though Dunnigan 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?*

Yes. As of May 11, 2022, one Dunnigan FPD fire commissioner and the new Acting Chief were not current on their 2021 Form 700 disclosures. DPF is working to get these filings submitted.

- f) *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 Dunnigan 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 26909⁴.

- g) *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?*

⁴ Per email dated July 6, 2021 from Sandeep Singh, Manager, Local Government Policy Section Office of State Controller, Local Government Programs and Services Division

Maybe. Dunnigan 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, comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable.

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

Maybe. The Dunnigan FPD received a 17% transparency score in 2020 and a 0% transparency score in 2021. The FPDs website seems to have been taken down or disabled during fall 2021 when websites were scored. However, the FPD is a dependent district and is not required by law to have its own website. Please see the latest report posted on the LAFCo website for where improvements are needed.

Accountability, Structure and Efficiencies MSR Determination

Dunnigan FPD entered into a JOA with Knights Landing, Yolo and Zamora FPDs in May 2022 designed to improve operations and efficiencies. Fire Commissioner training may be useful to clarify commissioner roles, responsibilities, program requirements and financial management because the previous Chief had a difficult relationship with (and by some accounts was not very transparent with) the commission. As discussed in the capacity section, in FY 2020/21 the Dunnigan FPD had more calls in jurisdiction than any other FPD countywide and is managing this demanding workload with a volunteer chief earning a minimal annual stipend and a combination of reserves/volunteers. As funding allows, Dunnigan FPD should consider hiring full-time positions as needed to reduce burnout, turnover, and create more department stability.

The District has a comprehensive employee handbook and since Dunnigan FPD is a dependent district it is assumed to comply with the County's accounting policies. However, the district does not have any policies governing the fire commissioners, administrative and financial policies. Not all Dunnigan FPD officials are current on their 2021 Statement of Economic Interests (Form 700) disclosures. Dunnigan FPD is audited annually as part of the County's ACFR but it does not include individual review of the dependent FPDs. 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. As a dependent district, Dunnigan FPD is not required to have a website but it has had one in years past. If the FPD decides to re-establish a website, it should review LAFCo's website transparency report for best practices.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- Dunnigan, Knights Landing, Yolo and Zamora 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.
- Dunnigan FPD utilize the Yolo County contract service provider to streamline the Uniform Fire Code plan check process and make it consistent with other unincorporated areas.
- Dunnigan FPD fire commissioner training may be useful to clarify commissioner roles, responsibilities, program requirements and financial management.
- Acknowledging core revenue as a limiting factor, Dunnigan FPD should consider hiring full-time positions as needed to reduce burnout, turnover, and create more department stability.
- The Dunnigan FPD should adopt policies related to meeting attendance, conduct, responsibilities of officers, and personnel (including employee/volunteer promotions, performance evaluations,

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drug and alcohol policies, payroll processing, etc.) In addition, accounting and financial policies should be developed to include general accounting, processing, and recording of disbursements and receipts, allowable expenditures, employee and commissioner travel and expense reimbursements, capital assets, debt and borrowing, credit card use, etc. LAFCo will provide policy templates for FPD use.

- Dunnigan FPD officials and designated staff need to get current and stay current in making their annual Statement of Economic Interests (Form 700) disclosures.
- 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 are not legally required to maintain a website. The Dunnigan FPD has a website but received a 17% transparency score for best practices in 2020 and a 0% transparency score in 2021 (the website appeared to have been taken down or disabled during fall 2021 when websites were scored). 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 MSR 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).”

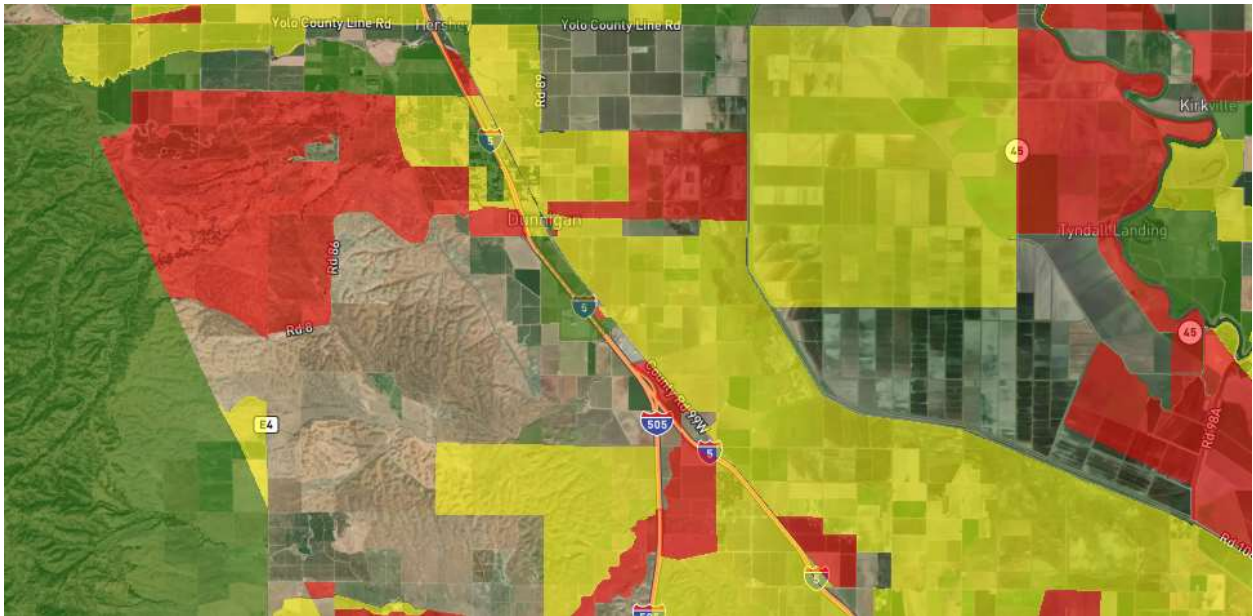
| | YES | MAYBE | NO |
|--|-------------------------------------|-------------------------------------|--------------------------|
| a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input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

Discussion:

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

Yes. The town of Dunnigan is provided broadband service by AT&T but only mobile service is available at the Station. In some portions of the outlying residential areas, AT&T DSL will provide 25/3 Mbps (areas shown in green below), but the majority of Dunnigan FPD territory is underserved or unserved⁵. Therefore, broadband speeds of 25/3 Mbps is not generally available in the Dunnigan FPD territory.

⁵ 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.



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

Maybe. AT&T offers low-income subscription rates, but broadband adoption remains an issue. According to the CPUC California Interactive Broadband Map, broadband adoption at 25/3 Mbps is only 20% to 40%. At any speed, its only 40% to 60%.

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 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. However, there is no library in Dunnigan and the closest are either 15 miles away in Yolo or 17 miles away in Knights Landing.

Broadband Access MSR Determination

The town of Dunnigan is provided broadband service by AT&T but only mobile service is available at the Station. In some portions of the outlying residential areas, AT&T DSL will provide 25/3 Mbps, but the majority of Dunnigan FPD territory is underserved or unserved. AT&T offers low-income subscription rates, but broadband adoption remains an issue. According to the CPUC California Interactive Broadband Map, broadband adoption at 25/3 Mbps is only 20% to 40%. At any speed, its only 40% to 60%. Digital literacy programs are offered by Yolo County libraries, however, there is no library in Dunnigan and the closest are either 15 miles away in Yolo or 17 miles away in Knights Landing.

Broadband Access MSR Recommendation

- Yolo County should consider the lack of broadband service (and library service) in the Dunnigan community and outlying areas as it addresses rural access issues.

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:

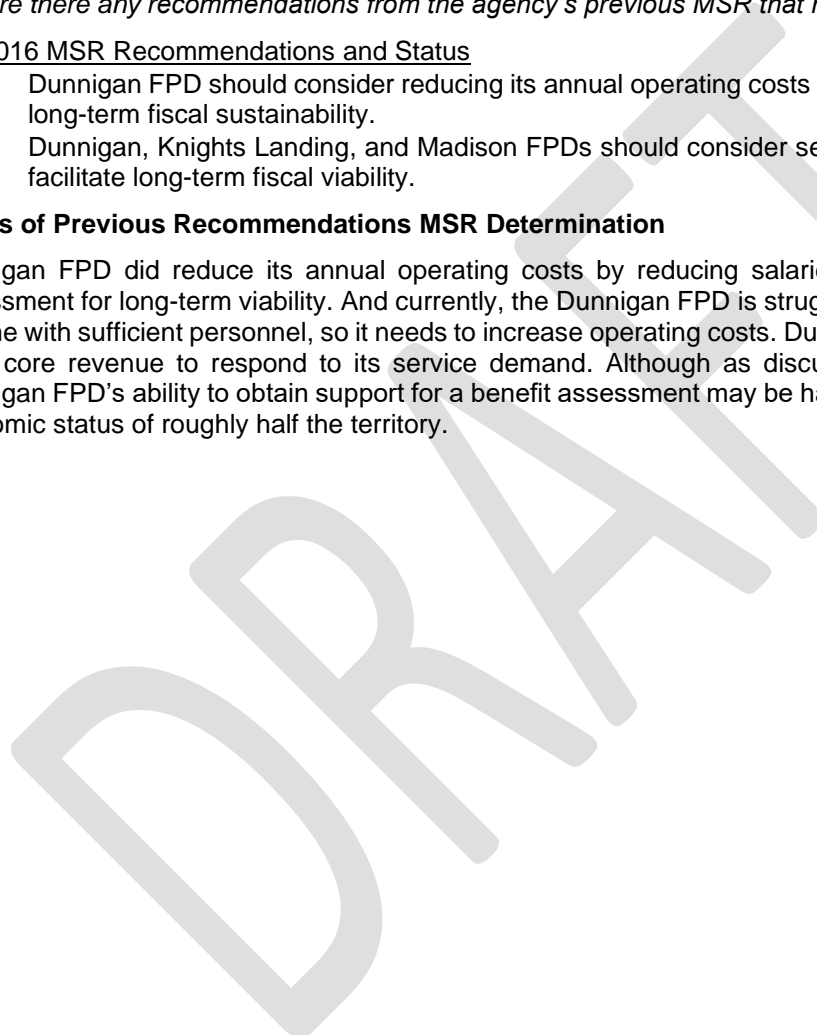
a) *Are there any recommendations from the agency's previous MSR that have not been implemented?*

2016 MSR Recommendations and Status

- Dunnigan FPD should consider reducing its annual operating costs significantly in order to achieve long-term fiscal sustainability.
- Dunnigan, Knights Landing, and Madison FPDs should consider seeking a benefit assessment to facilitate long-term fiscal viability.

Status of Previous Recommendations MSR Determination

Dunnigan FPD did reduce its annual operating costs by reducing salaries but did not seek a benefit assessment for long-term viability. And currently, the Dunnigan FPD is struggling to respond to its high call volume with sufficient personnel, so it needs to increase operating costs. Dunnigan FPD needs an increase in its core revenue to respond to its service demand. Although as discussed in the capacity section, Dunnigan FPD's ability to obtain support for a benefit assessment may be hampered by the disadvantaged economic status of roughly half the territory.



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

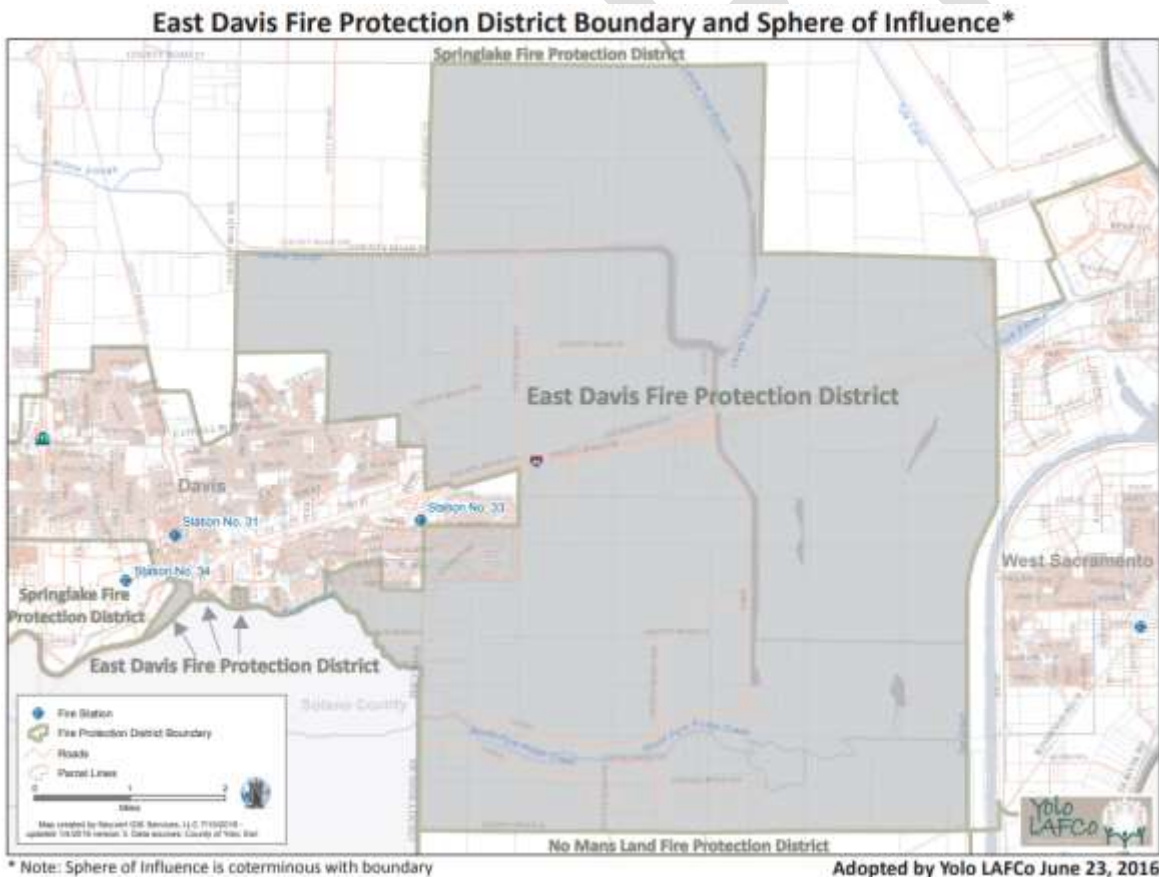
AGENCY PROFILE

The East Davis Fire Protection District (FPD) was formed in 1953 and is authorized to provide fire protection and emergency response services. It was formed as a dependent district to Yolo County. As such, the District's governing body is the Yolo County Board of Supervisors, which delegated its decision-making authority to a local Fire Commission with five members, each appointed by the Board of Supervisors with indefinite terms.

In 1966, the District began contracting with the City of Davis for services, ceding its employees and ownership of its facilities/equipment to the City. The District is one of three fire protection districts encompassing the unincorporated areas around Davis, each of which contract with the City of Davis for services.

The District is 29,143 acres in size and serves the unincorporated communities of El Macero, Willowbank and Davis Creek Mobile Home Park and the surrounding rural areas east of Davis. The District contains 830 residential and 2 commercial addresses and its population is estimated to be 2,075 residents.¹

The East Davis FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.



¹ 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 type="checkbox"/> Shared Services |
| <input type="checkbox"/> Disadvantaged Unincorporated Communities | <input checked="" type="checkbox"/> Accountability |
| <input type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input checked="" type="checkbox"/> Broadband Access |
| <input checked="" type="checkbox"/> Financial Ability | <input 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.

| 1. GROWTH AND POPULATION | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| Growth and population projections for the affected area. | YES | MAYBE | NO |
| a) <i>Will development 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 type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-b) *Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands? Do changes in service demand suggest a change in the agency’s services?*

No. The population for East Davis FPD is currently estimated to be 2,075 and there are no significant growth areas designated by the County. As the City of Davis annexes territory, it is detached from the District.

Service to East Davis FPD territory is dispatched by the City of Davis. Total calls that resulted in dispatched apparatus/responders were 324 in FY 18/19, 312 in FY 19/20 and 297 in FY 20/21, an 8% decrease over three years (the only FPD countywide that experienced a decrease in call volume). Growth and population projections are not suggesting a change in agency services.

Growth and Population MSR Determination

The population for East Davis FPD is currently estimated to be 2,075 and there are no significant growth areas designated by the County. The East Davis FPD is dispatched by the City of Davis. Total calls that resulted in dispatched apparatus/responders were 324 in FY 18/19, 312 in FY 19/20 and 297 in FY 20/21, an 8% decrease over three years (the only FPD countywide that experienced a decrease in call volume). Growth and population projections are not suggesting a change in agency services.

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 East Davis FPD territory does not appear to contain any disadvantaged unincorporated communities.² Davis Creek Mobile Home Park is likely a disadvantaged community (but may not be showing in the data due to census block size), but it receives City fire protection services on par with all the FPD territory. 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

All “inhabited unincorporated communities” countywide receive structural fire protection services. The Davis Creek Mobile Home Park is likely a disadvantaged community, but it receives city fire protection services.

² 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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-e)No. East Davis FPD has not provided direct services since 1966 and has contracted with the City of Davis for fire protection and emergency response services for 56 years. The current agreement for services was executed in 2009 and expires on June 30, 2029. It is intended to provide for services long term and can be terminated with 4 years' written notice.

Staff and coverage, training, fire station, apparatus, and equipment are all provided by a city fire department which must adhere to higher performance standards. Both National Fire Protection Association (NFPA) 1720 and 1710 are standards concerning personnel deployment and response times to fires and medical emergencies: NFPA 1720 is designed primarily for communities with volunteer firefighters. NFPA 1710 is designed primarily for communities with career, or paid, firefighters.

Capacity and Adequacy of Public Facilities and Services MSR Determination

The East Davis FPD has not provided direct services since 1966 and has contracted with the City of Davis for fire protection and emergency response services for 56 years. The current agreement for services was executed in 2009 and expires on June 30, 2029. City fire departments must adhere to higher performance standards (NFPA 1710) than rural departments (NFPA 1720). There are no deficiencies in infrastructure, equipment, capacity, and services for current and future needs.

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

- The East Davis FPD Chief should provide a written evaluation of the level of service, deployment, and response time objectives as an agenda item at an East Davis FPD meeting on an annual basis. The city service provider should report NFIRS data in a manner that allows it to be separated from city incidents and reported for each FPD served.

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"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Is the organization's revenue 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Discussion:

Financial Background

**EAST DAVIS FIRE PROTECTION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Revenue | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 524,706 | \$ 535,400 | \$ 567,655 | \$ 585,091 | \$ 614,057 |
| Interest | 8,803 | 19,058 | 49,165 | 44,480 | 2,359 |
| Special assessment | 204,649 | 210,514 | 210,921 | 210,806 | 210,806 |
| Total Revenue | 738,158 | 764,972 | 827,741 | 840,377 | 827,222 |
| Expenditures | | | | | |
| Contract payment to City of Davis | 671,182 | 716,829 | 707,494 | 758,632 | 883,689 |
| Other services and supplies | 3,992 | 1,595 | 1,250 | 1,854 | 1,739 |
| Contributions to other agencies | - | - | - | 31,273 | 13,186 |
| Total Expenditures | 675,174 | 718,424 | 708,744 | 791,759 | 898,614 |
| Net income (loss) | 62,984 | 46,548 | 118,997 | 48,618 | (71,392) |
| Beginning Fund Balance | 1,226,400 | 1,289,384 | 1,335,932 | 1,454,929 | 1,503,547 |
| Ending Fund Balances | \$ 1,289,384 | \$ 1,335,932 | \$ 1,454,929 | \$ 1,503,547 | \$ 1,432,155 |
| Fund Balances | | | | | |
| Assigned - Other | \$ 1,038,817 | \$ 1,053,199 | \$ 1,077,023 | \$ 1,099,718 | \$ 1,111,240 |
| Assigned - General reserve | 185,359 | 185,359 | 185,359 | 185,359 | 185,359 |
| Assigned - Encumbrances | - | - | 64,171 | - | - |
| Unassigned | 65,208 | 97,374 | 128,376 | 218,470 | 135,556 |
| Total Fund Balances | \$ 1,289,384 | \$ 1,335,932 | \$ 1,454,929 | \$ 1,503,547 | \$ 1,432,155 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 62,984 | \$ 46,548 | \$ 118,997 | \$ 48,618 | \$ (71,392) |
| Percentage Increase (Decrease) | 5.14% | 3.61% | 8.91% | 3.34% | -4.75% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 522,278,656 | \$ 548,053,986 | \$ 561,937,435 | \$ 592,076,811 | \$ 619,566,844 |
| b. Y-T-Y Percentage change in AV | 4.56% | 4.94% | 2.53% | 5.36% | 4.64% |
| c. Current secured, unsecured and HOPT | \$ 498,854 | \$ 520,788 | \$ 542,523 | \$ 570,343 | \$ 597,587 |
| d. District share of general 1% levy (c/a) | 9.5515% | 9.5025% | 9.6545% | 9.6329% | 9.6452% |

- 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 total revenues and total fund balances have steadily grown over the past five years and are keeping pace with increasing costs. Due to a delay of receiving strike team reimbursements from the State, the City of Davis contract payment was unexpectedly higher than normal in 2021. The reimbursements were received in 2022 and will be credited against 2022 costs. The District's total fund balance as of June 30, 2021 is \$1,432,155. Total fund balance has increased from \$1,226,400 to \$1,432,155, which is available to the District for any purpose.

Revenue

East Davis FPD's revenue consists of property taxes, special assessments, and interest. Like other rural fire districts, East Davis 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 \$614,057 comprised 74% of total revenues. The District's share of property taxes within its boundaries is approximately 9.6%, while the average

for all rural FPDs in the county is 6.2%. The District has levied a special assessment since 1985. In 2021 special assessment revenue was \$210,806 which accounted for 25% of total revenue.

Expenditures

The District contracts for fire services with the City of Davis which is the primary expenditure of the District. In fiscal year 2021 the contract payment to the City was over 98% of total expenditures. Since 2017 the annual contract payment has averaged a 7.3% increase, however, the 2021 payment increased 16.5% from fiscal year 2020, due to a delay of the City of Davis receiving strike team reimbursements from CAL FIRE. Other expenditures include accounting fees, special assessment enrollment fee, liability insurance, and weed abatement legal notices. The District is in the process of discussing alternative billing methods with the City of Davis to reduce unexpected changes in the annual contract billing.

- 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 District maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the District is a dependent district, it is subject to the same accounting and financial policies as 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?*

Yes. In 2019, District commissioners did not detect that in-lieu taxes from State Fish and Wildlife was not posted to the District's fund. The error was found and corrected in the subsequent year. Due to delay on the part of the City of Davis providing information, the District experienced a net loss in fiscal year 2021 that was not anticipated. The FPD indicates it is working with the City to resolve the potential for this situation to occur again. Please see also item 4a. The District relies on an external consultant once a year during the budget process to review transactions.

- 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?*

Yes. Even though the District has very minimal accounting transactions which includes property tax, special assessment, and interest revenue postings and on average 5 invoices per year, the commissioners should review financial reports more frequent than the current practice to discuss whether transactions are accurately posted to the District's ledgers and to perform a current year budget to actual comparison. The fire commission reviews the annual State Controller's Financial Transactions report which is also prepared by an external CPA.

- 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?*

No. Revenues are reliable. All of the revenue is from property taxes, special assessments, and interest earned on surplus funds held by the County Treasury. All revenues are collected and allocated by the County. The District currently is not billing exempt parcels.

- f) *Is the organization's revenue 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)?*

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

No. The East Davis FPD does not maintain facilities or equipment. Currently the District has an accumulated a fund balance of \$1,432,155. The District, by contract, shares the increases in the net cost of the City of Davis Fire Department, after reductions for revenue from No Man’s Land and Springlake FPDs, based on the District’s share of the total assessed value of the District and the City, which is currently about 6%.

- 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?*

No. East Davis FPD has a total fund balance of \$1,432,155 as of June 30, 2021, which is \$902,155 in excess of the minimum recommended total fund balance of \$530,000. The minimum recommended fund balance is the total of 2 components as follows³:

- 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.

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

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|---------------------------------------|--------------------------------|-------------------------------------|-----------------------|
| General reserve | \$ 185,359 | \$ 395,000 | \$ (209,641) |
| Other reserve | 1,111,240 | - | 1,111,240 |
| Unassigned | 135,556 | 135,000 | 556 |
| Total Recommended Fund Balance | \$ 1,432,155 | \$ 530,000 | \$ 902,155 |

The total recommended fund balance as of June 30, 2021 is \$530,000, based on a general reserve balance of \$395,000 (50% of current secured taxes and 50% of special assessments) and an unassigned fund balance of \$135,000 (15% of expenditures). The District’s fund balance is currently over \$900,000 in excess of the recommended fund balance.

District representatives have indicated that the reserves are required by the agreement with the City. However, Section 8 of the agreement provides that the reserves can be established at the District’s “sole discretion.” If the contract with the City of Davis were amended and streamlined such that the East Davis FPD operated as a pass-through agency (similar to Springlake FPD’s contract with the City of Davis), this fund balance could potentially be eliminated altogether.

- 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 capital financing and debt management policy, if applicable?*

No. The District does not have any debt.

Financial Ability MSR Determination

The District’s total revenues and total fund balances have steadily grown over the past five years and are keeping pace with increasing costs. Like other rural fire districts, East Davis FPD relies primarily on a share

³ See the Financial Sustainability Methodology on Page 1-12.

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

of the general 1% property tax levy for the majority of its revenue. In fiscal year 2021, 74% of total revenues (\$614,057) came from property taxes. The District's share of property taxes within its boundaries is approximately 9.6%, while the average for all rural FPDs in the county is 6.2%. The other 25% (\$210,806) of revenue comes from a special assessment levied since 1985. In fiscal year 2021 the contract payment was over 98% of total expenditures. The District, by contract, shares the increases in the net cost of the City of Davis Fire Department, after reductions for revenue from No Man's Land and Springlake FPDs, based on the District's share of the total assessed value of the District and the City, which is currently about 6%. Since 2017 the annual contract payment has averaged a 7.3% increase, however, the 2021 payment increased 16.5% from fiscal year 2020, due to a delay of the City of Davis receiving strike team reimbursements from CAL FIRE.

The District's total fund balance as of June 30, 2021 is \$1,432,155, currently over \$900,000 in excess of the recommended best practices. The District's policy is to retain at least 110% of one year's expenditures in reserve, which is in excess of recommended government standards. East Davis FPD does not maintain facilities or equipment, and it can reduce its fund balance without impairing its operational capacity. If the contract with the City of Davis were amended and streamlined such that the East Davis FPD operated as a pass-through agency (similar to Springlake FPD's contract with the City of Davis), this fund balance could potentially be eliminated altogether and drawn down to reduce constituent costs. The District maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the East Davis FPD is a dependent district, it is subject to the same accounting and financial policies as the County and is included in the County's Annual Comprehensive Financial Report.

Financial Ability MSR Recommendation(s)

- East Davis FPD should amend its reserve policy reducing the current 110% of one year's expenditures to, at a minimum, align with government standards (SCO and GFOA). The District should also consider amending its contract with the City of Davis to simply pass-through revenues (similar to Springlake FPD's contract with the City of Davis), which would allow the fund balance to be eliminated altogether and drawn down over time to reduce constituent costs.
- East Davis FPD should review the County ledgers at least biannually to ensure transactions are accurately posted to the District's fund. The review should at least include a comparison to prior year actuals and a current year budget to actual.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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?*

No. The East Davis FPD shares services and contracts with the City of Davis for fire protection and emergency response services.

Shared Services MSR Determination

The East Davis FPD shares services and contracts with the City of Davis for fire protection and emergency response services.

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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololafco.org/yolo-local-government-website-transparency-scorecards)?</i> | <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. East Davis FPD receives contract services from the City of Davis, as does the neighboring No Man's Land and Springlake FPDs. However, the East Davis FPD appears to be paying more for the same service (on a per dispatch basis) and its contract provisions are the only one of the three FPDs that do not contain any cost containment measures that would give the East Davis FPD more certainty for its annual budgets. The East Davis FPD was unaware of the more advantageous contract provisions negotiated between the City of Davis and the other FPDs, and the existing governmental structure contributes to this issue.

Among the purposes of LAFCo is to review and provide information to shape the development of local agencies to advantageously provide for the present and future needs of each county and its

communities. The fire service provider landscape has changed significantly since the FPDs around Davis were originally formed decades ago. East Davis FPD began contracting for City of Davis services in 1966. No Man's Land FPD was formed in 1974, and during the formation process annexation to the East Davis FPD was considered, but "the City of Davis has refused to annex the territory to the East Davis Fire District at this time, and the East Davis Fire Protection District has therefore stated they do not desire to annex the territory."⁴ Consequently, No Man's Land FPD was formed as a separate FPD to contract with the City of Dixon for services. However, in 1997 the service provider for No Man's Land FPD changed to the City of Davis. Springlake FPD originally contracted for services with the City of Woodland for the entirety of its territory, and then changed service providers to the City of Davis in 1985 for everything south of County Road 29 to improve response.

Therefore since 1985, the reasons the FPDs around Davis were organized as three separate districts have changed and all three FPDs have been receiving the same services from the City of Davis. All three FPDs are dependent to Yolo County and serve as funding and service mechanisms of the County, and it would enhance efficiency, increase accountability for community service needs, and be less confusing to the public if all the territory served by City of Davis were combined under one district. East Davis FPD is the agency best suited to provide this function.

Reorganization would benefit the East Davis FPD in the following ways:

- Reorganizing each district's boundaries to coincide with the city providing services will improve transparency and accountability. By having one district contracting with each city, residents will better be able to identify the district they are in and the fire department that serves them. Residents also would be able to more easily determine which fire commission represents them.
- By reducing the number of FPDs the City of Davis serves from three to one, reorganization will streamline the City's administrative costs of providing fire services to the rural areas. Davis will only have to manage one contract, provide fiscal services for one district, and report to one fire commission. This streamlining could allow the East Davis FPD to negotiate a lower rate, thus reducing constituents' annual assessments.
- Reducing the number of contracts that need to be negotiated will avoid inconsistencies from one district to the next. For example, the East Davis FPD's contract costs appear higher on a per dispatch basis than No Man's Land and Springlake FPDs and do not include any cost containment provisions, even though they receive the same level of service from the same fire department. As another example, East Davis FPD is the only contract district whose contract provides for an optional reserve of a full year of service costs. It appears the contract gives the discretion to the District of whether to maintain the reserve, but East Davis FPD has maintained the reserves at levels greater than other districts. Eliminating or reducing the reserve requirement would allow East Davis FPD to reduce the assessment charged to residents in its current service territory over a period of time as the reserve is drawn down. (The reserves would not be used to reduce assessments in any newly-annexed territory.)
- The volunteer fire commissioners perform an important service, especially when it comes to oversight of the City's performance. Expanding the territory of the district will also expand the pool of individuals who might be willing to serve as commissioners, which could ease the burden on those who have served long terms. It also might allow the commission to expand its membership from five to seven, which would spread out any administrative workload handled by the commissioners. While expanding the territory might result in a marginal increase in the fire commission's responsibilities, the time commitment to serve in the position would still be significantly less than for commissioners serving a district that has its own infrastructure and personnel.

⁴ LAFCo Report on Formation of No-man's Land FPD, January 11, 1974.

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- 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 fire commission seats are filled as appointed by the Board of Supervisors with indefinite terms (the only FPD in the county with indefinite terms). Review of the minutes indicate one commissioner seat was unfilled from May 18, 2017 to October 15, 2020 but have remained filled for some time.

| Name / Title | Start | End |
|----------------------|--------------|------------|
| Michael McMahon / | 01/29/2013 | |
| Dave Robert / | 09/15/2015 | |
| William Weisgerber / | 04/05/2016 | |
| John Lindsey / | 09/12/2017 | |
| Tad Henderson / | 06/23/2020 | |

- 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. City staff perform the FPD services and functions.

- 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?*

No. East Davis FPD is audited annually and day-to-day operations are managed by City staff which has financial staff to review District finances. The City maintains policies to manage all FPD services and functions. The District has a Policy and Procedure Manual (V2019.1) which includes basic fire commission and financial policies.

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

No. The Yolo County Board of Supervisors is the conflict of interest code reviewing body for these districts. Review occurs every two years and was last approved on October 6, 2020. Districts can be exempt from filing conflict of interest disclosures if: there are no “designated employees”⁵; it is within a year of being inoperative; or the district does not have decision making authority and its annual operating budget is less than \$150,000 per year. The BOS has determined the East Davis FPD is exempt from filing Form 700s.

- f) *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 FPDs (including East Davis FPD) are included in the annual audit of the County’s Annual Comprehensive Financial Report (ACFR). The County’s audited ACFR meets general audit requirements and the ACFR satisfies the requirements of Government Code 26909.

- g) *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?*

No. The East Davis FPD is audited annually as part of the County’s ACFR and it contracts with an external CPA to help assist with preparing the annual budget, review year end close, and prepare and submit the annual SCO Financial Transactions Report.

⁵ “Designated employees” is defined by Government Code sections 82019 and 87302(a).

- h) *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 districts are not legally required to maintain a website. However, East Davis FPD maintains a website and received a 25% 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

East Davis FPD receives contract services from the City of Davis, as does the neighboring No Man's Land and a portion of Springlake FPDs. However, the East Davis FPD appears to be paying more for the same service on a per dispatch basis and its contract provisions are the only one of the three FPDs that do not contain any cost control/containment measures that would give the East Davis FPD more certainty for its annual budgets. The existing governmental structure contributes to this issue.

The fire service provider landscape has changed significantly since these three FPDs were originally formed, and since 1985 the reasons the FPDs are organized as three separate agencies has changed and all three FPDs have been receiving the same services from the City of Davis. All three FPDs are dependent to Yolo County and serve as funding and service mechanisms of the County and East Davis FPD is the agency best suited to provide these services. Reorganization would result in the following benefits: (1) Transparency, accountability and less public confusion regarding which fire commission serves them; (2) Streamline the number of FPDs the City of Davis serves, promoting efficiency; (3) Reducing the number and inconsistency of service contracts for the same level of services, potentially allowing the East Davis FPD to reduce or eliminate its reserve saving money for its constituents; and (4) Expanding the pool of individuals who might be willing to serve as commissioners and potential to expand the fire commission from 5 to 7 members which could ease the burden by spreading out any administrative workload handled by the commissioners.

All of the fire commission seats are filled as appointed by the Board of Supervisors with indefinite terms. The dependent FPD's (including East Davis FPD) are included in the annual audit of the County's Annual Comprehensive Financial Report (ACFR). It contracts with an external CPA to help assist with preparing the annual budget, review year end close and prepare and submit the annual SCO Financial Transactions Report. Dependent districts are not legally required to maintain a website; however, East Davis FPD maintains a website and received a 25% transparency score for best practices in 2021.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- The East Davis FPD sphere of influence should be updated to include the No Man's Land FPD territory and the portion of Springlake FPD territory south of County Road 29. Those areas should then be annexed into the East Davis FPD as part of a reorganization of the Elkhorn, No Man's Land, and Springlake FPDs.
- East Davis FPD and the City should review the contract terms to consider simplifying the financial obligations of each agency, including examining the purpose of the District maintaining a high fund balance. East Davis FPD's role as a pass-through entity should be streamlined to the greatest extent feasible.
- Dependent districts are not legally required to maintain a website. However, East Davis FPD maintains a website and received a 25% transparency score for best practices 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 MSR 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).”

| | YES | MAYBE | NO |
|--|--------------------------|-------------------------------------|-------------------------------------|
| a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input 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?*

Maybe. Most of the East Davis FPD populated territory is served, however some rural portions are unserved. In the urbanized portions of the East Davis FPD, El Macero and Willowbank have access to 987 Mbps (or nearly 1 Gbps/“Gig”) speeds while the Davis Creek Mobile Home Park only has access to 10 Mbps download and 1 Mbps upload speeds from AT&T (even though 1 Gig speeds are available from Comcast immediately surrounding the Park and were likely excluded for economic reasons). Most of the rural areas in the FPD surrounding these communities are only served by wireless service and far less than the 25/3Mbps broadband threshold.

Davis Creek Mobile Home Park is eligible to receive California Advanced Services Fund (CASF) Infrastructure grants as shown in the map below. Yolo County should explore grants to upgrade infrastructure with either the existing provider, AT&T, or Comcast which provides high speed broadband service in the immediate surrounding vicinity.



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

No. According to the CPUC Broadband Mapping Program, broadband adoption is 60% or greater for the FPD territory.

Comcast currently offers the Internet Essentials program for low-income households that may qualify if a subscriber is eligible for public assistance programs like the National School Lunch Program, Housing Assistance, Medicaid, SNAP, SSI and others. The program includes 50/5 Mbps internet service for \$9.95 a month plus tax, no activation/equipment rental fees, an option to purchase a computer for just \$149.99 plus tax, access to free Internet training online, in print and in person, a Wireless Gateway in-home WiFi at no

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additional cost, and access to Xfinity WiFi Hotspots.

AT&T offers a similar program for low-income households that includes 25 Mbps download speeds for \$10.00 per month with free installation, in-home Wi-Fi®, no deposit and no annual contract.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account⁶ and generally help troubleshoot technology challenges. Information and 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

Overall, broadband access in the East Davis FPD does not appear to be an issue that would disrupt fire protection and emergency services. According to the CPUC Broadband Mapping Program, broadband adoption is greater than 60% for the FPD territory.

Although El Macero and Willowbank have access to 987 Mbps (or nearly 1 Gbps/"Gig") speeds, the Davis Creek Mobile Home Park only has access to 10 Mbps download and 1 Mbps upload speeds from AT&T even though 1 Gig speeds are available from Comcast immediately surrounding the Park and were likely excluded for economic reasons. Most of the rural areas in the FPD surrounding these communities are only served by wireless service and far less than the 25/3Mbps broadband threshold. Davis Creek Mobile Home Park is likely a disadvantaged unincorporated community that has internet service provided by AT&T but at less than 50% of the minimum standard, which should be addressed.

Broadband Access MSR Recommendation

- Yolo County should explore CASF (California Advanced Services Fund) grants to upgrade infrastructure for the Davis Creek Mobile Home Park with either the existing provider, AT&T, or Comcast which provides high speed broadband service in the immediate surrounding vicinity.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Are there any recommendations from the agency's previous MSR that have not been implemented?*
No. There were no recommendations from the 2016 MSR specific to the East Davis FPD.

Status of Previous Recommendations MSR Determination

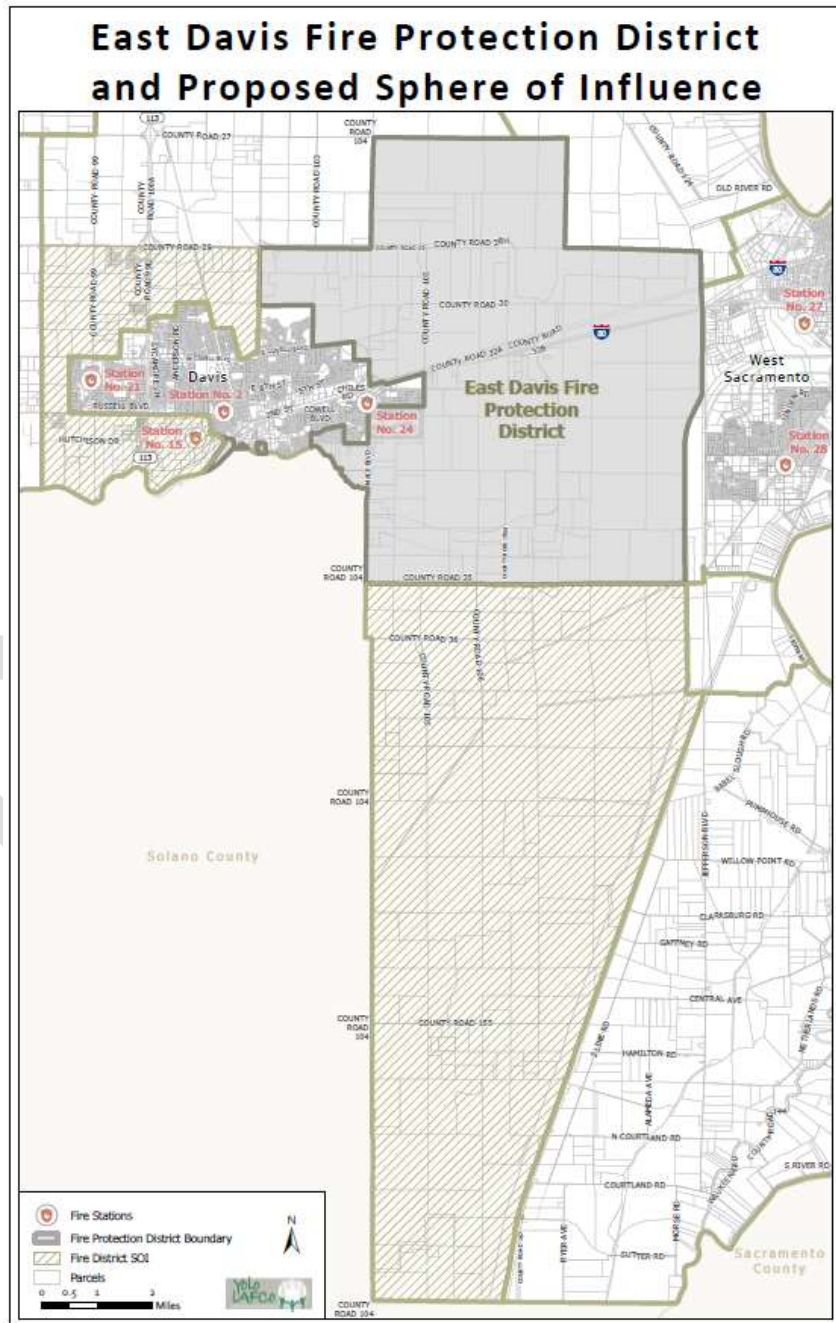
There were no recommendations from the 2016 MSR specific to the East Davis FPD.

⁶ Email from Mark Fink, Yolo County Librarian on May 26, 2021

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.



POTENTIALLY SIGNIFICANT SOI DETERMINATIONS

The SOI determinations below are potentially significant issues, as indicated by “yes” or “maybe” answers to the key policy questions in the checklist and corresponding discussion on the following pages.

- Present and Planned Land Uses
- Need for Public Facilities and Services
- Capacity and Adequacy of Provide Services
- Social or Economic Communities of Interest
- Disadvantaged Unincorporated Communities

1. PRESENT AND PLANNED LAND USES

The present and planned land uses in the area, including agricultural and open-space lands.

| | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| a) <i>Would the SOI conflict with planned, orderly and efficient patterns of urban development? Would the SOI impact the identity of any existing communities (e.g. community boundaries, postal zones, school, or other service boundaries)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Would the SOI result in the loss of prime agricultural land or open space?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Would the SOI conflict with any natural or made-made boundaries that would impact where services can reasonably be extended?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is there a conflict with the adopted SACOG Metropolitan Transportation Plan/Sustainable Communities Strategy?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-d) *Would the SOI conflict with planned, orderly and efficient patterns of urban development? Would the SOI impact the identity of any existing communities (e.g. community boundaries, postal zones, school, or other service boundaries)? Would the SOI result in the loss of prime agricultural land or open space? Would the SOI conflict with any natural or made-made boundaries that would impact where services can reasonably be extended? Is there a conflict with the adopted SACOG Metropolitan Transportation Plan/Sustainable Communities Strategy?*

No. The SOI is for fire protection and emergency response services only and would not affect present and planned land uses.

Present and Planned Land Uses SOI Determination

The SOI is for fire protection and emergency response services only and would not affect present and planned land uses.

2. NEED FOR PUBLIC FACILITIES AND SERVICES

The present and probable need for public facilities and services in the area.

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Would the SOI conflict with the Commission's goal to increase efficiency and conservation of resources by providing essential services within a framework of controlled growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Would the SOI expand services that could be better provided by a city or another agency?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Does the SOI represent premature inducement of growth or facilitate conversion of agriculture or open space lands?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Are there any areas that should be removed from the SOI because existing circumstances make development unlikely, there is not sufficient demand to support it?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>Have any agency commitments been predicated on expanding the agency's SOI such as roadway projects, shopping centers, educational facilities, economic development or acquisition of parks and open space?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Would the SOI conflict with the Commission's goal to increase efficiency and conservation of resources by providing essential services within a framework of controlled growth?*
 No. The SOI promotes the Commission's goal to increase efficiency and would not promote growth. The SOI Update is intended to improve accountability for community service needs, including governmental structure and operational efficiencies.
- b) *Would the SOI expand services that could be better provided by a city or another agency?*
 No. The SOI would not expand services; rather it better reflects and aligns with the services already provided by the City of Davis. The City of Davis is best suited to provide services more directly via the East Davis FPD. Please see MSR item 6a.
- c) *Does the SOI represent premature inducement of growth or facilitate conversion of agriculture or open space lands?*
 No. The SOI would not result in growth or conversion of agricultural or open space land.
- d) *Are there any areas that should be removed from the SOI because existing circumstances make development unlikely, there is not sufficient demand to support it?*
 No. The SOI Update is for fire protection and emergency response, which is provided countywide regardless of development demand.
- e) *Have any agency commitments been predicated on expanding the agency's SOI such as roadway projects, shopping centers, educational facilities, economic development or acquisition of parks and open space?*
 No. Not applicable.

Need for Public Facilities and Services SOI Determination

The SOI would not expand services. It reflects and aligns FPD boundaries with the services already provided by the City of Davis. Services for No Man's Land FPD and the portion of Springlake FPD south of CR 29 have already evolved to the best service provider, the City of Davis. The SOI would align FPD

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boundaries to catch up with the evolution of fire service. The SOI promotes the Commission’s goal to increase efficiency provide services more directly via the East Davis FPD (please also see MSR item 6a).

3. CAPACITY AND ADEQUACY OF PROVIDED SERVICES

The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

| | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| a) <i>Are there any issues regarding the agency’s capacity to provide adequate services in the proposed SOI territory and ability to extend services?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Are there any issues regarding the agency’s capacity to provide adequate services in the proposed SOI territory and ability to extend services?*

No. The City of Davis already provides fire protection and emergency response services in the SOI territory, has capacity, and provides adequate services.

Capacity and Adequacy of Provided Services SOI Determination

The City of Davis already provides fire protection and emergency response services in the SOI territory, has capacity, and provides adequate services.

4. SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST

The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Are there any social or economic communities of interest in the area if the commission determines that they are relevant to the agency (see also MSR checklist question 2b)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Are there any social or economic communities of interest in the area if the commission determines that they are relevant to the agency (see also MSR checklist question 2b)?*

No. Not applicable.

Social or Economic Communities of Interest SOI Determination

There are no social or economic communities of interest in the SOI area.

5. DISADVANTAGED UNINCORPORATED COMMUNITIES

For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

| | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| a) <i>If the subject agency provides public services related to sewers, municipal and industrial water or structural fire protection (same as MSR checklist question 2a) does the proposed SOI exclude any disadvantaged unincorporated community (per MSR checklist question 2b) where it either may be feasible to extend services or required to be included under SB 244?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *If the subject agency provides public services related to sewers, municipal and industrial water or structural fire protection (same as MSR checklist question 2a) does the proposed SOI exclude any disadvantaged unincorporated community (per MSR checklist question 2b) where it either may be feasible to extend services or required to be included under SB 244?*

Not applicable. There are no disadvantaged unincorporated communities in the SOI territory, and all unincorporated territory receives fire protection services. The SOI Update is intended to improve accountability for community service needs, including governmental structure and operational efficiencies.

Disadvantaged Unincorporated Communities SOI Determination

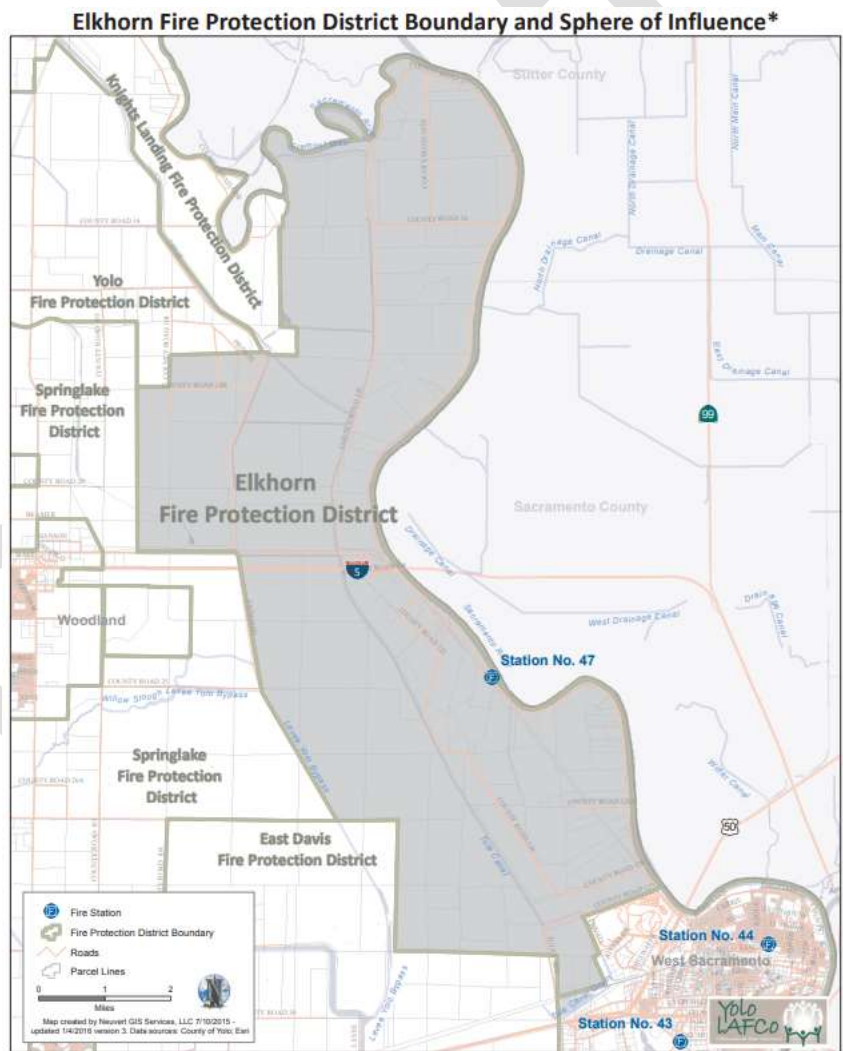
There are no disadvantaged unincorporated communities in the SOI territory, and all unincorporated territory receives fire protection services. The SOI Update is intended to improve accountability for community service needs, including governmental structure and operational efficiencies.

AGENCY PROFILE

The Elkhorn Fire Protection District (Elkhorn FPD) was formed in 1965 and is authorized to provide fire protection and emergency response services. It was formed as an independent district with a five-member board, each appointed by the Board of Supervisors to serve four-year terms.

The District is 30,703 acres in size and does not serve any unincorporated towns. The District contains 51 residential and 2 commercial addresses and its population is estimated to be 128 residents¹. However, the FPD estimates the population is closer to 80-90 residents. Elkhorn FPD also has several high-volume traffic corridors through its territory, the I-5 bridge over the Sacramento River and Old River Road. The Elkhorn FPD Station 47 is located at 19756 Old River Road, northeast of West Sacramento, which houses 5 apparatus and has 0 paid staff, 0 reserves and 10 volunteer firefighters.

The FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.



¹ 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 checked="" 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 checked="" 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.

| 1. GROWTH AND POPULATION | YES | MAYBE | NO |
|---|-------------------------------------|--------------------------|--------------------------|
| Growth and population projections for the affected area. | | | |
| 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) <i>Do changes in demand suggest a change in the agency's services?</i> | <input checked="" type="checkbox"/> | <input 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?*

Yes. The population for Elkhorn FPD is currently estimated to be 80-90 people. The FPD territory has limited development and growth opportunities. Except for the Elkhorn Station, it is entirely zoned for agricultural use. However, according to data from the Yolo Emergency Communications Agency (YECA), Elkhorn FPD calls have increased significantly. Over the last three fiscal years, total dispatched calls were 95 in 2018/19, 114 in 2019/20 and 168 in 2020/21, which is a 77% increase in dispatch volume. Increased demand for emergency services is attributable to growth outside of the District along I-5 and Old River Road traffic corridors through the District. Population growth and corresponding demand for services from that population within the District is expected to be minimal. But continued traffic growth will impact the District's demands.

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b) *Do changes in demand suggest a change in the agency's services?*

Yes. As discussed in the Capacity and Adequacy of Public Facilities and Services Section (Items 3a and 3b), Elkhorn FPD is not adequately responding to its current demand and should cede its services to the cities of Woodland and West Sacramento. The Accountability, Structure and Efficiencies Section (Item 6a) recommends the Elkhorn FPD should be dissolved and its territory annexed into districts already served by these cities.

Growth and Population MSR Determination

The population for Elkhorn FPD is currently estimated to be 80-90 and has limited development and growth opportunities. According to data from the Yolo Emergency Communications Agency (YECA), Elkhorn FPD demand for service/call volume has increased significantly. Over the last three fiscal years, total dispatched calls were 95 in 2018/19, 114 in 2019/20 and 168 in 2020/21, which is a 77% increase in dispatch volume. Most of dispatches are responding to traffic accidents passing through the District. As discussed in the Capacity and Adequacy of Services section, Elkhorn FPD is not adequately responding to its current demand and should cede its services to the cities of Woodland and West Sacramento. The Elkhorn FPD should be dissolved and its territory annexed into districts already served by these cities.

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 Elkhorn FPD territory is not disadvantaged², 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.*

² CALAFCO Statewide DUC Map using American Community Survey 5-Year Data (2015-19) Updated March 2022

Not applicable.

Disadvantaged Unincorporated Communities MSR Determination

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

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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) <i>Are there any issues regarding the agency’s capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <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)?*

Maybe. One of Elkhorn FPD’s apparatus exceeds the recommended 25-year lifespan.

Fire Station

The Elkhorn FPD Station 47 was built in 1999 and is located at 19756 Old River Road. The Station includes an office space, sleeping facilities, a bathroom including a shower, and a kitchen. There are no major capital improvements planned or needed for the fire station



Apparatus:

EFPD has five apparatus as listed below.

| Use | Apparatus | Type | Age (yrs) | Reserve? |
|------------------------|-------------|--------|-----------|----------|
| Structure Fires | Engine-47 | 1 | 20 | No |
| Wildlands Fires | Grass – 47* | 3 | 0 | No |
| | Squad-47 | 6 | 3 | No |
| | Squad-247 | 7 | 32 | Yes |
| Water Tenders | Water-47 | Tender | 43 | No |
| Command/Utility | None | | | |
| Other Apparatus | None | | | |

* Delivery of new grass rig delayed until summer 2022.

A new grass rig was ordered and is expected June 2022. However, the Elkhorn FPD still has a water tender that is 43 years old and the FPD indicates it plans to replace it in the next year or two. The Chief indicates the water tender has minimal hours and is mechanically sound. This is the next truck planned for replacement. Therefore, one of the four key apparatus exceed the recommended 25-year lifespan and should be scheduled for replacement as funding allows. According to the Chief, all Elkhorn FPD apparatus receive quarterly checks and scheduled maintenance service. Hoses and ladders are tested regularly and are usually tested during training.

Elkhorn FPD currently supplies all responding members with appropriate, in-date personal protective equipment (PPE). SCBAs receive annual flow testing and all SCBA bottles are within required hydro testing requirement. Personnel are fit tested on an annual basis.

Elkhorn FPD operates adequate communications equipment including radios in each apparatus with current programming that meets the needs for incident response. All apparatus have one portable radio on board and extras are charged and available at the station. All volunteers have their own portable devices.

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. 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. Elkhorn FPD is not rated.

- 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).*

Yes. As discussed below, personnel and apparatus response are significantly below recommended levels and Elkhorn FPD has also had a significant number of missed calls.

Staff, Coverage and Training

The Elkhorn FPD has 10 volunteers and its station is not staffed regularly. Elkhorn FPD signed an auto aid agreement with the cities of Sacramento, West Sacramento and Woodland that have been in effect since 2015. Elkhorn FPD has written operating policies and guidelines for its staff. All response personnel receive base level minimum training to respond to incidents adequately and safely. Incident Command System (ICS) basic training is a requirement before responders can respond to incidents. Elkhorn FPD volunteers participate in the Yolo County Firefighters Association (YCFA) Training Program when available. Responding personnel are fit tested on an annual basis.

Incident Reporting and Adequacy of Services

Elkhorn FPD utilizes Emergency Reporting web-based program for reporting and documentation to the National Fire Incident Reporting System (NFIRS). Regarding the adequacy of response, standards for the number of personnel and apparatus were determined by the YCFA MSR Subcommittee for fire and rescue/ EMS calls³.

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

³ By consensus of the Yolo County Firefighters Association 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.

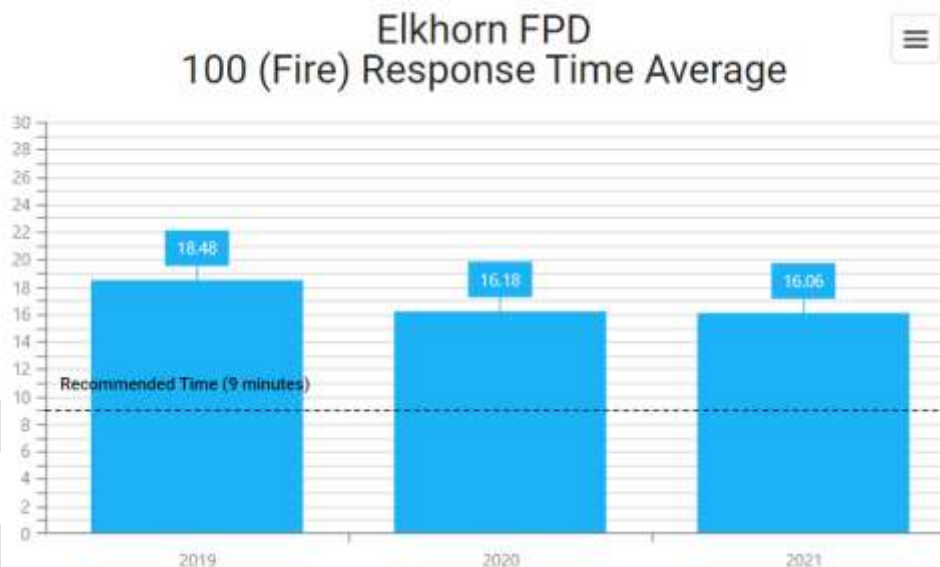
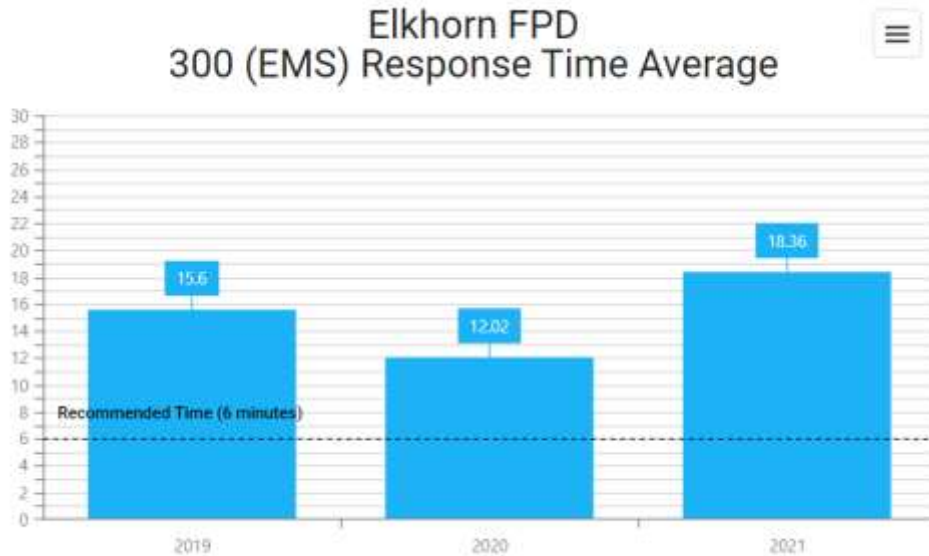


The data Elkhorn FPD reported to NFIRS is for the last three fiscal years only and it indicates Elkhorn FPD is not able to respond to rescue/EMS or fire calls with adequate personnel and apparatus on scene. It shows a significant uptick in rescue/EMS calls which correlates to anecdotal reports that traffic accidents on I-5 and Old River Road are increasing significantly. The District lost 4 volunteer firefighters in 2018 and is rebuilding its staff. Rescue/EMS calls outnumber fire calls by nearly 7:1. Elkhorn FPD officials have expressed the challenge to access calls on I-5 quickly (after Caltrans installed a continuous center median divider) and respond with sufficient trained personnel to be safe on the accident scene. However, the District in recent years has added 4 volunteers to the department. It has also been able to staff the department during red flag warning days, and extreme weather days during the winter.

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 averages⁴ for the 2019 – 2021 calendar years are shown below.

⁴ 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.



According to YECA data, Elkhorn FPD has had 48 missed calls over the last three FYs as reported by YECA (24 or 27% of calls in FY 18/19, 14 or 13.1% of calls in FY 19/20, and 10 or 6.7% of calls in FY 20/21).

FPD Level of Service Evaluation

NFPA 1720 requires FPDs to evaluate its level of service, deployment, and response time objectives on an annual basis. Elkhorn FPD should provide a written evaluation of the FPD's level of service, deployment, and response time objectives on an annual basis, ideally as an agenda item at a board meeting.

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

Yes. Please see the response to 1(a). Elkhorn FPD is not adequately responding to its current demand as discussed above. An increase in future call volume may exacerbate poor level of service.

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.

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.

Capacity and Adequacy of Public Facilities and Services MSR Determination

The nature of emergency response has changed significantly since the Elkhorn FPD was formed in 1965. Development outside the FPD territory has occurred generating increased traffic on I-5 and modern navigation software directs trips down Old River Road to bypass it. Elkhorn FPD officials have expressed the challenge to access calls on I-5 quickly (after Caltrans installed a continuous center median divider) and respond with sufficient trained personnel to be safe on the accident scene. In 2015, Elkhorn FPD signed an auto aid agreement with the cities of Sacramento, West Sacramento, and Woodland.

The Elkhorn FPD has five apparatus total, one of which is a reserve apparatus. Its grass rig was replaced in 2022 but still has a water tender that exceeds the recommended 25-year lifespan. Elkhorn FPD is not ISO rated.

The Elkhorn FPD has 10 volunteers and the station is not staffed regularly, but it does cover the station during projected extreme weather forecasts (e.g., heavy winds and rain during the winter and red flag days of high winds and extreme fire danger in the summer). YECA reports a 77% increase in dispatches for the FPD in just the last three fiscal years. The NFIRS data also shows a significant uptick in rescue/EMS calls which now outnumber fire calls by nearly 7:1. Elkhorn FPD reported NFIRS data indicates it is not able to respond to rescue/EMS or fire calls with adequate personnel and apparatus on scene. Elkhorn FPD has missed 14% of its calls (within jurisdiction) over the last three FYs as reported by YECA.

Elkhorn FPD has a relatively low number of volunteers and without much resident population to draw from, the next step to adequately respond to calls would be a stipended reserve program, which would require an increase in the FPD's assessment to pay for it (and needed replacement apparatus). However, the increased service demand is being generated primarily from traffic accidents from vehicles originating outside the FPD passing through the District. The cities of West Sacramento and Woodland are already covering Elkhorn FPD's calls under its auto aid agreement such that the Elkhorn FPD service is now redundant and inferior to the cities' service. Elkhorn FPD has done a remarkable job with its limited resources for decades, but it can't keep up with changing conditions and increasing service demand (as evidenced by the 2016 LAFCo recommendation that it should contract for services from nearby cities). Therefore, LAFCo recommends service would be better provided by the cities of Woodland and West Sacramento.

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

- Elkhorn FPD's facilities and services should be provided by the cities of West Sacramento and Woodland, divided geographically to minimize response times.

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 not keep pace with increased costs?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input 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"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Is the organization's revenue 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Financial Background

| ELKHORN FIRE PROTECTION DISTRICT | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES | | | | | |
| | 2017 | 2018 | 2019 | 2020 | 2021 |
| <u>Revenue</u> | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 47,993 | \$ 49,968 | \$ 48,759 | \$ 46,416 | \$ 48,134 |
| Interest | 1,307 | 3,705 | 9,694 | 8,722 | 583 |
| Intergovernmental grants | 67,157 | - | - | - | - |
| Special assessment | 68,409 | 67,364 | 67,368 | 67,368 | 63,719 |
| Other revenue | 1,048 | - | - | 1,500 | - |
| New debt | - | - | 118,214 | - | - |
| Total Revenue | 185,914 | 121,037 | 244,035 | 124,006 | 112,436 |
| <u>Expenditures</u> | | | | | |
| Salaries and benefits (insurance only) | 2,920 | 2,411 | 2,415 | 2,452 | 2,440 |
| Services and supplies | 25,039 | 21,007 | 28,870 | 39,384 | 42,056 |
| Debt service (principal and interest) | - | - | 42,913 | 85,828 | - |
| Contributions to volunteers | - | - | - | 440 | 4,960 |
| Capital Assets: | | | | | |
| Equipment | 74,619 | - | 171,409 | 40,000 | - |
| Total Expenditures | 102,578 | 23,418 | 245,607 | 168,104 | 49,456 |
| Net income (loss) | 83,336 | 97,619 | (1,572) | (44,098) | 62,980 |
| Beginning Fund Balance | 167,109 | 250,445 | 348,064 | 346,492 | 302,394 |
| Ending Fund Balances | \$ 250,445 | \$ 348,064 | \$ 346,492 | \$ 302,394 | \$ 365,374 |
| <u>Fund Balances</u> | | | | | |
| Unassigned | \$ 250,445 | \$ 348,064 | \$ 346,492 | \$ 302,394 | \$ 365,374 |
| Total Fund Balances | \$ 250,445 | \$ 348,064 | \$ 346,492 | \$ 302,394 | \$ 365,374 |
| <u>Y-T-Y Change in total Fund Balances</u> | | | | | |
| Amount Increase (Decrease) | \$ 83,336 | \$ 97,619 | \$ (1,572) | \$ (44,098) | \$ 62,980 |
| Percentage Increase (Decrease) | 49.87% | 38.98% | -0.45% | -12.73% | 20.83% |
| <u>Property Tax Analysis</u> | | | | | |
| a. Assessed Value (AV) | \$ 157,006,973 | \$ 166,721,325 | \$ 152,447,122 | \$ 145,506,183 | \$ 150,192,450 |
| b. Y-T-Y Percentage change in AV | -2.41% | 6.19% | -8.56% | -4.55% | 3.22% |
| c. Current secured, unsecured and HOPTR | \$ 48,182 | \$ 50,258 | \$ 48,599 | \$ 46,401 | \$ 47,972 |
| d. District share of general 1% levy (c/a) | 3.0688% | 3.0145% | 3.1879% | 3.1889% | 3.1940% |

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 not keep pace with increased costs?*

Maybe. The District's is currently financially stable in that total revenues exceed expenses each year. However, total core revenues (property taxes and special assessments) have **decreased** slightly on average 0.79% a year. Generally, it is expected that there would be at least a modest increase in core revenues since property taxes generally increase year over year, however most of the Elkhorn FPD territory is under Williamson Act contracts. In addition, operating expenditures, excluding debt service

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and capital expenditures have increased on average 14% per year. Although the 5-year trend shows the District has operated in the black and fund balance has increased by \$198,265, expenditures for services and supplies are increasing and may slowly erode annual gains and eventually decrease the fund balance. Total fund balance as of June 30, 2021 is \$365,374 of which all can be used for any purpose (unrestricted).

Revenue

Elkhorn FPD's revenue consists of property taxes, special assessments, interest, a grant in 2017, and other miscellaneous revenue. Like other rural fire districts, Elkhorn 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 \$48,134 comprised 43% of total revenues. The District's share of property taxes within its boundaries is approximately 3.2%, while the average for all rural FPDs in the county is 6.2%. The District has levied a special assessment since 2016. In 2021, special assessment revenue was \$63,719 which accounted for 57% of total revenue. However, special assessment revenue has declined from \$68,409 in 2017 to \$63,719 in 2021. Other revenues over the past 5 years include a federal grant that the City of West Sacramento applied for on behalf of multiple departments in the amount of \$67,157, and other revenue totaling \$2,548.

Expenditures

District operating expenditures (i.e., services and supplies), increased an average of 14% a year.

Capital expenditures

| | | |
|------|-----------|---|
| 2017 | \$ 74,619 | (10) SCBA units (90% funded from grant) |
| 2019 | \$171,409 | Ford F-550 Type 6 Squad 47 |
| 2020 | \$ 40,000 | 2001 Type 1 Engine 47 |

The District mostly relies partly on the acquisition of used apparatus.

District revenue is not keeping pace with increasing operating costs and capital asset replacement.

- 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 District relies on the County's Department of Financial Services to record transactions in accordance to generally accepted accounting principles. Beginning in March 2022, the District hired an external accountant to process accounts payable. The financial transactions processed by the external accountant will be forwarded to the County to be recorded in the County's financial system which will still be the official books of the District. The responsibilities of the external accountant, the County and the District should be set forth in a Memorandum of Understanding.

- 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?*

Maybe. Elkhorn FPD recently hired an accountant to process accounts payable. Information is given to the County to record in the County's financial system. Staff still needs to review the County's financial reports for the items noted above. The FPD indicates it is in the process of generating standard procedures and policies relating to this issue.

- 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 Fire Chief emails reports provided by the County to the board as they become available. The reports include a current year budget to actual comparison (Infor GL293), trial balance (Infor GL291),

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General Ledger (Infor GL290) and balance sheet (Infor GL292). The receipt and review of the financial reports by the District's board is not noted in the minutes.

- 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?*

No. Revenues are reliable with the majority coming from property taxes, special assessments, and interest that are all collected and allocated by the County. However, revenue is decreasing.

- f) *Is the organization's revenue 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 core revenues have decreased slightly over the past 5 years while expenditures have increased on average 14% per year. In addition, revenues have not been sufficient to accumulate funds to replace apparatus within the recommended life of the apparatus. Fund balance as of June 30, 2021 of \$365,374 is approximately \$965,000 below the minimum recommended amount.

- 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 a reserve policy nor a capital improvement plan (CIP). The District is working with outside counsel and its accountant to create a reserve policy. Total fund balance of \$365,374 is approximately \$965,000 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.

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

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|---------------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | - | | |
| Other funds | - | | |
| | - | 1,269,000 | (1,269,000) |
| General reserve | - | 55,000 | (55,000) |
| Unassigned | 365,374 | 7,000 | 358,374 |
| Total Recommended Fund Balance | \$ 365,374 | \$ 1,331,000 | \$ (965,626) |

- 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 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

The District currently is not generating sufficient revenue to fund increasing operating expenditures and apparatus replacement in the long-term. Core revenues have declined slightly over the past 5 years while operating expenditures have increased on average 14% per year. Total fund balance has increased by \$198,265 from \$167,109 to \$365,374. However, total fund balance is approximately \$965,000 below a recommended best practice amount which includes funds that should be set aside for apparatus replacement, liquidity needs, and for unanticipated expenditures or decrease in revenue. Additional revenue will be required to replace apparatus as recommended and to hire staff for station coverage appropriately to improve call performance. The District has recently hired an external accountant to process accounts payable but will continue using the County’s financial system as the official accounting records. The District board receives financial reports, but it is not noted in the minutes.

Financial Ability MSR Recommendation(s)

- Should the Elkhorn FPD not be dissolved, it should review financial data on a regular basis and are discrepancies identified, investigated and corrective action taken in a timely manner.
- Should the Elkhorn FPD not be dissolved, it should 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. The District should develop reserve policies to fund increased services, the CIP, and maintain an adequate fund balance.
- Should the Elkhorn FPD not be dissolved, it should consider increasing Elkhorn FPD’s special assessment to provide funding for staffing to improve personnel/apparatus response and timely apparatus/equipment replacement. However, LAFCo suggests raising assessments for District landowners may not be reasonable considering much of the increased demand is being generated outside the FPD.

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. The cities of West Sacramento and Woodland are already assisting in covering Elkhorn FPD’s calls under its 2015 auto aid agreement and the Elkhorn FPD service is now redundant and inferior to the cities’ service. Therefore, LAFCo recommends service would be better provided by the cities of Woodland and West Sacramento.

Shared Services MSR Determination

The cities of West Sacramento and Woodland are already responding to calls in Elkhorn FPD’s service area under the 2015 auto aid agreement and the Elkhorn FPD service is now redundant and inferior to the cities’ service. Therefore, LAFCo recommends service would be better provided by the cities of Woodland and West Sacramento.

Shared Services MSR Recommendation

- Elkhorn FPD’s facilities and services should be provided by the cities of West Sacramento and Woodland, divided geographically to minimize response times.

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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololafo.org/yolo-local-government-website-transparency-scorecards)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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. The cities of West Sacramento and Woodland are already covering Elkhorn FPD's calls under its 2015 auto aid agreement and the Elkhorn FPD service is now redundant and inferior to the cities' service. Therefore, LAFCo recommends service would be better provided by the cities of Woodland and West Sacramento. This would result in the City of Woodland providing service outside its jurisdictional boundary to portions of both the Springlake and Elkhorn FPDs and the City of West Sacramento providing service to a portion of the Elkhorn FPD and the Garcia Bend County Service Area (CSA) 9. The simplest governmental structure to be accountable and provide for community service needs in an efficient manner would be to consolidate service territory served by each city under one district. Such a structure would be more uniformly accountable for community service needs and

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efficient. Therefore, LAFCo recommends the Elkhorn FPD be dissolved and its service territory be annexed into Springlake FPD (for the City of Woodland service area) and CSA 9 (for the City of West Sacramento service area), dividing up the territory geographically to minimize response times.

- 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 the FPD board seats are filled. The Fire Chief recently left the FPD board because there was concern the position of fire chief might be incompatible with membership on the district board (see 84 Cal. Op. Att’y Gen. 94 (2001); 66 Ops. Cal. Atty. Gen. 176 (1983); but see 76 Ops. Cal. Atty. Gen. 38 (1993)).”

| Name / Title | Start | End |
|---------------------|--------------|------------|
| Gary McLaughlin / | 01/28/2020 | 03/01/2024 |
| Brent Noble / | 01/28/2020 | 03/01/2024 |
| William Mattos / | 05/19/2020 | 06/01/2024 |
| Paul Berg / | 02/22/2022 | 01/01/2026 |
| Thomas Kane / | 05/10/2022 | 05/01/2026 |

If the Elkhorn FPD were dissolved and annexed into other districts, Elkhorn FPD board members may be eligible to serve on the Springlake FPD Fire Commission.

- 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?*

Maybe. The District’s volunteer Chief has served in this role for decades and provides financial management and accountability. However, there is an issue with not having enough volunteer personnel (see Capacity section).

In addition, the Elkhorn FPD’s previous legal counsel, which kept the Elkhorn FPD records, has been slow to respond to the Chief’s numerous requests for records to provide to LAFCo. Elkhorn FPD files were finally returned to the Chief and the meeting minutes are incomplete. Minutes were missing for any meetings in FY 18/19, FY 19/20, and only one set of minutes for FY 20/21. However, the District has new counsel, and is in the process of a general governance update and clean up in response to these issues.

- 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. The Chief has indicated the Elkhorn FPD does not have any such policies, but with new legal counsel it is working on them.

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

No. Elkhorn FPD has been exempted from needing to file Statements of Economic Interests.

- f) *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 most recent audit provided by the Elkhorn FPD is for fiscal years 2014 through 2018. The Elkhorn FPD is required to conduct an audit every five years. The same auditors were used for the last two audit cycles covering 10 years.

- g) *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?*

No. Elkhorn FPD has hired an outside accountant to evaluate and manage FPD finances and verify the County Department of Financial Services (DFS) accounting coding is accurate. The District contracts with an audit firm to prepare and submit the annual State Controller's Financial Transactions Report, however there is not a discussion of the District's financial condition between the report preparer and the District.

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

No. The Elkhorn FPD does not have a website, but it has adopted resolutions of hardship each year, so it remains in compliance with state law.

Accountability, Structure and Efficiencies MSR Determination

Fire protection and emergency response services in Elkhorn FPD's service territory would be better provided by the cities of Woodland and West Sacramento. This would result in the City of Woodland providing service outside its jurisdictional boundary to portions of both the Springlake and Elkhorn FPDs and the City of West Sacramento providing service to a portion of the Elkhorn FPD and the Garcia Bend County Service Area (CSA) 9. The simplest governmental structure to be accountable and provide for community service needs in an efficient manner would be to consolidate service territory served by each city under one district. Such a structure would be more uniformly accountable for community service needs and efficient.

All the FPD board seats are filled and if the Elkhorn FPD were dissolved and annexed into other districts, Elkhorn FPD board members may be eligible to serve on the Springlake FPD Fire Commission to represent the territory's interests. The Elkhorn FPD's Chief has served this role for decades and provides financial management and accountability, however, there is an issue with not having a sufficient number of volunteer personnel although the District is apparently working on it. Accountability is also hampered by the slow responsiveness of Elkhorn FPD's prior legal counsel and the lack of minutes for meetings in FY 18/19, FY 19/20, and only one set of minutes for FY 20/21.

The Elkhorn FPD is required to conduct its audits on a five-year cycle and is current in its audits, last completed through 2018. The Elkhorn FPD does not have a website, but it has adopted resolutions of hardship each year, so it remains in compliance with state law.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- Elkhorn FPD should be dissolved and its territory annexed into Springlake FPD (for the City of Woodland service area) and CSA 9 (for the City of West Sacramento service area), dividing up the territory geographically to minimize response times.
- Should the Elkhorn FPD not be dissolved, it should adopt policies relating to personnel/payroll, general and administrative, board member and meetings, and segregating financial and accounting duties as soon as possible.
- Should the Elkhorn FPD not be dissolved, it should ensure the District's records are maintained in a complete manner and accessible to its staff.

7. BROADBAND ACCESS

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

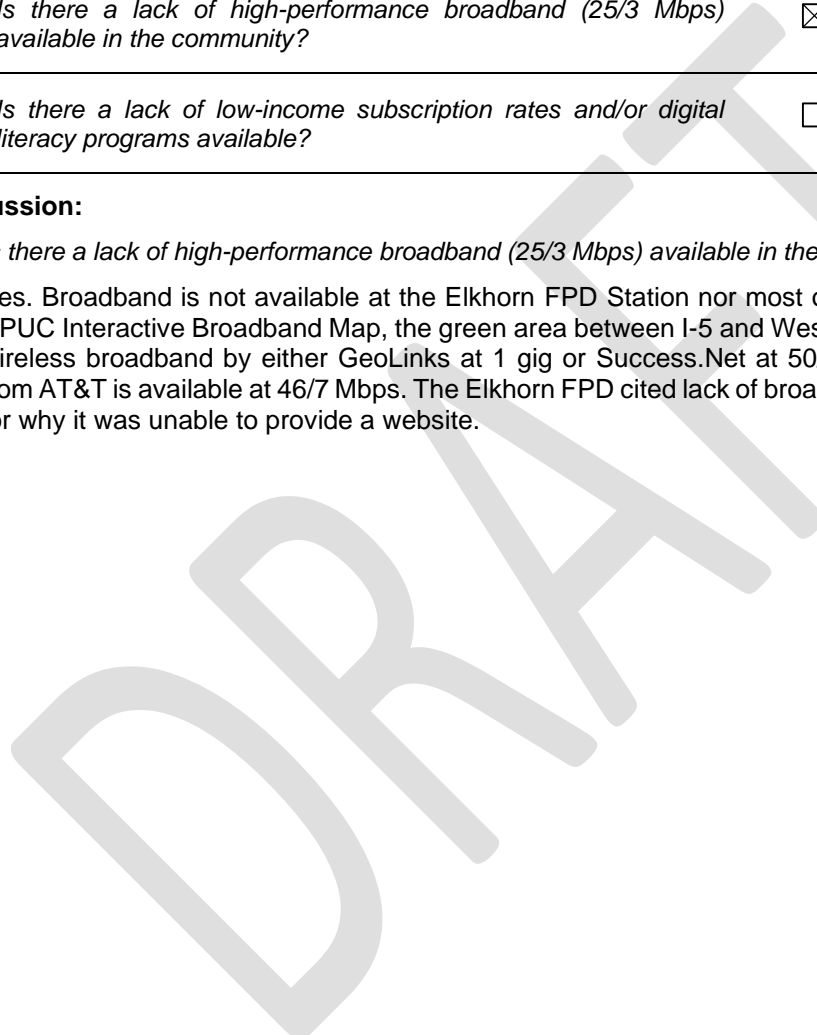
Per Yolo LAFCo Project Policy 6.2 “it is the intent of Yolo LAFCo to comprehensively review broadband access in MSRs of local agencies that either serve communities and/or provide emergency services where broadband connection is critical (i.e. cities, CSDs, CSAs, FPDs and RDs).”

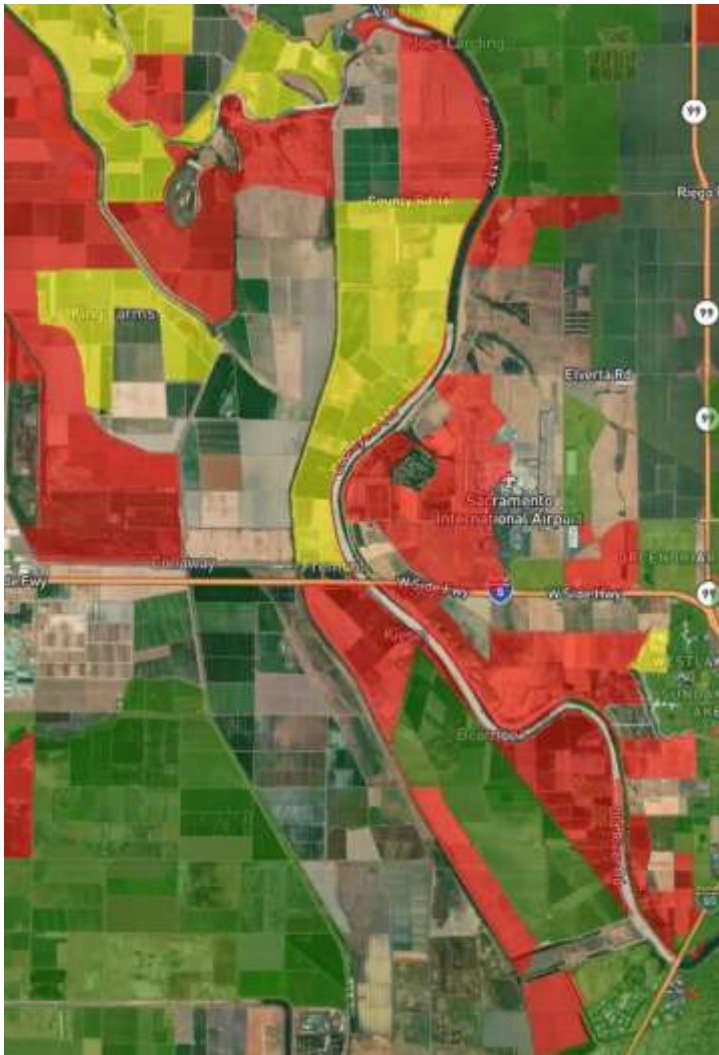
| | YES | MAYBE | NO |
|--|-------------------------------------|-------------------------------------|--------------------------|
| a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input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

Discussion:

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

Yes. Broadband is not available at the Elkhorn FPD Station nor most of its territory. According to the CPUC Interactive Broadband Map, the green area between I-5 and West Sacramento is provided fixed wireless broadband by either GeoLinks at 1 gig or Success.Net at 50/10 Mbps. Mobile/cellular data from AT&T is available at 46/7 Mbps. The Elkhorn FPD cited lack of broadband in its hardship resolution for why it was unable to provide a website.





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

Maybe. GeoLinks does not provide service cost information on its website. AT&T offers an Affordable Connectivity Program that allows qualified households to lower their wireless costs by \$30 per month. According to the CPUC Broadband Mapping Program, broadband adoption is between 60% to 80% for the Elkhorn FPD territory.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account⁵ and generally help troubleshoot technology challenges. Information and 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. However, the closest libraries are 10 miles away in either West Sacramento or Woodland.

Broadband Access MSR Determination

Broadband is not available at the Elkhorn FPD Station nor most of its territory. According to the CPUC Interactive Broadband Map, the green area between I-5 and West Sacramento is provided fixed wireless broadband by either GeoLinks at 1 gig or Success.Net at 50/10 Mbps. Mobile/cellular data from AT&T is available at 46/7 Mbps. Costs for GeoLinks is not available, Succeed.net is \$80/month for a broadband speed plan, and AT&T offers a \$30 reduction in its mobile plan for low-income households. The Elkhorn FPD cited lack of broadband in its hardship resolution for why it was unable to provide a website.

Broadband Access MSR Recommendation

- Yolo County should consider the lack of broadband service in the Elkhorn area as it addresses rural access issues.

⁵ Email from Mark Fink, Yolo County Librarian on May 26, 2021

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 Elkhorn FPD

- 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.
- Elkhorn FPD should consider a contract for service with the City of Woodland and/or the City of West Sacramento to achieve long-term fiscal sustainability and continuity of services.
- Elkhorn, Knights Landing, Madison, and Yolo FPDs should consider seeking grant funding for apparatus replacement to facilitate long-term fiscal viability.

Status of Previous Recommendations MSR Determination

Elkhorn FPD has not adopted fiscal policies and a capital renewal/replacement plan as recommended in the 2016 MSR, although with new counsel and accountant the District is apparently working on these items. A contract for service with the cities of West Sacramento and Woodland has not been executed. Elkhorn FPD received approximately \$61,000 of grant funding in 2017 and none in the 2018-2021 fiscal years.

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

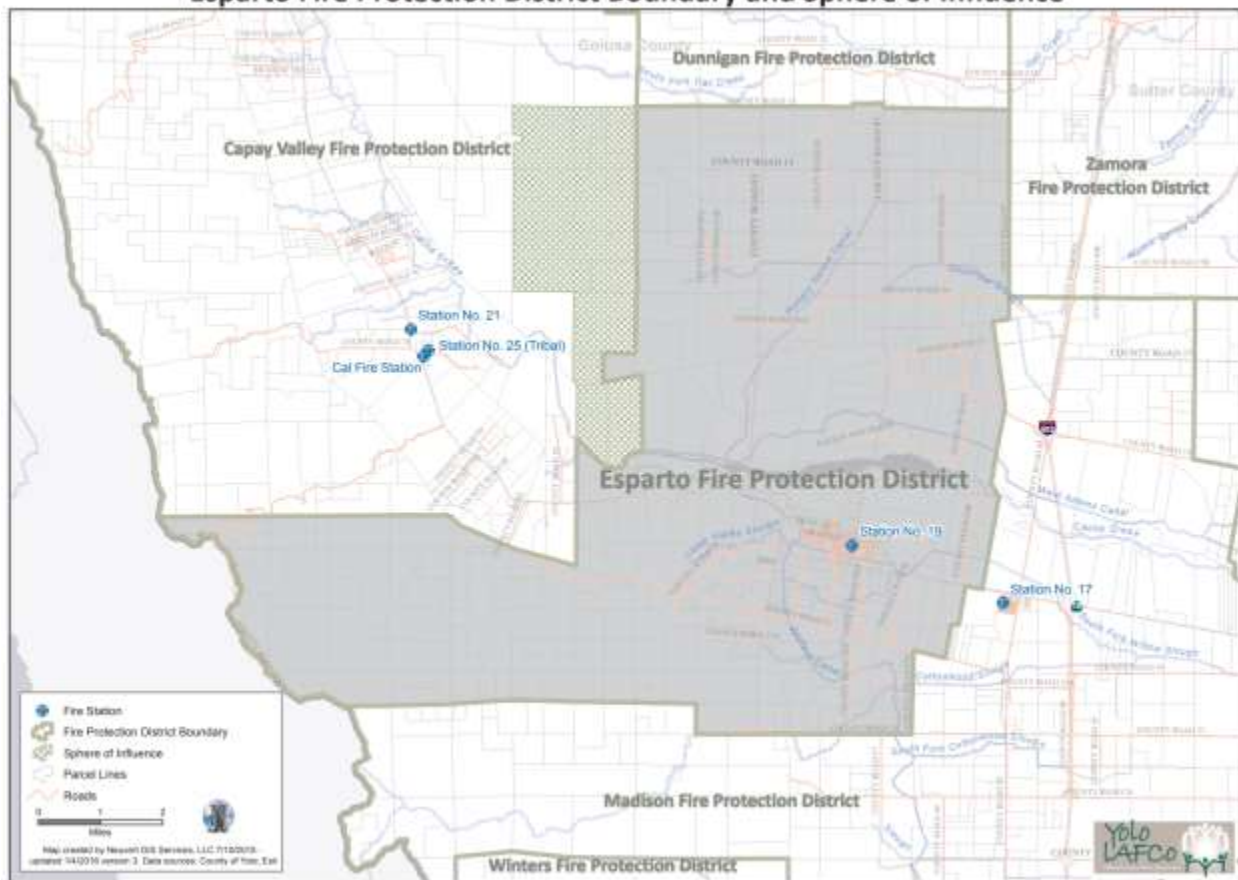
AGENCY PROFILE

The Esparto Fire Protection District (FPD) was formed in 1931 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 48,162 acres in size and serves the unincorporated towns of Esparto, Capay and the surrounding rural area. The District contains 1,249 residential addresses, however 12 of these residential addresses includes 113 existing multi-family units (for 1,350 total residential units). Therefore, its residential population is estimated to be 3,780 residents¹, Esparto also serves as a regional hub and has a daily influx of additional population to attend work, schools, sports events, and shopping/dining and includes 42 commercial addresses. The Esparto FPD station is located at 16960 Yolo Avenue in Esparto, which houses 8 apparatus has 2.5 paid staff, 4 reserves and 23 volunteers (29 staff in total including 23 firefighters).

The Esparto FPD boundary and sphere of influence (SOI) is shown below. The SOI area was adopted by LAFCo in 2016 to accommodate a territory swap with Capay Valley FPD to facilitate more efficient dispatch.

Esparto Fire Protection District Boundary and Sphere of Influence



Adopted by Yolo LAFCo June 23, 2016

¹ 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 checked="" 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.

1. GROWTH AND POPULATION

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

Discussion:

- a) *Will development and/or population projections over the next 5-10 years impact the subject agency's service needs and demands?*

Yes. The population for Esparto FPD is currently estimated to be 3,780. The town of Esparto has a population of 3,572 per the 2020 Census and is the only town in the County currently experiencing significant development-related growth. There are three subdivisions, an apartment complex, and two large County funded facilities planned for Esparto. The residential development equals 350-400 additional units, which would increase the population of Esparto by roughly 1,000 people and increase the size of the town by approximately 26%. Esparto FPD has an adopted development impact fee to cover the costs of providing additional service to new development but it only covers one-time capital expenses for new development. Because the Esparto FPD collects on average 3.9% of property taxes generated in the District (which is relatively low as compared to FPD average of 6.2%), the additional property tax revenues may not adequately cover the costs of serving new growth.

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Over the last three fiscal years, total calls that resulted in Esparto FPD dispatched apparatus/personnel were 460 in FY 18/19, 532 in FY 19/20 and 589 in FY 20/21, a 28% increase in only three years.

b) *Do changes in service demand suggest a change in the agency's services?*

No. Population changes would not necessarily trigger an SOI or boundary change. In the 2016 MSR, a boundary swap was recommended with Capay Valley FPD to provide a more efficient response time. However, in 2021 both FPDs entered into a Joint Operations Agreement (JOA) and are working together and coordinating operations. As discussed in the Shared Services section, a JOA with Capay Valley FPD and hopefully Madison FPD as well would scale-up fire services to operate more as a regional unit for support and resiliency purposes. Therefore, changes in service demand do not suggest a change in the agency's services or boundaries.

Growth and Population MSR Determination

The population for Esparto FPD is currently estimated to be 3,780. However, there are three subdivisions, an apartment complex, and two large county-funded facilities planned for Esparto. The residential development equals 350-400 additional units, which would increase the population of Esparto by roughly 1,000 people and increase the size of the town by 26% and will impact Esparto FPD's service needs and demands. The Esparto FPD has an adopted development impact fee to cover the costs of providing additional equipment to new development but it only covers one-time capital expenses. For ongoing increased revenue, because the Esparto FPD collects on average 3.9% of property taxes generated in the District (which is relatively low as compared to other FPDs), the additional property tax revenues may not adequately cover the costs of serving new growth.

Population changes will not necessarily trigger an SOI or boundary change. The JOA with Capay Valley FPD that will hopefully include Madison FPD as well would scale-up fire services to operate more as a regional unit for support and resiliency purposes. Therefore, changes in service demand do not suggest a change in the agency's services or boundaries.

Growth and Population MSR Determination Recommendation

- The Esparto FPD should participate in the current study funded by Yolo County to determine if Esparto FPD property assessments need to be increased to cover the increasing costs of providing fire service to existing and new growth. The Esparto FPD should support any new Proposition 218 elections to increase Esparto FPD's ongoing revenues.

2. DISADVANTAGED UNINCORPORATED COMMUNITIES

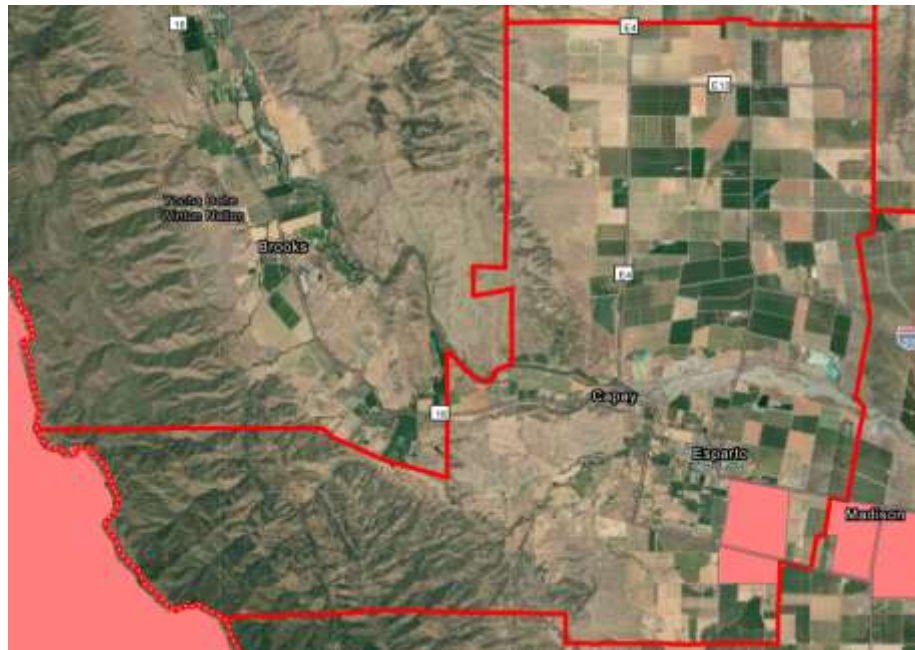
The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

| | 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. A smaller, less populated portion of the Esparto FPD on the edge of town is considered disadvantaged² as shown below, however, 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

A small portion of the Esparto FPD territory is disadvantaged, however, all “inhabited unincorporated communities” countywide receive structural fire protection services. Therefore, there is no concern that Esparto, Capay, and the outlying areas are either not receiving fire protection services or not receiving similar services due to disadvantaged economic issues in the Esparto FPD community.

² 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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <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 Station

The Esparto FPD station was constructed in 1970 and is in good condition. It is connected to municipal water and sewer service provided by the Esparto Community Services District. The station could use some additional storage structures as some of the apparatus is currently housed in a covered carport. The Esparto FPD does own additional land on the town block that could be used to construct an additional storage building.



Apparatus and Equipment:

The table below lists the Esparto FPD's 8 apparatus.

| Use | Apparatus | Type | Age (yrs) | Reserve? (Y/N) |
|------------------------|-----------------------|--------------|-----------|----------------|
| Structure Fires | Engine-19 | 1 | 17 | No |
| | Engine-219 | 1 | 8 | No |
| Wildlands Fires | Brush-19 ³ | 3 | 27 | No |
| Water Tenders | Water-19 | Tactical -2 | 4 | No |
| | Water-219 | 2 | 26 | Maybe |
| Command/Utility | 1900 | N/A | 1 | No |
| | Utility-19 | N/A | 6 | No |
| Other Apparatus | Squad-19 | Light Rescue | 22 | No |

All Esparto FPD apparatus receive annual service, regularly scheduled rig checks, and annual pump testing. Hoses and ladders are tested every two years and were last tested on December 14, 2021. Esparto FPD currently supplies all responding members with appropriate, current personal protective equipment (PPE). PPE is regularly inspected and follows a PPE replacement schedule. All self-contained breathing apparatus (SCBA) receive annual flow testing, which was last performed on June 24, 2021. All bottles are current in hydro date and are due for testing in October 2026.

Esparto FPD operates adequate communications equipment including radios with current programming that meets the needs for incident response. Currently, not all apparatus seats have a dedicated radio, but Esparto FPD was recently awarded two grant funding awards to purchase new radios. This funding will supply every seat with a dedicated radio. All apparatus does have mobile radios installed. Please update info if needed

³ Replacement on order for 2022.

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. Esparto FPD's ISO rating is 5/8B. 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).*

Yes.

Staff, Coverage and Training

The Esparto FPD has 2.5 paid staff, 4 reserves and 23 volunteers (29 staff in total including 23 firefighters). Esparto Station 19 is staffed Monday through Friday, 8am-5pm with two full-time employees and Saturday, Sunday with one Full-time employee. In addition to paid staff, 50% of the time there is 1 reserve Monday-Friday, 8am-5pm. Outside of these hours, Esparto is covered by volunteers.

Esparto FPD has written operating policies and guidelines for its staff. Esparto and Capay Valley FPDs are working toward standardizing written operating policies and guidelines due to the two districts entering into a JOA. All new staff members are provided a handbook that documents and ensures all members are getting base level minimum training to respond to incidents adequately and safely. Incident Command System (ICS) basic training is a requirement before responders can respond to incidents, and it is included in new staff member handbooks. Esparto FPD participates in the Yolo County Firefighters Association Training Program. Responding personnel are fit tested on an annual basis.

Incident Reporting and Adequacy of Services

Esparto FPD utilizes Emergency Reporting web-based program for reporting and documentation. National Fire Incident Reporting System (NFIRS) reports are exported quarterly. 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 calls⁴.

⁴ 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.

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

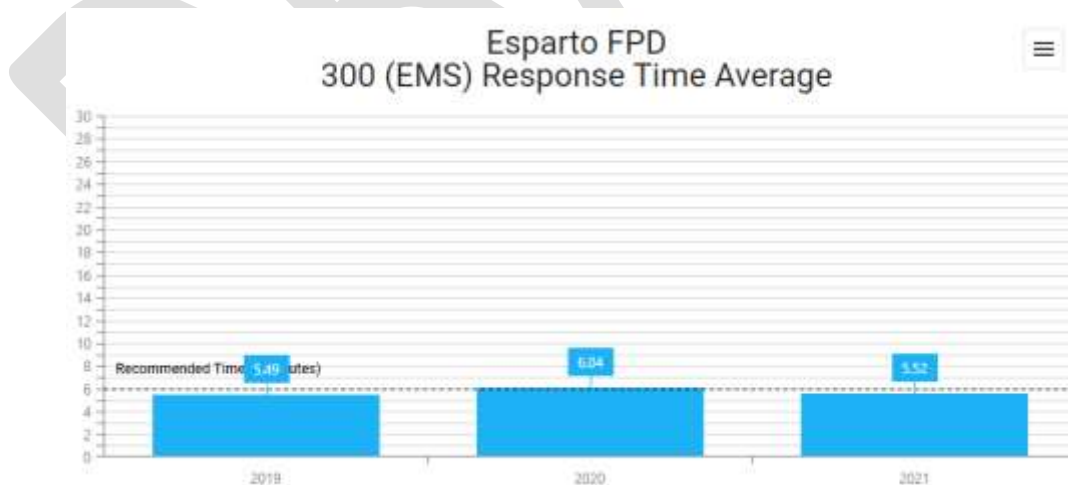
Below is Esparto FPD’s NFIRS response data for the last five fiscal years:



The above graphs show that Esparto FPD has not been able to respond to rescue/EMS calls (which is much more common by a factor of more than 10 to 1) with enough personnel, on average, in the last two fiscal years. This suggests that more staffing is needed.

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 averages⁵ for the 2019 – 2021 calendar years are shown below.



⁵ 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.



Esparto FPD had 0 missed calls in FY 18/19 and 18/20, and 1 missed call (or 0.2%) in FY 20/21.

Annual Performance Evaluation

NFPA requires FPDs to evaluate its level of service, deployment and response time objectives on an annual basis. Although Esparto FPD discusses levels of service and performance verbally at each commission meeting, it would be a good practice to provide a written evaluation of the Esparto FPD's level of service, deployment and response time objectives on an annual basis.

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

Maybe. Currently with current staffing levels. Esparto FPD is close to meeting the existing demands. Staff response has been trending down in recent years. With future growth it is anticipated that more full-time staffing will be required to adequately serve corresponding increased demand. Please see the response to 1a.

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

No. The Esparto FPD borders the Coastal Range and the western roughly half of the District is included in the State Responsibility Area and is mostly rated a moderate fire hazard risk for valley floor areas and very high risk for the mountainous areas. There has been a significant wildfire every season in recent years except 2021. Esparto FPD has included this high fire risk in its assessment of infrastructure and service needs. Esparto FPD has received revenue in some years from staff and apparatus reimbursement revenue for supporting CalFire during wildfire events. Esparto FPD is also working with the Yolo County Fire Safe Council.

- 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

Esparto FPD's apparatus includes two that exceed the recommended 25 years of age, but one replacement has already been ordered and the other may become surplus equipment. The station may need additional storage for apparatus. Esparto FPD's ISO rating is 5/8B. Esparto FPD has not been able to respond to rescue/EMS calls (which is much more common by a factor of more than 10 to 1) with enough personnel, on average, in the last two fiscal years. This suggests that more staffing is currently needed and with future growth in the pipeline it is anticipated that even more full-time staffing will be required to adequately serve corresponding increased demand. Esparto FPD has had 1 missed call in the last three FYs. Esparto FPD

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has considered climate adaptation and included this high fire risk in its assessment of infrastructure and service needs. There are no fire service deficiencies related to disadvantaged unincorporated communities.

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

- Esparto FPD should increase personnel to improve its emergency response for both existing development and future growth.
- In addition to verbal updates at each meeting, the Esparto FPD should provide written evaluations of its level of service, deployment, and response time objectives on an annual basis.

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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Is the organization's revenue 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

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g) *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?*

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 debt management policy, if applicable?*

DRAFT

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Discussion:

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 157,985 | \$ 164,203 | \$ 175,861 | \$ 183,638 | \$ 192,642 |
| Development impact fees | 33,284 | 15,932 | 13,451 | 19,796 | 12,716 |
| Interest | 3,075 | 5,728 | 16,829 | 21,385 | 413 |
| County tribal mitigation | 12,500 | 29,352 | 29,809 | 29,990 | 29,999 |
| Other County funding | - | - | - | - | 32,500 |
| Yocha Dehe Wintun Nation funding | - | 115,000 | - | 20,000 | 8,333 |
| Special assessment | 61,074 | 59,997 | 60,301 | 76,020 | 75,547 |
| CA Fire | - | - | 80,485 | 13,091 | 26,132 |
| Other revenue | 15 | 25,525 | 1,339 | 72 | 112 |
| Total Revenue | 267,933 | 415,737 | 378,075 | 363,992 | 378,394 |
| Expenditures | | | | | |
| Salaries and benefits | 115,913 | 80,386 | 89,680 | 105,033 | 145,443 |
| Services and supplies | 72,183 | 90,250 | 104,961 | 105,345 | 142,391 |
| Contributions to volunteers | 21,496 | 12,946 | 15,014 | 20,328 | 12,236 |
| Capital Assets: | | | | | |
| Buildings and improvements | - | 40,053 | - | - | - |
| Equipment | - | 209,522 | - | 59,539 | 31,560 |
| Total Expenditures | 209,592 | 433,157 | 209,655 | 290,245 | 331,630 |
| Net income (loss) | 58,341 | (17,420) | 168,420 | 73,747 | 46,764 |
| Beginning Fund Balance | 480,421 | 538,762 | 521,342 | 689,762 | 763,509 |
| Ending Fund Balances | \$ 538,762 | \$ 521,342 | \$ 689,762 | \$ 763,509 | \$ 810,273 |
| Fund Balances | | | | | |
| Restricted - Dev impact fees | \$ 69,066 | \$ 85,973 | \$ 77,524 | \$ 49,014 | \$ 62,316 |
| Assigned - Capital asset replacement | 135,636 | 255,703 | 321,454 | 593,461 | 633,034 |
| Assigned - General reserve | 11,626 | 11,626 | 11,626 | 11,626 | 11,626 |
| Unassigned | 322,434 | 168,039 | 279,158 | 109,408 | 103,297 |
| Total Fund Balances | \$ 538,762 | \$ 521,341 | \$ 689,762 | \$ 763,509 | \$ 810,273 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 58,341 | \$ (17,420) | \$ 168,420 | \$ 73,747 | \$ 46,764 |
| Percentage Increase (Decrease) | 12.14% | -3.23% | 32.31% | 10.69% | 6.12% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 409,931,778 | \$ 430,898,187 | \$ 447,698,563 | \$ 466,859,421 | \$ 487,499,225 |
| b. Y-T-Y Percentage change in AV | 8.84% | 5.11% | 3.90% | 4.28% | 4.42% |
| c. Current taxes and HOPTR | \$ 154,623 | \$ 161,865 | \$ 173,625 | \$ 180,759 | \$ 188,801 |
| d. Share of general 1% levy (c/a) | 3.7719% | 3.7565% | 3.8782% | 3.8718% | 3.8728% |

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 total core revenues (property taxes, tribal mitigation, special assessments) and total fund balances have steadily grown over the past five years. Total fund balance has increased from \$480,421 to \$810,273 of that \$747,957 can be used by the District for any purpose. The remaining

\$62,316 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

Esparto Fire Protection District’s revenue consists of property taxes, special assessments development impact fees, interest, grants from the County and the Yocha Dehe Wintun Nation and other miscellaneous revenue. Like other rural fire districts, Esparto PFD 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 \$192,642 comprised 55% of total revenues (excluding strike team reimbursements). The District’s share of property taxes within its boundaries is approximately 3.8%, while the average for all FPDs in the county is 6.2%. The District has also levied a special assessment since 1989. In 2021 special assessment revenue of \$75,547 accounted for 21% of total revenue. Since 1990 the District has imposed development impact fees (DIF) which 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 \$95,179 of DIF. The District is one of the five FPDs that since 2004 receives tribal mitigation funding annually from the County. Over the past five years the District has received \$131,650 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 Esparto FPD has received other County funding of \$32,500, grants from the Yocha Dehe Wintun Nation totaling \$143,333, strike team reimbursements of \$119,708 and other revenue totaling \$27,063.

Expenditures

District expenditures, excluding capital expenditures increased little from 2017 through 2020. However, in 2021 salary and benefits increased 38% due to staffing reorganization; hired full-time chief and replaced part-time secretary with full-time firefighter. Services and supplies increased by 35% due to deferred maintenance and improvements to transition facilities to 24-hour service. In addition, the District paid the volunteers \$82,020 over the past 5 years for answering calls and other stipends.

The District participates in the California Public Employees Retirement System. Retirements expenditures are as follows:

| | |
|------|---------|
| 2017 | \$9,036 |
| 2018 | 4,811 |
| 2019 | 8,158 |
| 2020 | 9,974 |
| 2021 | 11,082 |

Capital expenditures

2018: \$40,053, new roof for station, \$209,522 for a water tanker
2020: \$59,539, 4x4 pickup
2021: \$31,560, off road vehicle funded by County

District revenue growth has kept pace with expenditures.

- b) *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?*

Yes. The Esparto 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.

However, balances and note disclosures required by Governmental Accounting Standards Board Statement No. 68, “Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27”, are not recorded in the District’s accounting records and the required note

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disclosures describing the plan and other plan information are not included in the County's Annual Comprehensive Financial Report (ACFR). These balances, if material, and known by the District's commissioners may change funding priority decisions.

- 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?*

Maybe. While reviewing fiscal year 2018 accounting data it was noted that \$12,305 of County tribal mitigation funded was erroneously posted to expenditure accounts instead to the proper revenue account. This error was not detected before year-end closing was completed and now cannot be corrected.

- 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. According to the Chief, the fire commission is provided a financial report at every meeting, but it's not noted in the minutes. In addition to the financial report the commissioners review and approve the annual budget, monthly listing of claims and notifications of receipts of miscellaneous revenue.

- 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?*

No. Revenues are reliable, with the majority coming from property taxes and special assessments.

- f) *Is the organization's revenue 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 is working on station upgrades to allow for 24-hour operations. including the hiring of a full-time fire fighter requiring additional resources. These future additional expenditures have not been factored into the analysis. In addition, the District's funds set aside for capital asset replacement is over \$1,100,000 less than the minimum recommended amount. See also 4g below.

- g) *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?*

Yes. The District does not have any reserve polices and the June 30, 2021 fund balance is over \$1,100,000 less than the minimum recommended amount of \$1,969,000. The 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 minimum recommended fund balances amounts are as follows:

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|--------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | 62,316 | | |
| Other funds | 633,034 | | |
| | <u>695,350</u> | <u>1,799,000</u> | <u>(1,103,650)</u> |
| General reserve | 11,626 | 129,000 | (117,374) |
| Unassigned | 103,297 | 41,000 | 62,297 |
| Total Recommended Fund Balance | <u>\$ 810,273</u> | <u>\$ 1,969,000</u> | <u>\$ (1,158,727)</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 debt management policy, if applicable?*

Maybe. The Esparto FPD participates in the California Public Employees Retirement System (CalPERS) to provide retirement benefits to eligible employees. The County has elected not to calculate and record the District’s pension liability, deferred outflows, deferred inflows, or pension expense required by Government Accounting Standards Board Statement No. 68 as this information has previously deemed immaterial to the County’s Annual Comprehensive Financial Report taken as a whole. As a result, these numbers are not available to include in this report.

However, as of the June 30, 2020 actuarial valuation prepared by CalPERS the plan had only 1 retired and 2 active participants. The plan is 76% funded and future rates estimated by CalPERS do not increase in the short term. According to *CalPERS 2019 Annual Review of Funding Levels and Risks* the big risk is continuing employer rate increases. Required employer contributions will increase over the next few years while the cost of recent rate changes and investment losses are being phased in. In 4-5 years, required contributions are expected to decrease due to the continual decrease in normal cost as Classic members retire or terminate and are replaced by PEPRA members and required payments toward existing unfunded accrued bases will gradually be eliminated as individual unfunded actuarial liability bases are fully paid off. In the long-term, required employer contributions will trend toward the employer portion of the normal cost and all plans will gradually increase to around 100% funded over the next 25-30 years.

Due to the low number of participants, especially retired participants, it is not expected that future rates or the future liability will significantly impact the District.

Financial Ability MSR Determination

Due to conservative budget practices Esparto FPD is currently financial stable. The District’s total annual ongoing operating revenues (property taxes, interest, tribal mitigation, special assessments) and total fund balances have steadily grown over the past five years. Total fund balance has increased from \$480,421 to \$810,273 of that \$747,957 can be used by the District for any purpose. However, the available fund balance is less than what appears to be needed, mostly due to underfunding of the capital asset replacement reserve. The District does not have any reserve polices and the June 30, 2021 fund balance is over \$1,100,000 less than the minimum recommended amount of \$1,969,000. The Capacity and Adequacy of Services Section also recommends that increased staffing is needed. The District does not have formal reserve policies. Additional funding may be required to fund these needs and maintain adequate reserve balances. Esparto FPD maintains its funds in the County Treasury and uses the County’s financial system to maintain its accounting records. Esparto FPD fire commission receives financial reports at each meeting, but this needs to be reflected on meeting agendas and minutes. As a dependent district, Esparto FPD is included in the County’s Annual Comprehensive Financial Report (ACFR), however, Esparto FPD is a CALPERS member and required disclosures are not included. Due to the low number of participants, especially retired participants, it is not expected that future rates or the future liability will significantly impact Esparto FPD.

Financial Ability MSR Recommendation(s)

- Esparto FPD staff should review financial data on a regular basis and identify and discrepancies. The review should include reconciliations of various accounts, comparing budgets-to-actual, analyzing budget variances, comparing revenue and expense balances to the prior year, etc. It also should review monthly the transactions in the County system to transactions the agency submitted to the County for processing.
- 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 Esparto FPD’s special assessment to provide funding for staffing, facilities and apparatus/equipment needs.
- 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.
- Yolo County should include the GASB 68 pension balances and note disclosures for Esparto FPD in the County’s ACFR.

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 type="checkbox"/> | <input checked="" 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?*

Maybe. LAFCo recommends Esparto FPD, Capay Valley FPD and Madison FPD scale up its services and operate more as a regional unit via a JOA. Esparto FPD and Capay Valley FPD have already entered into a JOA and are working towards standardizing written operating policies and guidelines. It also has mutual/auto aid agreements with surrounding fire departments. It is hoped that the Madison FPD joins the JOA as well.

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 Esparto FPD, Capay Valley FPD and Madison FPD scale up its services and operate more as a regional unit via a JOA. Esparto FPD and Capay Valley FPD have already entered into a JOA and are working towards standardizing written operating policies and guidelines. It also has mutual/auto aid agreements with surrounding fire departments. It is hoped that the Madison FPD joins the JOA as well. The

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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 type="checkbox"/> | <input checked="" 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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololafo.org/yolo-local-government-website-transparency-scorecards)?</i> | <input checked="" type="checkbox"/> | <input 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)?*

Maybe. Esparto FPD has already entered into a JOA with Capay Valley FPD designed to improve operations and efficiencies. The recommendation below is to ensure Esparto FPD continues to maintain 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?*

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No. All five fire commission seats are filled and there does not appear to be an issue with onboarding and maintaining fire commission members.

| Name / Title | Start | End |
|---------------------|--------------|------------|
| David Schwenger / | 02/19/2019 | 03/01/2023 |
| Mitch Roath / | 09/24/2019 | 09/01/2023 |
| John Hulsman, Jr. / | 12/17/2019 | 01/01/2024 |
| Rudy Lucero / | 03/09/2021 | 03/01/2025 |
| Barry Burns / | 09/28/2021 | 09/01/2025 |

- 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. Esparto FPD staff positions are filled and there does not appear to be any issues with turnover. Esparto FPD provides resources and training to personnel in fire/emergency response operations and financial management.

- 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. The District has a comprehensive employee handbook and since Esparto FPD is a dependent district it is assumed to comply with the County’s accounting policies. However, the District does not have any polices governing the fire commissioners, such as selection of commissioners, chair responsibilities, attendance at meetings, meeting conduct, brown act, travel, and expense reimbursements, etc. The District should have general and administrative policies such as records retention and storage, use of vehicles, webpage, whistleblower, nepotism and disaster planning, the District should also consider financial polices such as the investment of surplus funds, reserves, fee setting and periodic fee review, allowable expenditures, budget preparation and budget to actual review, debt and borrowing, credit card use, periodic financial reporting to the commissioners, etc. LAFCo will provide samples/templates.

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

No. Esparto FPD complies with Conflict-of-Interest Code requirements and is current with commission and staff Statement of Economic Interests (Form 700) disclosures.

- f) *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 Esparto 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 26909⁶.

- g) *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. Esparto 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

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

each year, comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable.

- h) *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 Esparto FPD has a website but received a 42% 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

There are no recommended changes to Esparto FPD's governmental structure or operations that will increase accountability and efficiency. Esparto FPD has already entered into a JOA with Capay Valley FPD designed to improve operations and efficiencies. The recommendation below is to ensure Esparto FPD continues to maintain standing in good faith to achieve JOA goals. Esparto 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. Esparto FPD has some basic policies but should consider adopting additional policies regarding meeting attendance, conduct, responsibilities of officers, personnel, and accounting/financial procedures. EPFD 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 Esparto FPD has a website but received a 42% best practices transparency score in 2021.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- Capay Valley, Esparto and Madison 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.
- The Esparto FPD should adopt policies related to meeting attendance, conduct, responsibilities of officers, and personnel (including employee/volunteer promotions, performance evaluations, drug and alcohol policies, payroll processing, etc.) In addition, accounting and financial policies should be developed to include general accounting, processing, and recording of disbursements and receipts, allowable expenditures, employee and 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 Esparto FPD, are not legally required to maintain a website. The Esparto FPD has a website but received a 42% best practices transparency score in 2021. Please see the report at <https://www.yololafco.org/yolo-local-government-website-transparency-scorecards> for where improvements are recommended.

7. BROADBAND ACCESS

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

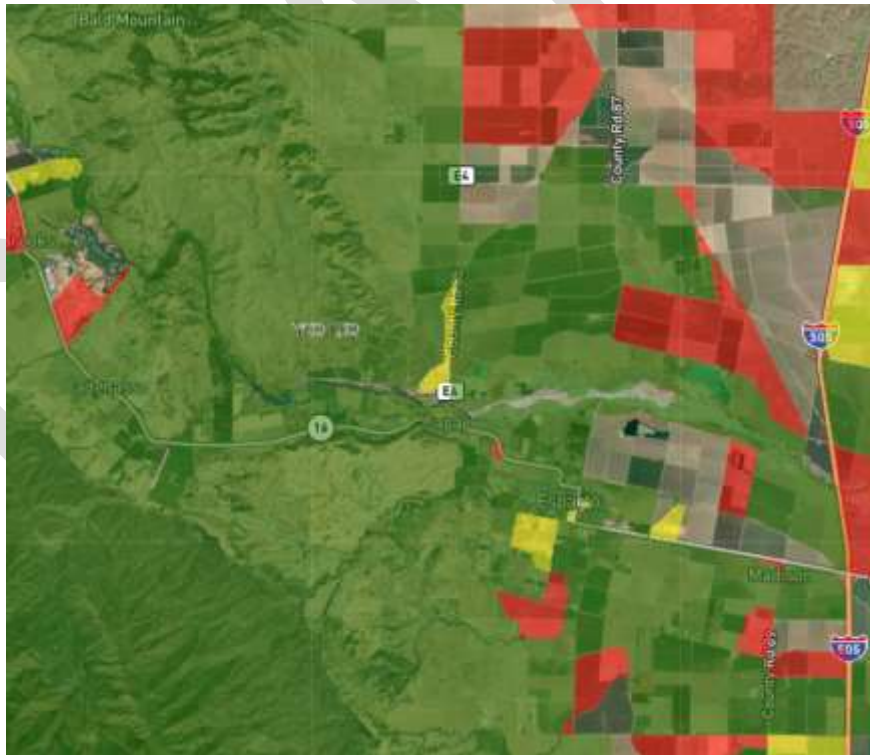
Per Yolo LAFCo Project Policy 6.2 “it is the intent of Yolo LAFCo to comprehensively review broadband access in MSR of local agencies that either serve communities and/or provide emergency services where broadband connection is critical (i.e. cities, CSDs, CSAs, FPDs and RDs).”

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| 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. The town of Esparto is provided broadband service by Esparto Broadband, Inc. at either 100 Mbps download and 10 Mbps upload speeds or 50 Mbps download and 5 Mbps upload speeds depending on location⁷: The town of Capay has service from either Frontier Communications at 115 Mbps download and 7 Mbps upload speeds or Esparto Broadband, Inc. at 50 Mbps download and 5 Mbps upload speeds depending on the location. The rural areas are mostly covered by Winters Broadband LLC at 25 Mbps download speed and 6 Mbps upload speed. Therefore, broadband speeds of 25/3 Mbps is generally available in the Esparto FPD territory.



⁷ 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.

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

No. However, according to the CPUC Broadband Mapping Program, broadband adoption at 25/3 Mbps is low at only 20%-40% for the Esparto FPD territory.

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. Much of Esparto is also covered by AT&T at slower speeds, which offers a program for low-income households that includes 25 Mbps download speeds for \$10.00 per month with free installation, in-home Wi-Fi®, no deposit and no annual contract. Frontier Communications offers a low-income subscription rate of \$9.25 per month.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account⁸ and generally help troubleshoot technology challenges. Information and 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

Broadband access in the Esparto FPD does not appear to be an issue that would disrupt fire protection and emergency services. Broadband speeds of 25/3 Mbps is generally available in the Esparto FPD territory by multiple providers. However, according to the CPUC Broadband Mapping Program, broadband adoption at 25/3 Mbps is low at only 20%-40%. Frontier Communications as a national internet service provider is required to offer low-income subscription rates, while a small local provider such as Esparto Broadband, Inc. is not. However, for low-income residents AT&T is also available as a secondary option in most of Esparto.

| 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 Esparto 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: Esparto FPD is working on written policies, however, per this 2016 recommendation they have not been adopted yet.

2. Esparto FPD should consider reducing the size of its fire apparatus inventory to facilitate long-term fiscal sustainability.

Status: The Esparto FPD has reduced the size of its fire apparatus inventory since the 2016 MSR.

⁸ Email from Mark Fink, Yolo County Librarian on May 26, 2021

3. Esparto and Madison FPDs should consider consolidating into a single district to enhance operational and fiscal efficiencies.

Status: In lieu of a legal consolidation, Esparto FPD has invited Madison FPD to join the JOA, which would be considered a “functional consolidation”.

Status of Previous Recommendations MSR Determination

Esparto FPD has complied with two of the three recommendations. It has reduced its fire apparatus reserve inventory since the 2016 MSR and has invited Madison FPD to participate in a JOA which would be considered a “functional consolidation”: Esparto FPD has not adopted written fiscal policies addressing budgeting, procurement, reserve funds, fiscal audits, and capital renewal/replacement planning in conformance with recognized industry best fiscal practices.

DRAFT

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

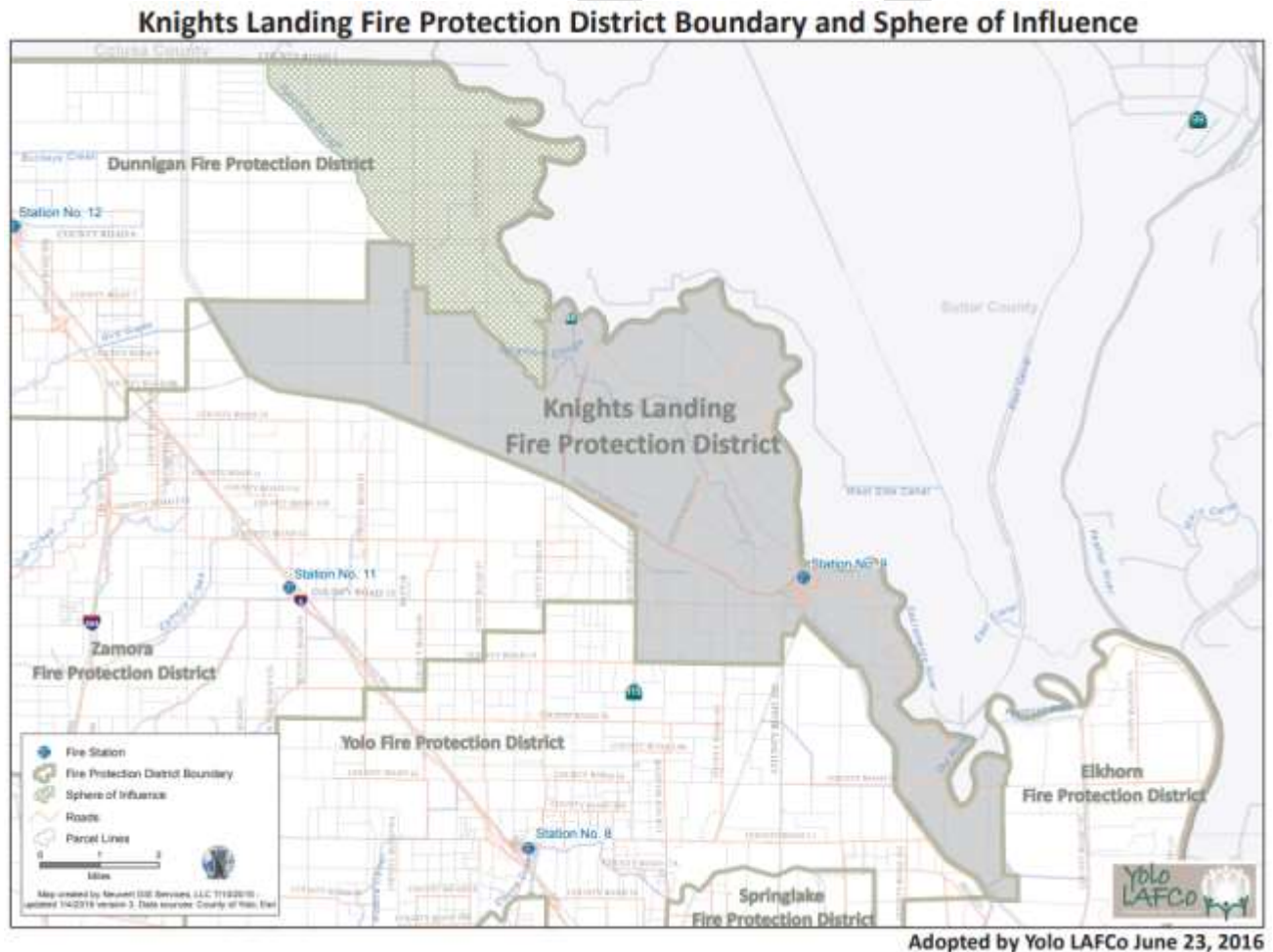
AGENCY PROFILE

The Knights Landing Protection District (FPD) was formed in 1942 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 23,692 acres in size and serves the unincorporated town of Knights Landing and the surrounding rural area. The entire District contains 423 residential and 22 commercial addresses and its residential population is estimated to be 1,058 residents¹. However, according to the 2020 Decennial Census the town of Knights Landing alone has a population of 1,117. Apparently, the town exceeds the countywide average of 2.5 persons per household.

The Knights Landing FPD has Station 9 located at 42115 Sixth Street in Knights Landing. The District has 7 apparatus and has a volunteer chief, and assistant chief that receives a small annual stipend, a part-time secretary, 0 reserves and 13 volunteers).

The Knights Landing FPD boundary and sphere of influence (SOI) is shown below.



¹ 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 checked="" type="checkbox"/> Growth and Population | <input checked="" type="checkbox"/> Shared Services |
| <input checked="" type="checkbox"/> Disadvantaged Unincorporated Communities | <input checked="" type="checkbox"/> Accountability |
| <input checked="" type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input checked="" 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.

| 1. GROWTH AND POPULATION | | | |
|---|--------------------------|-------------------------------------|-------------------------------------|
| 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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| b) <i>Do changes in service demand suggest a change in the agency's services?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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?*

Maybe. The population has not changed significantly, but the call volume has gone up 40% over the last three years. The population for Knights Landing FPD is currently estimated to be 1,058 and some additional infill development is anticipated, but not significant development that would compromise service levels. The FPD does have a development impact fee to cover the costs of providing additional service to new development, but it has not generated significant revenue until FY 2020/21 due to FEMA flood zone reclassification.

The data that is more applicable to fire service demand is call data, which has increased more than population countywide. Over the last three fiscal years, total calls that resulted in dispatched

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apparatus/responders were 232 in FY 18/19, 303 in FY 19/20 and 325 in FY 20/21, a 40% increase in only three years.

b) *Do changes in service demand suggest a change in the agency's services?*

No. Knights Landing FPD has been impacted by providing significant aid responding to calls across the county border to Robbins FPD in Sutter County. However, these issues would not be helped by a change in agency boundaries. There has been some discussion about Robbins FPD wanting to consolidate with Knights Landing FPD, however, LAFCo recommends this not be considered until Robbins FPD is more stable and has services to offer/share.

Growth and Population MSR Determination

The population for Knights Landing FPD is currently estimated to be 1,058 and some additional infill development is anticipated, but not significant development that would compromise service levels. However, over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 232 in FY 18/19, 303 in FY 19/20 and 325 in FY 20/21, a 40% increase in only three years. Knights Landing FPD has been impacted by providing significant aid responding to calls across the county border to Robbins FPD in Sutter County. However, these issues would not be helped by a change in agency boundaries. There has been some discussion about Robbins FPD wanting to consolidate with Knights Landing FPD, however, LAFCo recommends this not be considered, if at all, until Robbins FPD is more stable and has services to offer/share.

2. DISADVANTAGED UNINCORPORATED COMMUNITIES

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

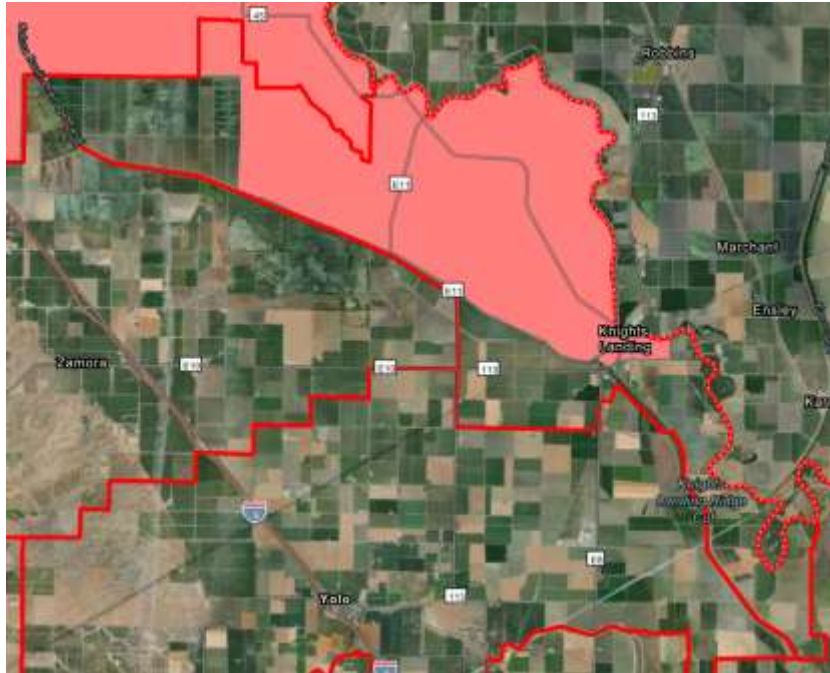
| | YES | MAYBE | NO |
|---|--------------------------|-------------------------------------|-------------------------------------|
| a) <i>If the subject agency provides services related to sewers, municipal and industrial water, or structural fire protection, are there any "inhabited unincorporated 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 checked="" type="checkbox"/> | <input 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?*

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Maybe. Although all territory countywide receives structural fire protection services, Knights Landing FPD may not receive equal access to services due to its disadvantaged status². Knights Landing FPD is struggling to fund apparatus replacement and has lower revenue as compared to other FPDs with a similar call volume which is likely due in part to its disadvantaged status and corresponding lack of funding. For more information regarding service issues, please see item 3e.



- 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.*

No. All territory countywide receives structural fire protection services, therefore, the Knights Landing FPD boundaries do not need to be changed.

Disadvantaged Unincorporated Communities MSR Determination

Knights Landing FPD boundaries do not need to be changed because all territory countywide receives structural fire protection services, although Knights Landing FPD may not receive equal access to and revenue for needed services due to its disadvantaged status. Knights Landing FPD is struggling to fund apparatus replacement and has lower revenue as compared to other FPDs with a similar call volume, which is likely due in part to its disadvantaged status and corresponding lack of funding. Support of a Proposition 218 increase would likely be affected by the disadvantaged income status of roughly half of its territory.

² 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 infrastructure, equipment, and capacity of agency facilities 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) Are there any deficiencies in the adequacy of services 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 checked="" type="checkbox"/> | <input 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input 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)?

Yes.

Fire Stations

The Knights Landing FPD Station No. 9 is located at 42115 Sixth Street in Knights Landing which houses 5 apparatus, a utility vehicle and a boat. The station appears to be in mostly adequate condition, but it needs new bay doors and has never had the plumbing completed for a functional shower for personnel to clean off residue after an incident or to support 24-hour station coverage. Knights Landing FPD attempted to purchase a surplus property going up for auction in town to provide sleeping quarters, office, and storage space, but unfortunately the opportunity fell through.



Apparatus:

Knights Landing FPD has 5 apparatus, 1 command/utility vehicle, and 1 boat for response on the Sacramento River as follows:

Station 9 (Volunteer) Apparatus

| Use | Apparatus | Type | Age (yrs) | Reserve? (Y/N) |
|------------------------|----------------|-----------------|-----------|----------------|
| Structure Fires | Engine 9 | 1 | 24 | No |
| | Engine 209 | 2 | 12 | No |
| Wildlands Fires | Brush 9 | 5 | 1 | No |
| Water Tenders | Water Tender 9 | Water Tender | 47 | No |
| Command/Utility | Utility | Command Utility | 16 | No |
| Other Apparatus | Squad 9 | Light Rescue | 26 | Yes |
| | Boat 9 | Boat | 41 | No |

All Knights Landing FPD apparatus receive regular maintenance service, regularly scheduled rig checks, and annual pump testing. Hoses are tested annually, and ladders are tested every other year. Of the 7 apparatus/vehicles, 3 are over the recommended 25-year lifespan (although 1 of those is surplus/reserve) and 1 engine is 24 years old.

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. Knights Landing 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

Knights Landing FPD's ISO rating is 05/5Y and was last reviewed in 2017. 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. 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

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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.

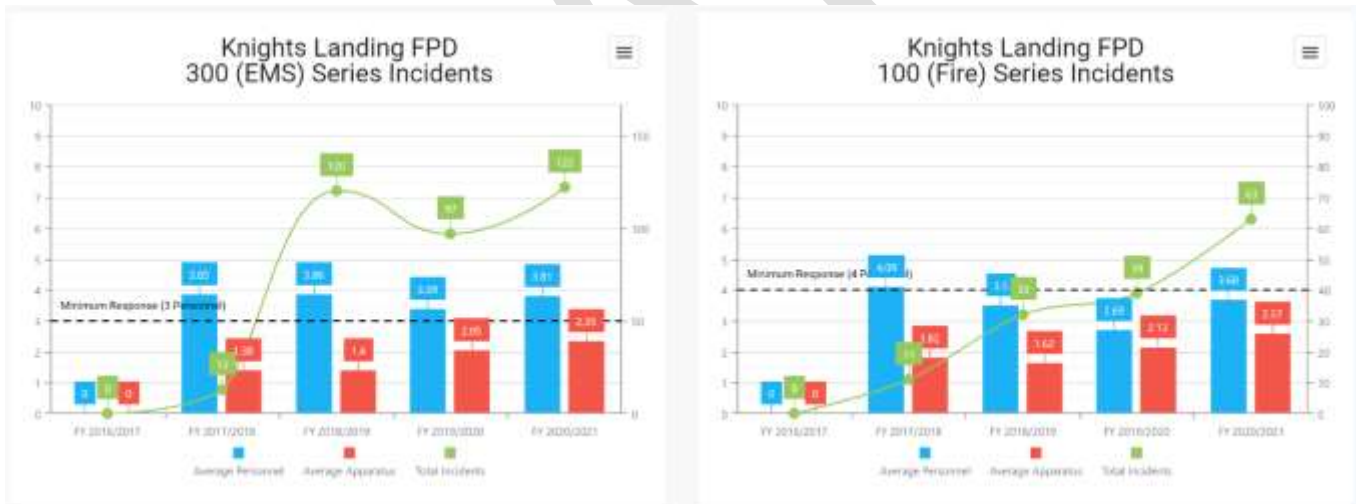
Staff, Coverage and Training

The District has a chief that receives a small stipend, and assistant chief (unpaid) 0 reserves and 13 volunteers (14 firefighters total). The station is not staffed on a regular basis. Knights Landing 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

Knights Landing FPD utilizes Emergency Reporting web-based program for reporting and documentation. However, the Knights Landing FPD reports it needs to get the reports uploaded to the National Fire Incident Reporting System (NFIRS). 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 calls³.

Below is Knights Landing FPD's NFIRS response data for the last five fiscal years:



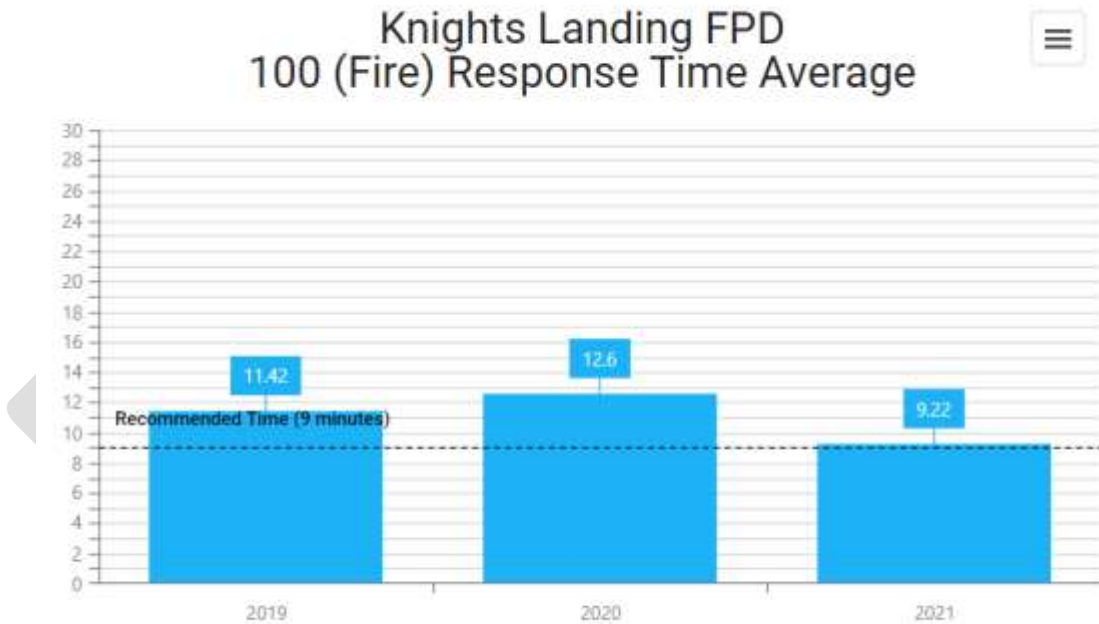
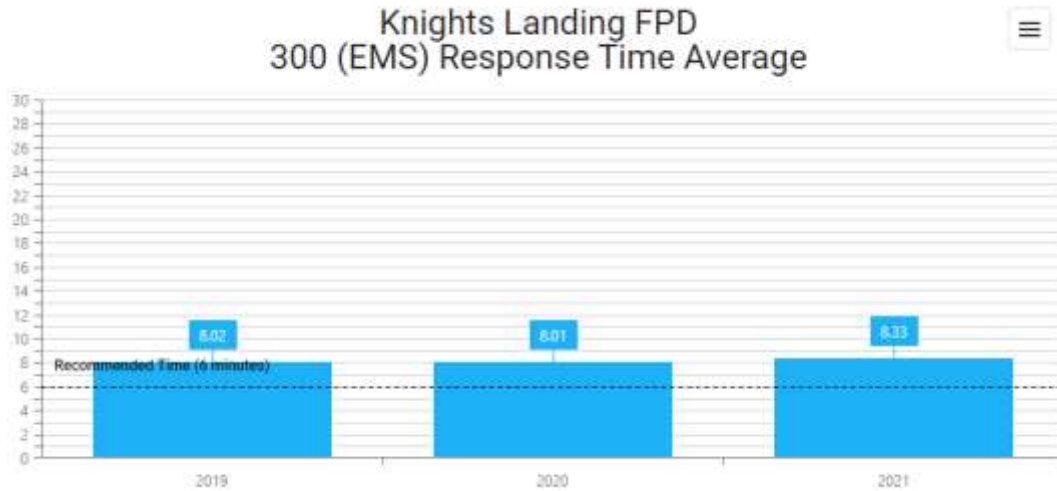
Data was not available for the first FY, but data for the last four FYs indicate that Knights Landing FPD is responding with adequate personnel and apparatus to rescue/EMS calls (which outnumber fire calls by 2:1 in FY 2020/21) and is struggling to respond with sufficient personnel to fire calls.

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

³ 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.

the MSR Subcommittee indicated, it represents a goal to focus on. FPD response time averages⁴ for the 2019 – 2021 calendar years are shown below.



Knights Landing FPD has had 20 missed call in the last three fiscal years as reported by YECA (7 calls/5.7% of calls in FY 18/19, 8 calls/5.0% of calls in FY 19/20, and 5 calls/3% of calls in FY 20/21).

⁴ 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.

FPD Level of Service Evaluation

NFPA requires FPDs to evaluate its level of service, deployment, and response time objectives on an annual basis. From talking to the Chief, it does not appear this review is occurring. Therefore, establishing this review and evaluation process at least on an annual basis is a recommendation.

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

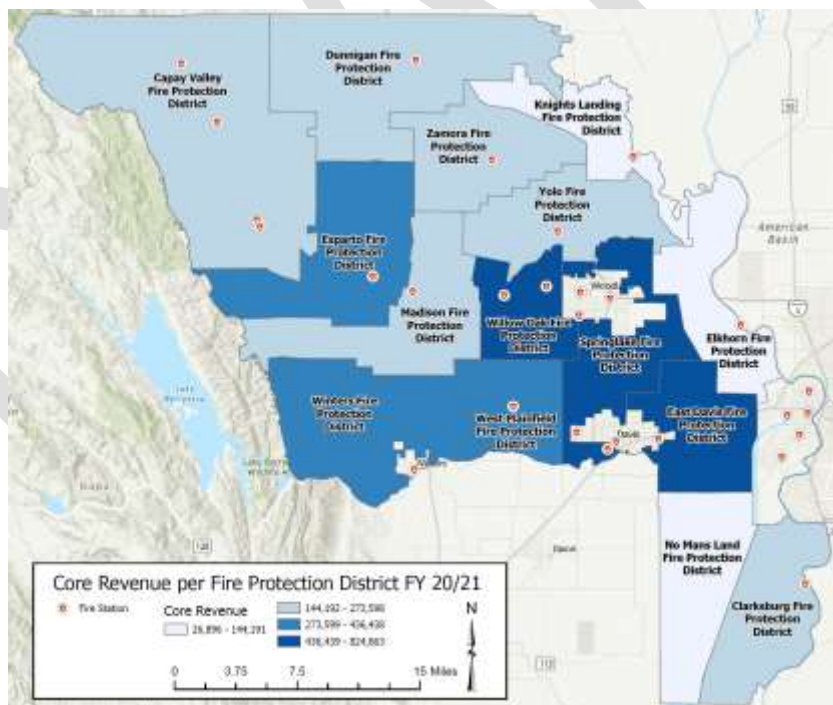
Maybe. Please see the response to 1a.

- 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. Some FPDs benefit financially from staff and apparatus reimbursement revenue for supporting CalFire during wildfire events, but Knights Landing FPD has not had sufficient coverage to enable it to take advantage of these revenue opportunities.

- 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?*

Yes. The northern half of the Knights Landing FPD (including the community) is disadvantaged (see the response to 2a). Knights Landing FPD is struggling to fund apparatus replacement and has lower revenue as compared to other FPDs with a similar call volume, which is likely due in part to its disadvantaged status and corresponding lack of funding. Knights Landing FPD’s core revenues are relatively low, yet in FY 20/21 it had the 5th highest number of dispatches of all the FPDs. Knights Landing FPD needs updated apparatus and may need increased personnel, which will likely require increased revenue. Support of a Proposition 218 increase would likely be affected by the disadvantaged income status of most of its population.



Capacity and Adequacy of Public Facilities and Services MSR Determination

The Knights Landing FPD Station No. 9 is located at 42115 Sixth Street in Knights Landing which houses 5 apparatus, a utility vehicle, and a boat. The station appears to be in mostly adequate condition, but it needs new bay doors and has never had the plumbing completed for a functional shower for personnel to

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clean off residue after an incident or to support 24-hour station coverage. Of the 7 apparatus/vehicles, 3 are over the recommended 25-year lifespan (although 1 of those is surplus/reserve) and 1 engine is 24 years old. 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. Knights Landing FPD's ISO rating is 05/5Y and was last reviewed in 2017.

Knights Landing FPD does not staff its station with regular schedule, operates its station on volunteer basis and personnel respond to calls as needed. It pays its chief a small stipend, pays for a part-time secretary, but otherwise is staffed with all volunteers. Knights Landing FPD has written guidelines and procedures and reports having a training program that ensures personnel are competent and safe to execute operations. Knights Landing FPD utilizes Emergency Reporting web-based program for reporting and documentation but needs to update it monthly to NFIRS. Data for the last four FYs indicate that Knights Landing FPD is responding with adequate personnel and apparatus to rescue/EMS calls (which outnumber fire calls by 2:1 in FY 2020/21) and is struggling to respond with sufficient personnel to fire calls. The northern half of the Knights Landing FPD (including the community) is disadvantaged. Knights Landing FPD is struggling to fund apparatus replacement and has lower revenue as compared to other FPDs with a similar call volume, which is likely due in part to its disadvantaged status and corresponding lack of funding.

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

- Develop a plan to replace the station bay doors and provide a shower for firefighters to clean off potentially hazardous residue after incidents and to allow for 24-hour station coverage.
- Knights Landing FPD should consider replacing apparatus that exceeds the recommended 25-year lifespan which will likely require increased revenue. It may be difficult for the voters to support a Proposition 218 assessment to increase Knights Landing FPD revenue due to the disadvantaged income status of most of its population.
- Knights Landing FPD should provide written evaluations of its level of service, deployment, and response time objectives on an annual basis at a Fire Commission meeting. Knights Landing FPD needs to keep an eye on ensuring adequate personnel responding to fire calls. If call volume continues to increase, reserves providing regular station coverage may be needed.
- Knights Landing FPD needs to complete its NFIRS reporting on an ongoing monthly basis and obtain training if needed.

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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| | | | |
|--|-------------------------------------|--------------------------|-------------------------------------|
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Is the organization's revenue 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Financial Background

**KNIGHTS LANDING PROTECTION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 81,572 | \$ 85,571 | \$ 95,364 | \$ 99,097 | \$ 104,767 |
| Development impact fees | 524 | 416 | 2,039 | 100 | 22,121 |
| Interest | 2,516 | 5,182 | 12,268 | 14,084 | (1,095) |
| Intergovernmental grants | 101,757 | - | - | - | - |
| Special assessment | 15,286 | 15,932 | 15,592 | 15,702 | 15,214 |
| CA Fire | - | - | - | 2,593 | - |
| Other revenue | - | 727 | - | - | 3,184 |
| Total Revenue | 201,655 | 107,828 | 125,263 | 131,576 | 144,191 |
| Expenditures | | | | | |
| Salaries and benefits | 13,244 | 18,309 | 20,203 | 21,403 | 19,819 |
| Services and supplies | 18,216 | 41,446 | 51,789 | 56,102 | 48,856 |
| Debt service (principal and interest) | 13,700 | 13,700 | 13,700 | 6,850 | - |
| Contributions to volunteers | 4,500 | 4,704 | 3,780 | 3,330 | 3,510 |
| Other expenditures | 689 | - | 10 | - | - |
| Capital Assets: | | | | | |
| Buildings and improvements | 6,260 | - | - | - | - |
| Equipment | 113,063 | - | - | - | 195,229 |
| Total Expenditures | 169,672 | 78,159 | 89,482 | 87,685 | 267,414 |
| Net income (loss) | 31,983 | 29,669 | 35,781 | 43,891 | (123,223) |
| Beginning Fund Balance | 363,092 | 395,075 | 424,744 | 460,525 | 504,416 |
| Ending Fund Balances | \$ 395,075 | \$ 424,744 | \$ 460,525 | \$ 504,416 | \$ 381,193 |
| Fund Balances | | | | | |
| Restricted - Development impact fees | \$ 108,972 | \$ 110,901 | \$ 115,482 | \$ 101,084 | \$ 117,279 |
| Assigned - Capital asset replacement | 81,965 | 123,102 | 125,886 | 128,539 | 70,066 |
| Assigned - General reserve | 30,097 | 30,097 | 30,097 | 30,097 | 30,097 |
| Unassigned | 174,041 | 160,644 | 189,060 | 244,696 | 163,751 |
| Total Fund Balances | \$ 395,075 | \$ 424,744 | \$ 460,525 | \$ 504,416 | \$ 381,193 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 31,983 | \$ 29,669 | \$ 35,781 | \$ 43,891 | \$ (123,223) |
| Percentage Increase (Decrease) | 8.81% | 7.51% | 8.42% | 9.53% | -24.43% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 117,812,816 | \$ 121,856,199 | \$ 125,276,097 | \$ 130,042,309 | \$ 137,239,114 |
| b. Y-T-Y Percentage change in AV | 1.91% | 3.43% | 2.81% | 3.80% | 5.53% |
| c. Current secured, unsecured and HOPTF | \$ 71,956 | \$ 74,291 | \$ 85,203 | \$ 88,576 | \$ 93,675 |
| d. District share of general 1% levy (c/a) | 6.1077% | 6.0966% | 6.8012% | 6.8113% | 6.8257% |

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 current core revenues are in excess of expenditures by over \$30,000 a year. The District's total core revenues (property taxes, and special assessments) have increased on average 6.5% a year. Salaries and benefits have increased 28% from FY 2017 to FY 2018 but have since remained flat. Services and supplies have increased 56% from FY 2017 to FY 2018, but also have since remained flat. Total fund balance has only increased \$18,101 from an opening fund balance of \$363,092 as of July 1, 2016 to \$381,193 fund balance as of June 30, 2021. The small increase in fund balance is due to a purchase of an engine in the amount of \$195,259 in FY 2021. Total fund balance

as of June 30, 2021 is \$381,193 of which \$263,914 can be used for any purpose and the balance of \$117,279 is from unexpended development impact fees which can only be used to acquire new equipment or facilities related to servicing areas resulting from new development.

Revenue

KLFPD's revenue consists of property taxes, special assessments development impact fees, interest, and other miscellaneous revenue. Like other rural fire districts, KLFD 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 \$104,767 comprised 73% of total revenues. The District's share of property taxes within its boundaries is approximately 6.8%, while the average for all rural FPDs in the county is 6.2%. The District has also levied a special assessment since 1991. In 2021 special assessment revenue was \$15,214 which accounted for \$11% of total revenue. However, the special assessment has not increased much since 1991 when \$12,337 was levied. Since 1992 the District has collected development impact fees (DIF) that is 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 \$22,121 of DIF. In addition, over the past 5 years the Knights Landing FPD has received a federal grant with help from the City of West Sacramento in the amount of \$101,757 and other revenue totaling \$6,504.

Expenditures

District expenditures, excluding capital expenditures, increased significantly from 2017 to 2018 but since have remained flat through 2021.

Capital expenditures

| | | |
|-------|------------|-----------------|
| 2017: | \$119,323, | (15) SCBA units |
| 2021: | \$195,229, | Brush truck |

The District's current core revenues are not enough to adequately fund apparatus replacement as recommended nor to pay for regular staffing at the firehouse. The total fund balance as of June 30, 2021 is almost \$1,400,000 below the minimum recommended amount, see 4g).

- 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. No significant account miscoding or omissions were noted. The district maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the district 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. District staff reviews the County ledgers thoroughly on a monthly basis.

- 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 District commission receives a general ledger, trial balance and budget-to-actual reports at each meeting. In addition, the commission is made aware of any deposits made during the past month.

- 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?*

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No. Revenues are reliable, with the majority coming from property taxes, special assessments and interest which all are collected and distributed by the County.

- f) *Is the organization’s revenue 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 has current apparatus, facility and staffing needs as noted above in the “Capacity and Adequacy of Public Facilities and Services” section 3a) and 3b). The District’s current core revenues are not enough to adequately fund apparatus replacement as recommended nor to pay for regular staffing at the firehouse. The total fund balance of \$381,193 as of June 30, 2021 is almost \$1,400,000 below the recommended amount, see 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’s total fund balances as of June 30, 2021 of \$381,193 is almost \$1,400,000 less than the minimum recommended fund. The 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.

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

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|---------------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | 117,279 | | |
| Other funds | 70,066 | | |
| | <u>187,345</u> | 1,716,000 | (1,528,655) |
| General reserve | 30,097 | 53,000 | (22,903) |
| Unassigned | 163,751 | 11,000 | 152,751 |
| Total Recommended Fund Balance | <u>\$ 381,193</u> | <u>\$ 1,780,000</u> | <u>\$ (1,398,807)</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. In FY 2010 the District purchased an engine which was financed with a capital lease. The lease required payments totaling \$13,700 a year and was paid off in FY 2020. The District also does not have any pension or retiree health insurance (OPEB) liabilities.

Financial Ability MSR Determination

Knights Landing FPD is operating in a fiscally prudent and responsible manner but is not able to adequately fund station improvements and apparatus replacement within the recommended 25-year lifespan. The District's current core revenues exceed regular operating expenses, on average, by about \$30,000 per year. Core revenues are only increasing by 6% a year and total fund balance has only increased by 1% a year, so the Knights Landing FPD does not have sufficient revenue to set aside much fund balance to build its capital asset reserve. The total fund balance is less than what appears to be needed, mostly due to underfunding of the capital asset replacement reserve. The District's total fund balances as of June 30, 2021 of \$381,193 is almost \$1,400,000 less than the minimum recommended fund. The District does not have formal reserve policies. Additional funding is required to maintain adequate reserve balances and to purchase apparatus within the recommend lifespan. Knights Landing FPD maintains its funds in the County Treasury and uses the County's financial system to maintain its accounting records. Knights Landing FPD fire commission receives financial reports and additional financial information at each meeting. As a dependent district, Knights Landing 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 Knights Landing FPD's special assessment to provide funding for staffing, facilities and apparatus/equipment needs.
- 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 Knights Landing FPD along with Dunnigan, Yolo and Zamora FPDs scale up its services and operate more as a regional unit via a JOA. The FPDs recently signed an agreement in May 2022 and need to work 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 Knights Landing FPD along with Dunnigan, Yolo and Zamora FPDs scale up its services and operate more as a regional unit via a JOA. The FPDs recently signed an agreement in May 2022 and need to work 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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Does the agency need liability and workers compensation insurance coverage?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

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

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. Knights Landing FPD entered into a JOA with Dunnigan, Yolo and Zamora FPDs in May 2022 designed to improve operations and efficiencies. The recommendation below is to ensure Knights Landing 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. Although all the five fire commission seats are currently filled, there has been one vacant seat for most of the last five years. But commissioners have been relatively stable. The commission currently appears to be solid and capable.

| Name / Title | Start | End |
|--------------------|------------|------------|
| Raymond Bivert / | 07/24/2018 | 09/01/2022 |
| Daniel Gámez Jr. / | 03/09/2021 | 05/01/2023 |
| Raul Cervantes / | 08/31/2021 | 08/01/2024 |
| Willie Morales / | 06/08/2021 | 05/01/2025 |
| Carlos Perez / | 01/25/2022 | 11/01/2025 |

- 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. The Knights Landing FPD chief has been with the department for 15 years and indicates it has a solid group of volunteer personnel. During COVID, it apparently lost a few volunteers but otherwise has been holding steady at around 12 volunteers. If call volume continues to increase, paid staff and/or reserves providing regular station coverage may be needed.

- 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. Knights Landing FPD has bylaws, injury and illness protection program and comprehensive standard operating procedures. However, Knights Landing FPD should adopt policies related to commission meetings, to include attendance, conduct, and responsibilities of officers. Even though Knights Landing 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 commissioner 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?*

Not applicable. The Knights Landing FPD has been exempted from needing to file Statement of Economic Interests (Form 700) disclosures because its annual operating budget is less than \$150,000.

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

No. Coverage is provided by Golden State Risk Management Authority.

- 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 Knights Landing 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 26909⁵.

- 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. Knights Landing 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, 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. The Knights Landing FPD received a 36% transparency score in 2021. Please see the report posted on the LAFCo website for where improvements are needed.

Accountability, Structure and Efficiencies MSR Determination

Knights Landing FPD entered into a JOA with Dunnigan, Yolo and Zamora FPDs in May 2022 designed to improve operations and efficiencies. Although all the five fire commission seats are currently filled, there has been one vacant seat for most of the last five years. But commissioners have been relatively stable and appear to be solid and capable. The Knights Landing FPD chief has been with the department for 15 years and indicates it has a solid group of about 12 volunteer personnel. If call volume continues to increase, paid staff and/or reserves providing regular station coverage may be needed.

The District has a comprehensive employee handbook and since Knights Landing FPD is a dependent district it is assumed to comply with the County's accounting policies. However, the district does not have any polices governing the fire commissioners, administrative and financial policies. Knights Landing FPD has been exempted by Yolo County for needing to make Statement of Economic Interests (Form 700) disclosures. Knights Landing FPD is audited annually as part of the County's ACFR but it does not include individual review of the dependent FPDs. 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. As a dependent district, Knights Landing FPD is not required to have a website but it should review LAFCo's website transparency report for best practices.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- Dunnigan, Knights Landing, Yolo and Zamora 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.

⁵ 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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- The Knights Landing FPD should adopt policies related to meeting attendance, conduct, responsibilities of officers, and personnel (including employee/volunteer promotions, performance evaluations, drug and alcohol policies, payroll processing, etc.) In addition, accounting and financial policies should be developed to include general accounting, processing, and recording of disbursements and receipts, allowable expenditures, employee and commissioner 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 are not legally required to maintain a website. The Knights Landing FPD has a website but received a 36% transparency score for best practices in 2021. Please see the report at <https://www.yololafo.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).”

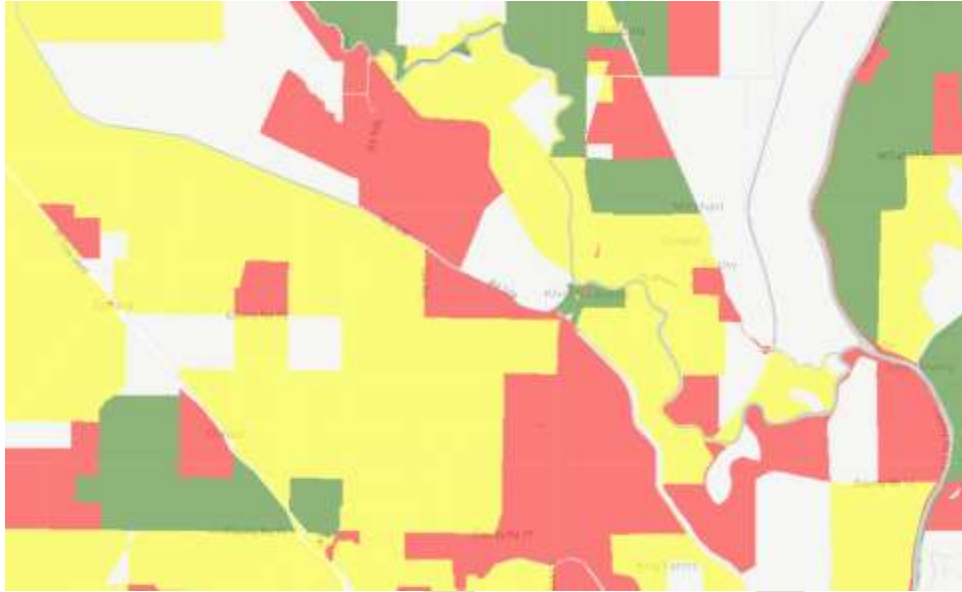
| | YES | MAYBE | NO |
|--|--------------------------|-------------------------------------|--------------------------|
| a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/>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

Discussion:

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

Maybe. The FPD Station No. 9 and the town of Knights Landing has access to high-speed wireline broadband available from Wave Broadband at 1,000/10 Mbps (or 1 Gig speeds). However, the outlying agricultural areas in the FPD territory are either underserved or unserved and have varying service from either AFES fixed wireless at 15/15 Mbps or mobile service from multiple providers, however the fastest speed is AT&T at 9.7/2.8 Mbps⁶. Therefore, the rural areas outside of town do not have access to broadband internet.

⁶ 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



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

Maybe. Wave Broadband and AT&T offers low-income subscription rates, however AFES offers its fastest internet plan (10/4 Mbps at \$140.00 per month).

According to the CPUC Broadband Mapping Program, broadband adoption at broadband speeds is between 20% - 40% for the Knights Landing 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 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 FPD Station No. 9 and the town of Knights Landing has access to high-speed wireline broadband available from Wave Broadband at 1,000/10 Mbps (or 1 Gig speeds). The unincorporated communities in the FPD territory have varying service from either AFES fixed wireless at 15/15 Mbps or mobile service from multiple providers, however the fastest speed is AT&T at 9.7/2.8 Mbps. Wave and AT&T offer low-income subscription rates, however AFES offers its fastest internet plan (10/4 Mbps at \$140.00 per month). According to the CPUC Broadband Mapping Program, broadband adoption at broadband speeds is between 20% - 40% for the Knights Landing FPD territory. Therefore, the rural areas outside of town do not have access to broadband internet and affordability is an issue.

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 Knights Landing FPD

- Knights Landing, Madison, Yolo, and Zamora FPDs should consider an automatic aid agreement with Dunnigan and/or Willow Oak FPDs for immediate response to missed calls in those districts when on-duty staffing is available in Dunnigan and/or Willow Oak.
- 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.
- Dunnigan, Knights Landing, and Madison FPDs should consider seeking a benefit assessment to facilitate long-term fiscal viability.
- Elkhorn, Knights Landing, Madison, and Yolo FPDs should consider seeking grant funding for apparatus replacement to facilitate long-term fiscal viability.

Status of Previous Recommendations MSR Determination

The incident response data indicates an auto aid agreement with either Dunnigan or Willow Oak FPDs is no longer warranted any and distance is an issue. If auto aid is needed, the City of Woodland would be closer. Knights Landing FPD has not adopted recommended fiscal policies and this has been reiterated in the MSR. Knights Landing FPD has not increased its benefit assessment, although Yolo County is currently conducting a study and the Knights Landing FPD fire commission should support it. Although as discussed in the capacity section, Knights Landing FPD's ability to obtain support for a benefit assessment may be hampered by the disadvantaged economic status of most its population. Knights Landing FPD did receive grant funding to purchase Engine 209, but the chief has indicated it is difficult to apply for grants and do all the required paperwork with volunteer staff.

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

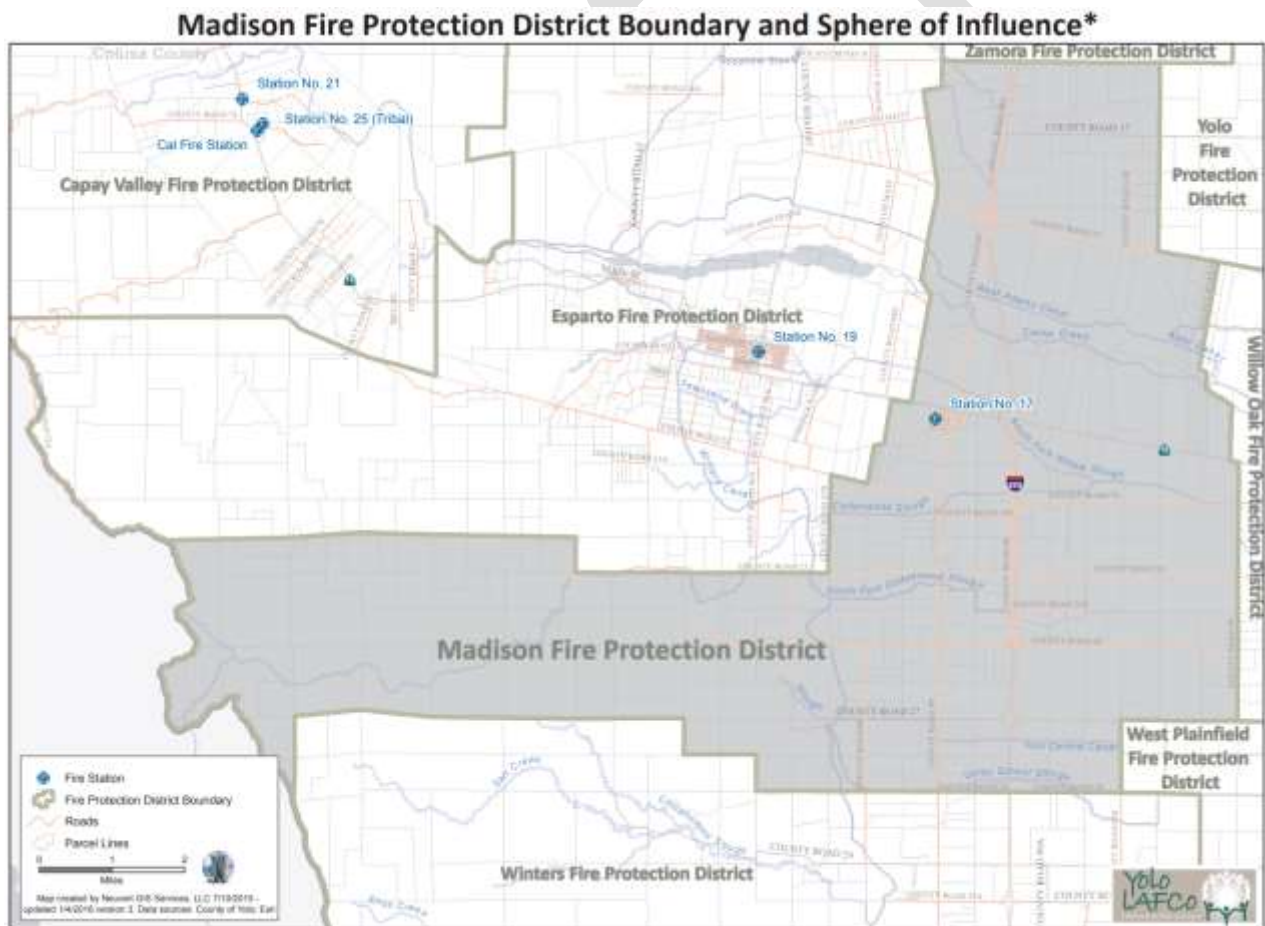
AGENCY PROFILE

The Madison Fire Protection District (FPD) was formed in 1930 and is authorized to provide fire protection and emergency response services. It was formed as an independent district from Yolo County with a five-member Board of Directors, each appointed by the Board of Supervisors to serve four-year terms.

The District is 42,325 acres in size and serves the unincorporated town of Madison and the surrounding rural area. The District contains 385 residential and 3 commercial addresses and its residential population is estimated to be 962 residents¹. However, the Madison FPD Chief reports there are actually 37 commercial businesses that increase the population during the day by 500-750 people. Madison Migrant Center and the CDC building adds an additional 50 residents with a seasonal population increase of 300. The FPD also has I-505 and SR 16 running through District

The Madison FPD station is located at 7880 Stephens Street in Madison. Madison FPD owns 5 apparatus and 4 command/utility vehicles, and has 2 paid staff, 0 reserves and 24 volunteers.

The Madison FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.



* Note: Sphere of Influence is coterminous with boundary

Adopted by Yolo LAFCo June 23, 2016

¹ 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 checked="" 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.

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

Discussion:

- a) *Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands?*

Maybe. The population for Madison FPD is currently estimated to be 962. The town of Madison has a population of 581 per the 2020 Census and its growth is limited to infill development. However, infill development could be somewhat significant. Two parcels have been purchased recently in Madison and may be developed in coming years. As many as 48 multi-family units could be built on APN 49-440-012, which could add an estimated 134 people and APN 49-461-004 could potentially fit a fourplex with an estimated 11 population. Although this development is speculative and no plans have been formally submitted to Yolo County, it could increase the population of the town of Madison by as much as 24%. Madison FPD has an adopted development impact fee to cover the costs of providing additional service to new development, but it only covers one-time capital expenses for new

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

development. Because the Madison FPD collects on average 6.3% of property taxes generated in the district (which is the average as compared to other FPDs), the additional property tax revenues generated by any new development should be evaluated to determine if they will adequately cover the costs of serving potential future growth.

Madison FPD is dispatched by YECA which reports that over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 266 in FY 18/19, 299 in FY 19/20 and 321 in FY 20/21, a 21% increase in only three years.

b) *Do changes in service demand suggest a change in the agency's services?*

No. Population and demand changes will not require a change to the Madison FPD boundaries.

Growth and Population MSR Determination

The population for Madison FPD is currently estimated to be 962. The town of Madison has a population of 581 per the 2020 Census and its growth is limited to infill development. Although no plans have been formally submitted to Yolo County, potential multi-family development could increase the population of the town of Madison by as much as 24%. Madison FPD has an adopted development impact fee to cover the costs of providing additional service to new development, but it only covers one-time capital expenses for new development. Because the Madison FPD collects on average 6.3% of property taxes generated in the district (which is the average as compared to other FPDs), the additional property tax revenues should be evaluated to determine if they will adequately cover the costs of serving potential future growth.

According to YECA, total calls that resulted in dispatched apparatus/responders were 266 in FY 18/19, 299 in FY 19/20 and 321 in FY 20/21, a 21% increase in only three years. Any population growth and call volume can be accommodated by the current Madison FPD boundaries, therefore, no changes to the Madison FPD's SOI or boundaries are recommended.

Growth and Population MSR Determination Recommendation

- The Madison FPD should participate in the current study funded by Yolo County to determine if property assessments need to be increased to cover the increasing costs of providing fire service to existing and new growth. The Madison FPD should support any new Proposition 218 elections to increase ongoing core revenues.

2. DISADVANTAGED UNINCORPORATED COMMUNITIES

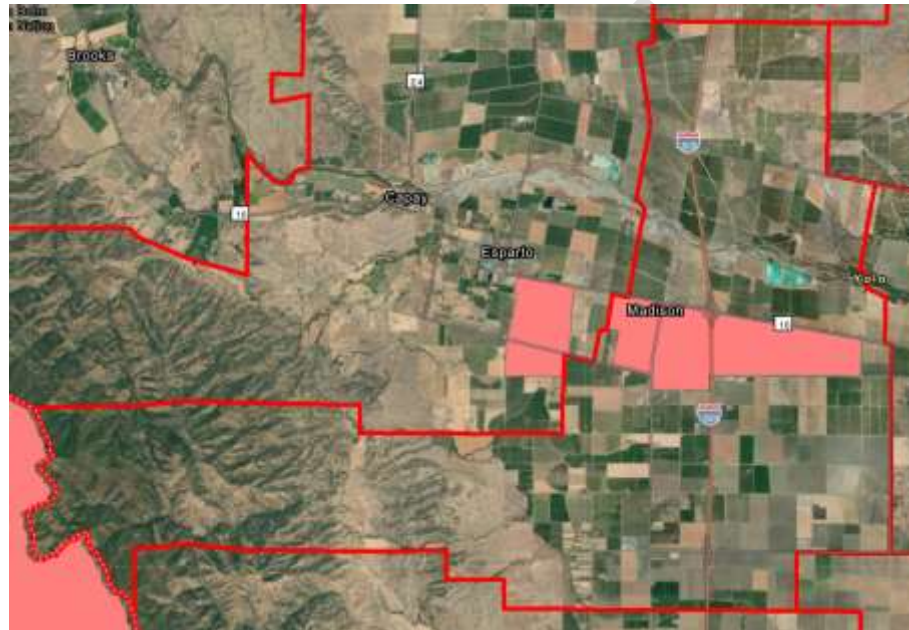
The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

| | 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. A portion of the Madison FPD is considered disadvantaged as shown below, however, all “inhabited unincorporated communities” countywide receive structural fire protection services. Madison FPD’s level of response is consistent with surrounding FPDs and Madison is not receiving a lesser service due to its disadvantaged economic status.



- 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

A portion of the Madison FPD is considered disadvantaged; however, all “inhabited unincorporated communities” countywide receive structural fire protection services. Madison FPD’s level of response is consistent with surrounding FPDs and Madison is not receiving a lesser service due to its disadvantaged economic status.

² 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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <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 Station

The original fire station was constructed in 1950's and the Madison FPD recently completed improvements to it in 2021. The station is on municipal water/sewer provided by Madison Community Services District. The station driveway is gravel, and the Chief indicated the surface meets its needs. A diesel exhaust system is not needed. There are sleeping quarters in the station office for 2 firefighters and can be expanded to 4. The Madison FPD Chief indicates the FPD may need an additional 40x60 metal building to house apparatus/equipment and a training center that is estimated to cost \$150,000 - \$200,000. The property also has a house onsite that has previously been rented to AMR ambulance services or a firefighter that is currently vacant because it is being fixed up, with the plan to rent it to a firefighter to improve staffing.



Apparatus:

The table below lists the Madison FPD apparatus.

| Use | Apparatus | Type | Age (yrs) | Reserve? (Y/N) |
|-----------------|--------------------|--------------------|-----------|-------------------------|
| Structure Fires | Engine-17 | 2 | 17 | No |
| | Engine-217 | 3 | 13 | No |
| Wildlands Fires | Brush-17 | 5 | 2 | No |
| Water Tenders | Water-17 | 2,000g 1,000gpm | 6 | No |
| | Water-217 | 2,000g 500gpm | 39 | Yes (needed for ISO) |
| Command/Utility | F250 Truck | N/A | 1 | No |
| | Tahoe SUV | N/A | 11 | No |
| Other Apparatus | GMC Truck | Utility | 17 | No |
| | Honda Side by Side | Utility | 1 | No |

All Madison FPD apparatus receive regular scheduled maintenance service, BIT (biennial inspection of terminals) inspection every other month, daily rig checks, and annual pump testing. Hoses and ladders are tested every two years and the next test is scheduled for Nov./Dec 2023. Madison FPD currently supplies all responding members with appropriate, in-date personal protective equipment (PPE). All PPE is regularly inspected and follows a PPE replacement schedule. All self-contained breathing apparatus (SCBA) receive annual flow testing, which was last performed on June 24, 2021. All bottles are current in hydro date and batteries are inspected and replaced twice per year.

Madison FPD operates adequate communications equipment including radios with current programming that meets the needs for incident response. All apparatus have mobile radios installed and each seat has a dedicated radio.

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. The district's ISO rating is 5/10 and was last evaluated in June 2017. 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 Madison FPD has 2 paid staff, 0 reserves and 24 volunteers (24 staff in total including 2 firefighters). The Madison Fire Station is staffed Monday through Friday, 7am-4pm by one full-time employee and the 2nd employee works Sunday through Thursday 9am-6pm. In addition to paid staff, 1-2 volunteers staff the station daily for 12-, 24- or 48-hour shifts resulting in an average daily minimum staffing of 2 personnel. 1 FTE is currently split between two people.

Madison FPD has written operating policies and guidelines for its staff. All response personnel receive base level minimum training to respond to incidents adequately and safely. Incident Command System (ICS) basic training is a requirement before responders can respond to incidents. Madison FPD participates in the Yolo County Firefighters Association Training Program. Responding personnel are fit tested on an annual basis.

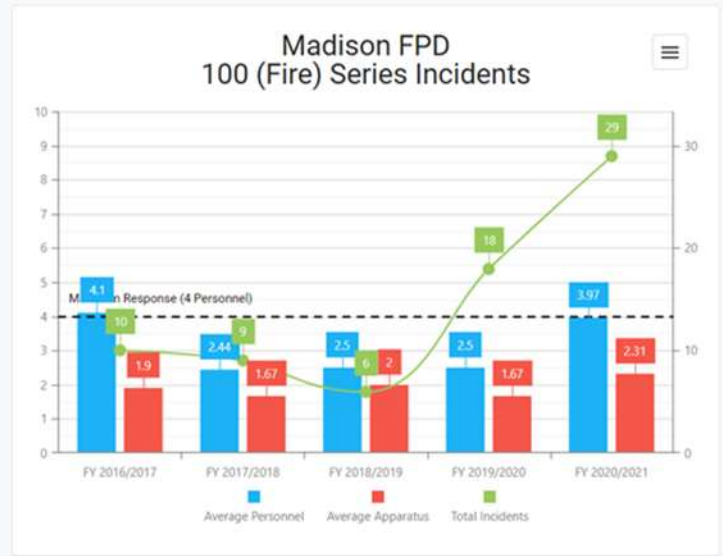
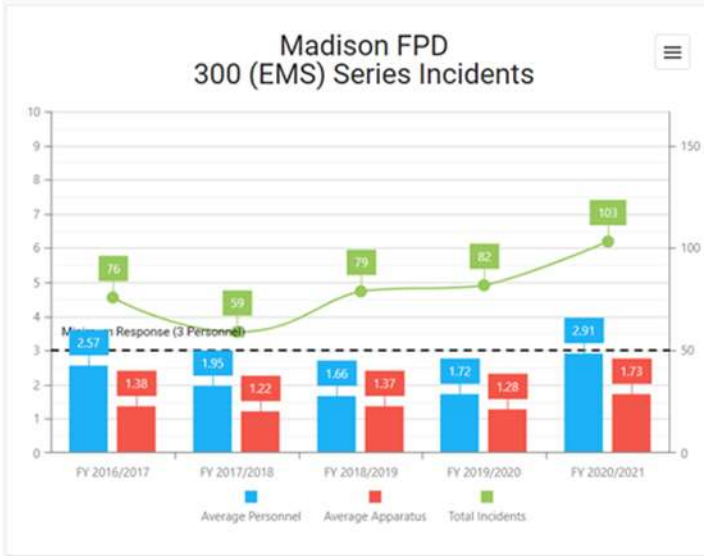
Incident Reporting and Adequacy of Services

Madison FPD utilizes Emergency Reporting web-based program for reporting and documentation. 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 calls³.

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

³ 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.

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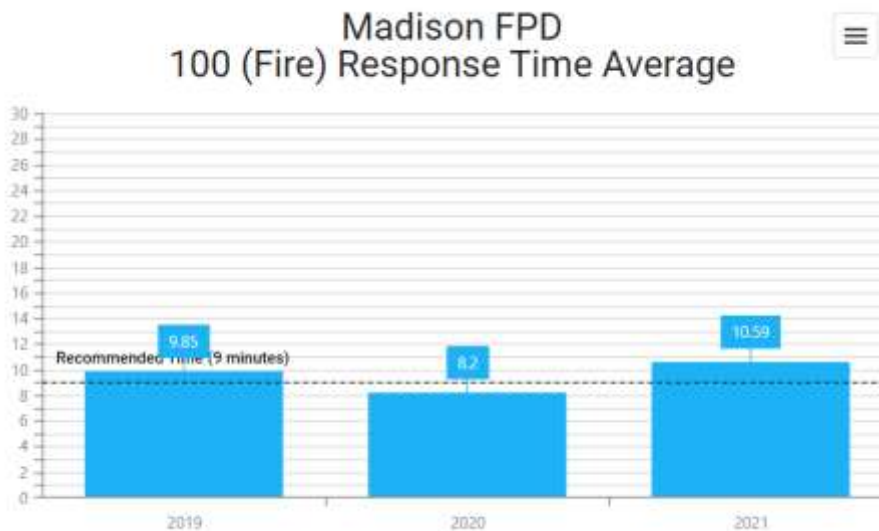
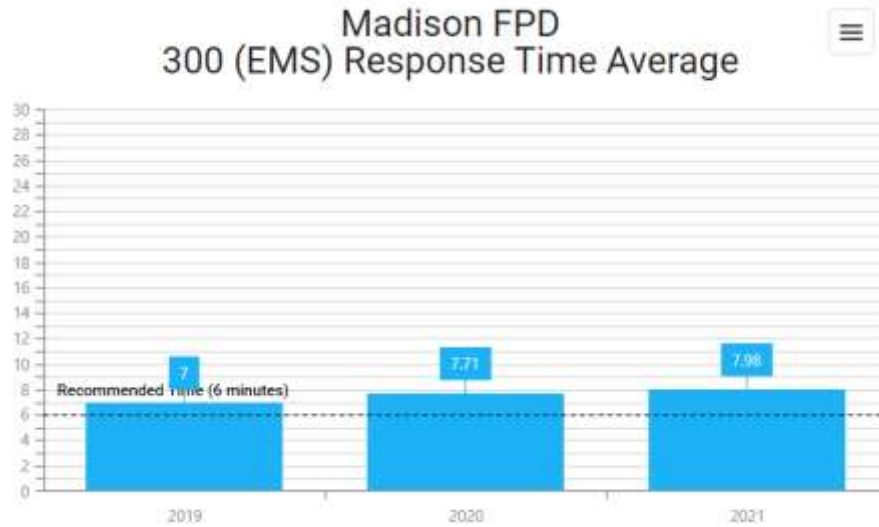


The above graphs show that for most of the last five years up until FY 20/21, Madison FPD has struggled to respond to both fire and rescue/EMS calls with enough personnel on average. Adequate apparatus for fire calls was also an issue for FYs 16/17 – 19/20. Madison FPD has improved its adequacy of services and is operating almost to standards in FY 20/21. Madison FPD needs to keep an eye on its personnel response to calls to ensure adequate coverage. Hopefully, joining the Joint Operations Agreement referenced in the Shared Services section will help with staffing.

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 averages⁴ for the 2019 – 2021 calendar years are shown below.

⁴ 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.



Madison FPD has had 8 missed calls in the last three FYs (7 in FY 18/19, 1 in FY 19/20 and 0 in FY 20/21)

Annual Performance Evaluation

NFPA requires FPDs to evaluate its level of service, deployment and response time objectives on an annual basis. Although Madison FPD discusses levels of service and performance verbally at each board meeting, it would be a good practice to provide a written evaluation of the Madison FPD's level of service, deployment and response time objectives on an annual basis.

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?*

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No. The Madison FPD borders the Coastal Range and the western roughly half of the District is included in the State Responsibility Area and is mostly rated a moderate fire hazard risk for valley floor areas and very high risk for the mountainous areas. There has been a significant wildfire every season in recent years except 2021. Madison FPD has included this high fire risk in its assessment of infrastructure and service needs. Madison FPD has received revenue in some years from staff and apparatus reimbursement revenue for supporting CalFire during wildfire events. Madison FPD is also working with the Yolo County Fire Safe Council.

- 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

Madison FPD has recently completed upgrades to its station and facilities. All apparatus and command/utility vehicles are within the recommended 25-year lifespan except one reserve water tender that is maintained for ISO rating purposes. Madison FPD's ISO rating is 5/10 and was last evaluated in June 2017. Madison FPD has struggled to respond to both fire and rescue/EMS calls with enough personnel on average. Adequate apparatus for fire calls was also an issue for FYs 16/17 – 19/20. Madison FPD has improved its adequacy of services and is operating almost to standards in FY 20/21. According to YECA data, Madison FPD has had 8 missed calls in the last three FYs (7 in FY 18/19, 1 in FY 19/20 and 0 in FY 20/21). Madison FPD has considered climate adaptation and included this high fire risk in its assessment of infrastructure and service needs. There are no fire service deficiencies related to disadvantaged unincorporated communities.

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

- Although levels of service and performance is discussed at each board meeting, the FPD Chief should provide a written evaluation of the FPD's level of service, deployment, and response time objectives as an agenda item at a board meeting on an annual basis in compliance with NFPA 1720.
- Madison FPD has struggled over the last 5 years to respond to both fire and rescue/EMS calls with enough personnel on average but has improved its adequacy of services and is operating almost to standards in FY 20/21. Madison FPD needs to keep an eye on its personnel response to 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 checked="" type="checkbox"/> | <input type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

| | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| f) <i>Is the organization's revenue 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Discussion:

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 152,180 | \$ 162,535 | \$ 178,794 | \$ 189,196 | \$ 194,764 |
| Development impact fees | - | 4,640 | 15,526 | 2,759 | 12,005 |
| Interest | 1,723 | 3,679 | 12,301 | 11,607 | 360 |
| Rents and concessions | 7,200 | 7,200 | 7,200 | 5,400 | 7,200 |
| Intergovernmental grants | - | - | - | 14,737 | - |
| County tribal mitigation | 11,363 | 30,000 | 30,000 | 15,262 | 23,788 |
| Other County funding | - | - | 15,087 | 18,560 | 32,500 |
| Yocha Dehe Wintun Nation grants | - | - | 130,000 | - | 18,333 |
| Special assessment | 23,047 | 23,007 | 29,900 | 31,933 | 35,522 |
| CA Fire | 18,659 | 42,247 | 12,221 | 14,742 | 262,500 |
| Other revenue | - | - | 500 | 350 | 1,333 |
| Total Revenue | 214,172 | 273,308 | 431,529 | 304,546 | 588,305 |
| Expenditures | | | | | |
| Salaries and benefits | 66,226 | 72,846 | 78,728 | 105,986 | 123,197 |
| Services and supplies | 90,843 | 99,955 | 76,157 | 148,950 | 138,235 |
| Debt service (principal and interest) | 29,609 | 29,334 | 18,771 | 18,770 | 18,770 |
| Contributions to volunteers | 9,360 | 38,644 | 19,561 | 6,625 | 140,488 |
| Other expenditures | 171 | 119 | 94 | 265 | - |
| Capital Assets: | | | | | |
| Land | - | - | 30,508 | - | - |
| Buildings and improvements | - | - | 11,052 | - | - |
| Equipment | - | - | 133,447 | - | 77,979 |
| Total Expenditures | 196,209 | 240,898 | 368,318 | 280,596 | 498,669 |
| Net income (loss) | 17,963 | 32,410 | 63,211 | 23,950 | 89,636 |
| Beginning Fund Balance | 266,508 | 284,471 | 316,881 | 380,092 | 404,042 |
| Ending Fund Balances | \$ 284,471 | \$ 316,881 | \$ 380,092 | \$ 404,042 | \$ 493,678 |
| Fund Balances | | | | | |
| Restricted - Development impact fees | \$ 7,607 | \$ 12,360 | \$ 28,309 | \$ 31,699 | \$ 44,104 |
| Restricted - Unexpended grants | - | - | - | - | - |
| Assigned - Capital asset replacement | 12,584 | 19,543 | 13,168 | 13,446 | 13,587 |
| Assigned - General reserve | 25,190 | 25,190 | 25,190 | 25,190 | 25,190 |
| Unassigned | 239,090 | 259,788 | 313,425 | 333,707 | 410,797 |
| Total Fund Balances | \$ 284,471 | \$ 316,881 | \$ 380,092 | \$ 404,042 | \$ 493,678 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 17,963 | \$ 32,410 | \$ 63,211 | \$ 23,950 | \$ 89,636 |
| Percentage Increase (Decrease) | 6.74% | 11.39% | 19.95% | 6.30% | 22.18% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 240,247,163 | \$ 263,337,688 | \$ 277,796,167 | \$ 296,746,325 | \$ 300,599,349 |
| b. Y-T-Y Percentage change in AV | 5.25% | 9.61% | 5.49% | 6.82% | 1.30% |
| c. Current secured, unsecured and HOPTR | \$ 146,703 | \$ 160,175 | \$ 176,186 | \$ 187,951 | \$ 190,601 |
| d. District share of general 1% levy (c/a) | 6.1063% | 6.0825% | 6.3423% | 6.3337% | 6.3407% |

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 total core revenues (property taxes, tribal mitigation, special assessments) have increased on average 6.5% a year, while operating expenditures (excluding reimbursable strike team costs) have remained flat. The District has consistently operated at a profit, over the past 5 years increasing fund balance from \$266,508 to \$493,678 as of June 30, 2021. \$449,574 of total fund balance can be used for any purpose. The remaining balance of \$44,104 is from unexpended development impact fees which can only be used to acquire new equipment or facilities related to

servicing areas resulting from new development. The available fund balance is close to the recommended calculated amount.

Revenue

Madison Fire Protection District’s revenue consists of property taxes, special assessments development impact fees, interest, rents, grants from the County and the Yocha Dehe Wintun Nation and other miscellaneous revenue. Like other rural fire districts, Madison PFD relies primarily on a share of the general 1% property tax levy for most of its revenue. In fiscal year 2021, property taxes of \$194,764 comprised 60% of total revenues (excluding CalFire reimbursements). The District’s share of property taxes within its boundaries is approximately 6.3%, while the average for all rural FPDs in the county is 6.2%. The District has also levied a special assessment since 1989. In 2021 special assessment revenue was \$35,522 which accounted for 11% of total revenue. However, special assessment revenue has not increased much since 1989 when \$23,892 was levied. Since 1990 the District also imposed development impact fees (DIF) that is 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 \$34,930 of DIF. The District is one of five FPDs, that since 2004, receives annual tribal mitigation funding from the County. Over the past five years the District has received \$110,413 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”. The district should contact the County to collect the additional \$22,087 of tribal mitigation funding it did not receive. In addition, over the past 5 years the Madison FPD has received other County funding of \$82,500, grants from the Yocha Dehe Wintun Nation totaling \$148,333, strike team reimbursements of \$350,369 and other revenue totaling \$2,183.

Expenditures

Ongoing operating expenditures have remained flat. The increase in total expenditures, over the past 5 years, is due to expenditures related to participating in strike teams which are fully reimbursable by CalFire. Debt service expenditures arising from capital equipment financing have decreased from \$29,609 to \$18,770. The lease will be paid off at the end of fiscal year 2025.

Capital expenditures

The District has been successful in minimizing impacts of financing capital purchases with grants and capital leases.

- 2019: \$175,007, land, building improvements, type 5 truck (\$130,000 grant from Yoch Dehe Wintun Nation)
- 2021: \$77,979, generator, F250, off road vehicle (Off road vehicle \$32,500 County grant)

The District has been successful through conservative budgeting and taking advantage of grants in maintaining a fairly healthy fund balance.

- b) *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 have accounting and/or financial policies that guide the agency in how financial transactions are recorded and presented?*

Maybe. In 2017 the district accounting records omitted grant revenue of over \$102,268 and the related acquisition of equipment funded from this grant. The amount omitted represents 90% of a City of West Sacramento pass-through grant. The assets purchased with this grant should have also been capitalized. These assets do not appear on the district’s capital asset schedule.

Although the district maintains all funds in the County Treasury and uses the County’s financial system to maintain its accounting records and all transactions posted to the District’s fund are reviewed by the County Department of Financial Services (DFS), the omitted grant amount was not detected. DFS imposes the same accounting and financial policies of the County on the District. Accounting and

budget data which includes 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?*

Yes. A review of the past 5 years of accounting transactions found several instances of transactions not recorded to the proper accounts and not detected by DFS or by District staff. In addition, the district did not receive the full allocation of tribal mitigation funds in 3 of the past 5 years totaling over \$22,087. Also, a grant and related equipment purchase was not recorded in the District's accounting records, see 4.a) above. The Chief reports DFS staff turnover and coding errors has been an issue.

- d) *Does the agency board fail 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 board reviews the County financial budget report on a quarterly basis and reviews invoices presented for payment on a monthly basis.

- 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. Most revenues are reliable, with the majority coming from property taxes, special assessments, interest, and tribal mitigation funds which are all collected and allocated by the County. However, Madison FPD received significant CAL FIRE revenue which can vary widely from year to year and should not be counted on.

- f) *Is the organization's revenue 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. Madison FPD has completed work on the apparatus bay and firefighters' quarters but is working on the updated rental house with an August completion date. See also item e) above. DIF goes towards apparatus and PPE replacement. However as of June 30, 2021 the District's total fund balance of \$493,678 is \$441,000 less than the minimum recommended total fund balance of \$935,000 primarily due to underfunding the capital asset replacement reserve (see 4g) below).

- 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 a written reserve policy. Madison FPD has a total fund balance of \$493,678 as of June 30, 2021, that is \$441,000 less than the minimum recommended fund balance. The 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.

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

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

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|--------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | 44,104 | | |
| Other funds | 13,587 | | |
| | <u>57,691</u> | <u>798,000</u> | <u>(740,309)</u> |
| General reserve | 25,190 | 108,000 | (82,810) |
| Unassigned | 410,797 | 29,000 | 381,797 |
| Total Recommended Fund Balance | <u>\$ 493,678</u> | <u>\$ 935,000</u> | <u>\$ (441,322)</u> |

- 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 capital financing and debt management policy, if applicable?*

No. The district routinely finances apparatus purchases with capital leases, but the debt is at a manageable level. As of June 30, 2021, the district has one capital lease outstanding that was used to finance the purchase of a water tender. The balance due is \$69,390.54 and requires an annual payment of \$18,770 and is scheduled to be paid off in April of 2025.

Financial Ability MSR Determination

Due to conservative budget practices Madison FPD is currently financial stable. The District’s total annual ongoing operating revenues (property taxes, tribal mitigation, special assessments) and total fund balances have steadily grown over the past five years. Total fund balance has increased from \$266,508 to \$493,678, of that \$449,574 can be used by the district for any purpose. However, the District does not have a written reserve policy and the total fund balance of \$493,678, as of June 30, 2021, is \$441,000 less than the minimum recommended fund balance. Although Madison FPD received significant CAL FIRE revenue, it can vary widely from year to year and should not be counted on. District staff should review the monthly financial reports more closely to detect and correct errors. Some accounting errors were noted and the full amount of allocated tribal mitigation funds were not received by the District. The District does not have formal debt and reserve policies. Additional funding may be required to fund updating facilities and to maintain adequate reserve balances. Madison FPD maintains its funds in the County Treasury and uses the County’s financial system to maintain its accounting records.

Financial Ability MSR Recommendation(s)

- Madison FPD should contact the County to seek reimbursement of \$22,087 of tribal mitigation funding that it was allocated but was not properly invoiced.
- Madison FPD staff should review financial data on a regular basis and identify any discrepancies. The review should include reconciliations of various accounts, comparing budgets-to-actual, analyzing budget variances, comparing revenue and expense balances to the prior year, etc. It also should review monthly the transactions in the County system to transactions the agency submitted to the County for processing.
- Consider increasing Madison FPD’s special assessment to provide funding for staffing, facilities and apparatus/equipment needs.
- 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 Esparto FPD, Capay Valley FPD and Madison FPD scale up its services and operate more as a regional unit via a JOA. Esparto FPD and Capay Valley FPD have already entered into a JOA and are working towards standardizing written operating policies and guidelines. It also has mutual/auto aid agreements with surrounding fire departments. It is hoped that the Madison FPD joins the JOA as well.

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 Madison FPD, Capay Valley FPD and Esparto FPD scale up its services and operate more as a regional unit via a JOA. Esparto FPD and Capay Valley FPD have already entered into a JOA and are working towards standardizing written operating policies and guidelines. It is hoped that the Madison FPD joins the JOA as well. 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"/> |

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

| | | | |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| 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 checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>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?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| g) <i>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?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololaftco.org/yolo-local-government-website-transparency-scorecards)?</i> | <input checked="" type="checkbox"/> | <input 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. Madison FPD should enter into the JOA already established with Capay Valley FPD and Esparto FPD designed to improve operations and efficiencies. The recommendation below is to ensure Madison 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?*

Maybe. Four of the board member seats are currently filled. Two past board members have moved away, and one vacancy has remained for almost a year. LAFCo staff's understanding is a new board member will be appointed in the next few months. Numerous board meetings have been cancelled, especially during COVID and according to the Chief it was primarily due to a lack of agenda items. Occasionally it was due to a lack of quorum.

| Name / Title | Start | End |
|------------------|------------|------------|
| Rafael Galiano / | 02/19/2019 | 04/01/2023 |
| Vacant Seat / | | 04/01/2023 |
| Kevin Crerar / | 04/09/2019 | 05/01/2023 |
| Tim Schimmel / | 07/21/2020 | 02/01/2024 |
| James Barrett / | 09/29/2020 | 09/01/2024 |

- 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?*

Maybe. The Madison FPD command staff is made up of the Fire Chief, Assistant Chief and 3 Captain positions and appear stable. There is also a District Secretary. Three of these staff positions are close relatives, and the Chief is in a supervisory capacity of the other two.

The Madison FPD has a core group of volunteers. Roughly half live in the District and the other half live outside the FPD. It is gaining volunteers. There are no core turnover issues, and it is common for stipended volunteers to eventually move on to career positions at larger departments.

- 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. Madison FPD has bylaws, standard operating polices and guidelines, and an employee handbook. The Madison FPD should adopt policies related to meeting attendance, conduct, responsibilities of officers, and personnel (including employee/volunteer promotions, performance evaluations, drug and alcohol policies, payroll processing, etc.). In addition, accounting and financial policies should be developed to include general accounting, processing, and recording of disbursements and receipts, allowable expenditures, employee and board 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. Madison FPD has been exempted from needing to file Statement of Economic Interests (Form 700) disclosures.

- f) *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?*

Yes. The Madison FPD is required to conduct an audit every two years and hasn't had one completed in 10 years. Madison FPD's last audit was in 2012. To save agency costs, the County Chief Financial Officer agreed to Madison FPD securing an auditor for just the last 3 FYs and the audit contract needs to be rebid. The Chief reports this is in process.

- g) *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?*

Yes. Madison FPD needs to either hire an outside accountant or schedule time with DFS to evaluate FPD finances and verify the County Department of Financial Services (DFS) accounting coding is accurate.

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

Yes. The Madison FPD is an independent special district and is legally required to maintain a website. Madison FPD received a 35% transparency score in 2021. Please see the report posted on the LAFCo website for where improvements are needed.

Accountability, Structure and Efficiencies MSR Determination

There are no recommended changes to Madison FPD's governmental structure, however it should join the JOA with Capay Valley and Esparto FPDs designed to improve operations and efficiencies. The recommendation below is to ensure Madison FPD continues to maintain standing in good faith to achieve JOA goals. Madison FPD is effective in its current structure but has experienced some issues maintaining board members. Board members and key staff are trained regarding the organization's program requirements and financial management. The Fire Chief and Assistant Chief positions have been stable for years, but all three staff positions are close relatives, and the Chief is in a supervisory capacity of the other two.

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Madison FPD has some basic policies but should consider adopting additional policies regarding meeting attendance, conduct, responsibilities of officers, personnel, and accounting/financial procedures. MPFD has been exempted from making Statement of Economic Interests (Form 700) disclosures. The Madison FPD is required to conduct an audit every two years and hasn't had one completed in 10 years. Madison FPD's last audit was in 2012. The Madison FPD is an independent special district and is legally required to maintain a website. Madison FPD received a 24% transparency score in 2020.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- Capay Valley, Esparto and Madison 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.
- Madison FPD should consider nepotism policies, especially for supervisory issues and segregation of duties for financial transactions.
- The Madison FPD should adopt policies related to meeting attendance, conduct, responsibilities of officers, and personnel (including employee/volunteer promotions, performance evaluations, drug and alcohol policies, payroll processing, etc.) In addition, accounting and financial policies should be developed to include general accounting, processing, and recording of disbursements and receipts, allowable expenditures, employee and board travel and expense reimbursements, capital assets, debt and borrowing, credit card use, etc. LAFCo will provide policy templates for FPD use.
- Madison FPD has not been audited since 2012. Madison FPD needs to prioritize securing an audit as soon as possible for the last 3 FYs per the Yolo County Auditor-Controller. Going forward, Madison FPD needs to stay current on the two-year audit cycle.
- Madison FPD needs to either hire an outside accountant or schedule time with DFS to evaluate FPD finances and verify the County Department of Financial Services (DFS) accounting coding is accurate
- The Madison FPD received a 35% 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.

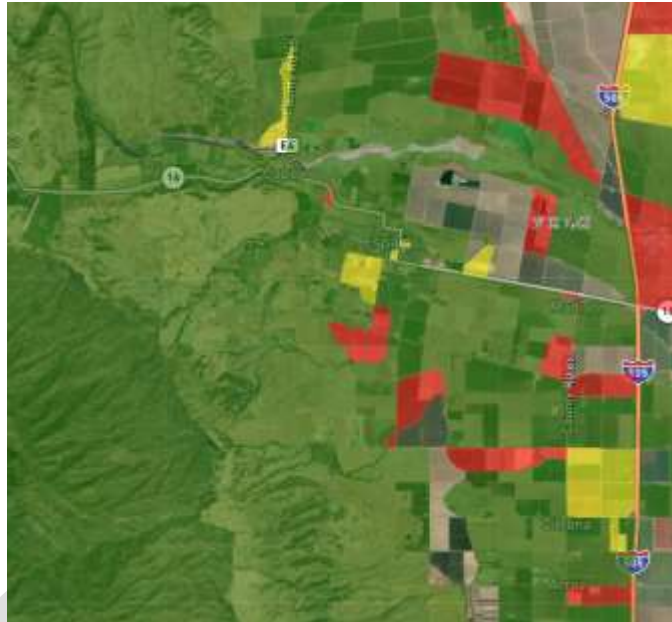
Per Yolo LAFCo Project Policy 6.2 *"it is the intent of Yolo LAFCo to comprehensively review broadband access in MSRs of local agencies that either serve communities and/or provide emergency services where broadband connection is critical (i.e. cities, CSDs, CSAs, FPDs and RDs)."*

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| 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. The town of Madison is provided broadband service by Esparto Broadband, Inc. at either 100 Mbps download and 10 Mbps upload speeds or 50 Mbps download and 5 Mbps upload speeds depending on location⁵: AT&T also provides speeds of 50/10Mbps depending on location. The rural areas are mostly covered by Winters Broadband LLC at 25 Mbps download speed and 6 Mbps upload speed. Therefore, broadband speeds of 25/3 Mbps is generally available in the Madison FPD territory.



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

No. According to the CPUC Broadband Mapping Program, broadband adoption at 25/3 Mbps is low at only 20%-40% in the Madison FPD area. In town, residents have the choice of two providers, one of which offers low-income subscription programs.

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. Much of Madison is also covered by AT&T at competitive speeds, which offers a program for low-income households that includes 25 Mbps download speeds for \$10.00 per month with free installation, in-home Wi-Fi®, no deposit and no annual contract.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account⁶ and generally help troubleshoot technology challenges. Information and 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.

⁵ 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.

⁶ Email from Mark Fink, Yolo County Librarian on May 26, 2021

Broadband Access MSR Determination

Overall, broadband access in the Madison FPD does not appear to be an issue that would disrupt fire protection and emergency services. According to the CPUC Broadband Mapping Program, broadband adoption at 25/3 Mbps is low at only 20%-40% for the Madison FPD territory.

Broadband speeds at or above 25/3 Mbps is generally available in the town of Madison by multiple providers. AT&T as a national internet service provider is required to offer low-income subscription rates, while a small local provider such as Esparto Broadband, Inc. is not.

| 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?*

Yes.

2016 MSR Recommendations Specific to the Madison FPD and Status

1. Knights Landing, Madison, Yolo, and Zamora FPDs should consider an automatic aid agreement with Dunnigan and/or Willow Oak FPDs for immediate response to missed calls in those districts when on-duty staffing is available in Dunnigan and/or Willow Oak.
 Status: This is no longer an issue. Madison FPD has hired full time staff since 2016 and response has significantly improved.
2. 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 adopted.
3. Dunnigan, Knights Landing, and Madison FPDs should consider seeking a benefit assessment to facilitate long-term fiscal viability.
 Status: Madison has had an assessment since 1994 and DIF, but it has not been updated. Yolo County has contracted with a consultant and is currently working on a Proposition 218 assessment update for all the FPDs countywide.
4. Elkhorn, Knights Landing, Madison, and Yolo FPDs should consider seeking grant funding for apparatus replacement to facilitate long-term fiscal viability.
 Status: Madison FPD has been seeking and obtaining grant funding.
5. Esparto and Madison FPDs should consider consolidating into a single district to enhance operational and fiscal efficiencies.
 Status: In lieu of a legal consolidation, Madison FPD is considering joining the JOA with Capay Valley and Esparto FPDs, which would be considered a "functional consolidation". But a JOA has not been adopted yet.

Status of Previous Recommendations MSR Determination

Madison FPD has complied with two of the five recommendations, and another two are in process. It has resolved its response issues by hiring full time staff since 2016 and has been seeking/obtaining grant funding where possible. Yolo County is currently conducting analysis to potentially update Madison FPD's assessments and the District is also considering a JOA that would satisfy the recommendation to consolidate with Esparto FPD with a "functional consolidation". Madison FPD has not adopted written fiscal policies addressing budgeting, procurement, reserve funds, fiscal audits, and capital renewal/replacement planning in conformance with recognized industry best fiscal practices.

DRAFT

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.

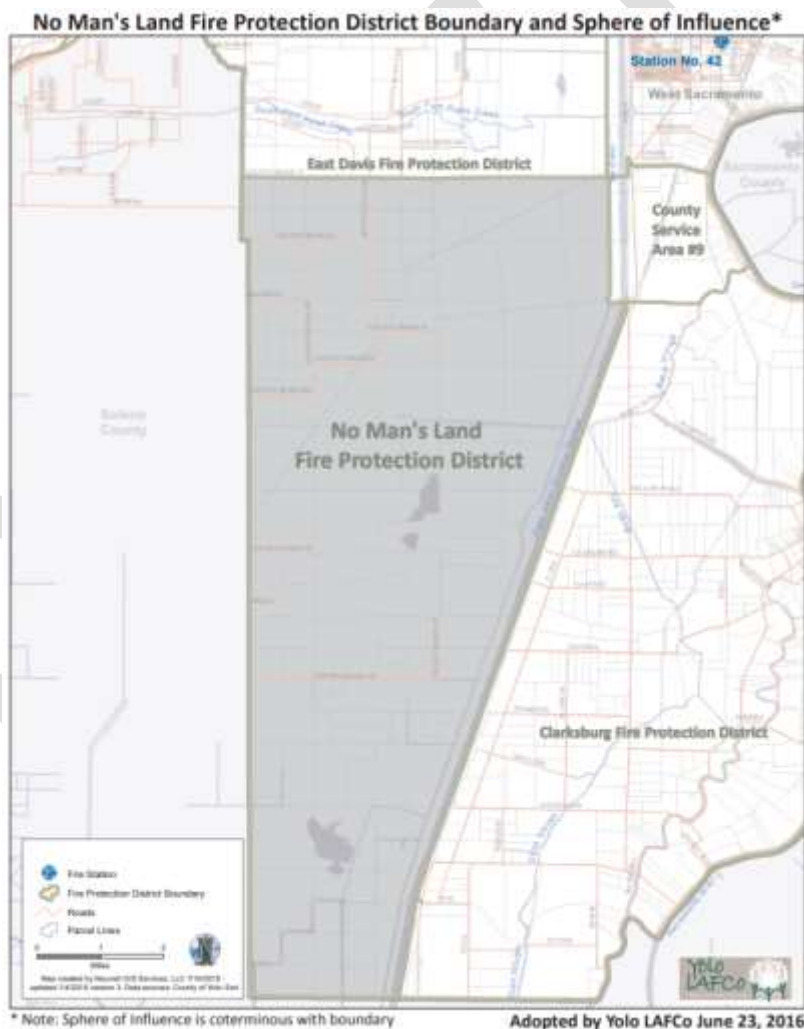
DRAFT

AGENCY PROFILE

The No Man’s Land Fire Protection District (FPD) was formed in 1974 as a dependent district to Yolo County, and is authorized to provide fire protection and emergency response services. The Board of Supervisors acts as the FPD Board of Directors and has never delegated this authority to a local fire commission. Upon its formation until 1974, the FPD contracted with the City of Dixon for services. The City of Davis then provided services on a temporary basis and was made permanent with the City and County approving a 10-year contract beginning in 1997. The City continues to provide service via contract extensions.

The District is 35,639 acres in size and serves the remote area southeast of the City of Davis between Solano County and the Sacramento Deep Water Ship Channel. The District contains 33 residential and 0 commercial addresses and its population is estimated to be 82 residents¹.

The No Man’s Land FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.



¹ 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 type="checkbox"/> Shared Services |
| <input type="checkbox"/> Disadvantaged Unincorporated Communities | <input checked="" type="checkbox"/> Accountability |
| <input type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input checked="" type="checkbox"/> Broadband Access |
| <input checked="" type="checkbox"/> Financial Ability | <input 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.

| 1. GROWTH AND POPULATION | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| Growth and population projections for the affected area. | YES | MAYBE | NO |
| a) <i>Will development 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 type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-b) *Will development and/or population projections over the next 5-10 years impact the subject agency's service needs and demands? Do changes in service demand suggest a change in the agency's services?*

No. The population for No Man's Land FPD is currently estimated to be 82 and there are no significant growth areas designated by the County. The territory is dispatched by the City of Davis and total calls that resulted in dispatched apparatus/responders were 13 in FY 18/19, 6 in FY 19/20 and 15 in FY 20/21, a 15% increase over three years. Changes in service demand do not suggest a change in service provider.

Growth and Population MSR Determination

The population for No Man’s Land FPD is currently estimated to be 82 and there are no significant growth areas designated by the County. The territory is dispatched by the City of Davis and total calls that resulted in dispatched apparatus/responders were 13 in FY 18/19, 6 in FY 19/20 and 15 in FY 20/21, a 15% increase over three years. Changes in service demand do not suggest a change in service provider.

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. All “inhabited unincorporated communities” countywide receive structural fire protection services. There are no unincorporated communities located within the No Man’s Land FPD boundaries and the territory is not identified as disadvantaged².

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

All “inhabited unincorporated communities” countywide receive structural fire protection services. There are no unincorporated communities located within the No Man’s Land FPD boundaries and the territory is not identified as disadvantaged.

² 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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-e) No. No Man's Land FPD has never provided direct services since it was formed in 1974 and currently contracts with the City of Davis for fire protection and emergency response services. The current agreement for services was executed in 2009 and expires in twenty years on June 30, 2029 and can be terminated with 4 years advance written notice.

Staff and Coverage, training, fire station, apparatus and equipment are all provided by a city fire department which must adhere to higher performance standards. Both National Fire Protection Association (NFPA) 1720 and 1710 are standards concerning personnel deployment and response times to fires and medical emergencies: NFPA 1720 is designed primarily for communities with volunteer firefighters. NFPA 1710 is designed primarily for communities with career, or paid, firefighters.

Capacity and Adequacy of Public Facilities and Services MSR Determination

No Man's Land FPD has never provided direct services since it was formed in 1974 and currently contracts with the City of Davis for fire protection and emergency response services. City fire departments must adhere to higher performance standards (NFPA 1710) than rural departments (NFPA 1720). The current agreement for services was executed in 2009 and expires in twenty years on June 30, 2029 and can be terminated with 4 years advance written notice.

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

- Should the No Man's Land FPD not be dissolved, its Chief should provide a written evaluation of the level of service, deployment, and response time objectives as an agenda item at a No Man's Land FPD meeting on an annual basis. The city service provider should report NFIRS data in a manner that allows it to be separated from city incidents and reported for each FPD served.

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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input 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"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Financial Background

**NO MANS LAND FIRE PROTECTION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|------------------|------------------|------------------|-------------------|-----------------|
| Revenue | | | | | |
| Property tax, in-lieu tax, HOPTR | \$ 7,517 | \$ 7,711 | \$ 9,965 | \$ 9,912 | \$ 10,637 |
| Interest | 388 | 580 | 1,148 | 800 | (250) |
| Other County funding | - | - | - | - | 16,000 |
| Special assessment | 16,211 | 16,259 | 15,995 | 16,259 | 16,259 |
| Total Revenue | 24,116 | 24,550 | 27,108 | 26,971 | 42,646 |
| Expenditures | | | | | |
| Services and supplies | 623 | 773 | 773 | 773 | 823 |
| City of Davis contract payment | 34,276 | 35,496 | 36,749 | 37,819 | 38,413 |
| Total Expenditures | 34,899 | 36,269 | 37,522 | 38,592 | 39,236 |
| Net income (loss) | (10,783) | (11,719) | (10,414) | (11,621) | 3,410 |
| Beginning Fund Balance | 43,506 | 32,723 | 21,004 | 10,590 | (1,031) |
| Ending Fund Balances | \$ 32,723 | \$ 21,004 | \$ 10,590 | \$ (1,031) | \$ 2,379 |
| Fund Balances | | | | | |
| Restricted - Development impact fees | \$ 4,721 | \$ 4,787 | \$ 4,895 | \$ 4,998 | \$ 5,051 |
| Assigned - General reserve | 55,404 | 55,404 | 55,404 | - | - |
| Unassigned | (27,402) | (39,187) | (49,709) | (6,029) | (2,672) |
| Total Fund Balances | \$ 32,723 | \$ 21,004 | \$ 10,590 | \$ (1,031) | \$ 2,379 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ (10,783) | \$ (11,719) | \$ (10,414) | \$ (11,621) | \$ 3,410 |
| Percentage Increase (Decrease) | -24.79% | -35.81% | -49.58% | -109.74% | -330.75% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$39,984,443 | \$38,325,695 | \$41,684,959 | \$45,450,447 | \$49,093,539 |
| b. Y-T-Y Percentage change in AV | 7.36% | -4.15% | 8.77% | 9.03% | 8.02% |
| c. Current secured, unsecured and HOPTR | \$ 7,273 | \$ 6,961 | \$ 8,983 | \$ 9,677 | \$ 10,382 |
| d. District share of general 1% levy (c/a) | 1.8190% | 1.8163% | 2.1550% | 2.1291% | 2.1147% |

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?*

Yes. The State purchased a significant portion of the district territory resulting in the district losing a significant portion of its core revenue base. These structural issues have never been resolved. The District has experienced operating losses in each of the last seven fiscal years and by the end of fiscal year 2020 had a deficit unassigned fund balance. In fiscal year 2021 the County gave a subsidy of \$16,000 to the District for liquidity purposes. The operating losses appear to be a result of decreased special assessment revenue. The decrease in special assessment revenue is a result of the State purchase of land in the District on which the State will not pay Proposition 218 assessments and the discontinuance of "hand billing" special assessments levied on other government-owned exempt parcels. According to the contract the District entered into with the City of Davis, the City is responsible for assisting the District in its collection of assessments. The District is not viable as currently being operated.

Revenue

No Man's Land FPD's revenue consists of property taxes, special assessments, development impact fees, interest, a subsidy from the County (one-time) and other miscellaneous revenue. The District relies primarily on a share of the general 1% property tax levy (40% of total 2021 revenue) and special assessments (60% of total 2021 revenue) for the majority of its revenue to fund its operations. The District's share of property taxes within its boundaries is approximately 2.1%, while the average for all FPDs in the county is 6.2%. The District has also levied a special assessment since 1998, the year in which the District contracted with the City of Davis. The City is responsible per the contract for assisting the District in its collection of assessments; however, assessments have not been collected from governmental agencies since 2015. The District also imposes development impact fees (DIF) which can only be used by the District to acquire equipment and facilities to service new development. In 2011 the District collected \$4,560 in DIF; the only amount received to date.

Expenditures

Since No Man's Land FPD is a "contract district" it has very few expenditures: liability insurance, special assessment enrollment fee, financial reporting fee and the annual contract payment to the City of Davis. The current contract with the City of Davis was executed on December 15, 2009 with a term of 20 years. The contract requires the District to pay the City a base amount of \$30,534.50 for fiscal years 2010 through 2012. Beginning in year 4 (FY 2013), the base amount is adjusted for inflation.

- b) *Can 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 district maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the District 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?*

Yes. It appears there has been a lack of financial oversight of the District for many years to the extent that County and City of Davis staff failed to address the financial decline of the District that began in fiscal year 2014 in part due to the discontinuance of "hand billing" special assessments levied on other government-owned exempt parcels. Besides approving the annual budget, the District board (the BOS) does not receive any financial data.

- 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?*

Yes. See 4c above.

- 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?*

Yes. Generally, most of the revenues are reliable, with the majority coming from property taxes and special assessments. However, it appears, the special assessments of at least \$10,000 annually is not being collected from exempt parcels owned by governmental agencies.

- f) *Is the organization's revenue 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 has sustained financial losses since 2014 and as of June 30, 2014 had a deficit unassigned fund balance. See 4a above.

- 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 contracts with the City of Davis for fire suppression and related services and as such has limited risks that would not require a large reserve. However, all of the District's unrestricted fund balance has been expended to cover revenue shortages which began in fiscal year 2014. LAFCo's overarching recommendation to Yolo County is to renegotiate city service contracts to operate as a pass-through of revenues. However, at a minimum the District should have a general reserve of \$13,000, which is the total of 50% of unsecured property taxes and 50% of special assessments to maintain liquidity, and an unassigned fund balance of \$6,000, or approximately 15% of expenditures, to protect against unanticipated revenue shortfalls and expenditures.

- 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 capital financing and debt management policy, if applicable?*

Maybe. Yolo County subsidized NMLFPD operations in fiscal year 2021 to keep it solvent. It is unknown at this time whether the County will require the subsidy to be repaid.

Financial Ability MSR Determination

Over time, the State has purchased a significant portion of the district territory resulting in the district losing a significant portion of its core revenue base. These structural issues have never been resolved. The District relies primarily on a share of the general 1% property tax levy (40% of total 2021 revenue) and special assessments (60% of total 2021 revenue) for the majority of its revenue to fund its operations. The District's share of property taxes within its boundaries is approximately 2.1%, while the average for all FPDs in the county is 6.2%. The District has experienced operating losses in each of the last seven fiscal years, and by the end of fiscal year 2020 had a deficit unassigned fund balance. The operating losses appear to be a result of decreased special assessment revenue. Compounding the problem, the City of Davis is responsible per the contract for assisting the District in collecting special assessments levied on other government-owned exempt parcels, which stopped occurring for some reason in 2015.

The contract requires the District to pay the City a base amount of \$30,534.50 for fiscal years 2010 through 2012 and beginning in year 4 (FY 2013) is adjusted for inflation. In fiscal year 2021 the County gave a subsidy of \$16,000 to the District for liquidity purposes. It appears there has been a lack of financial oversight of the District for many years to the extent that County and City of Davis staff failed to address the financial decline of the District that began in fiscal year 2014. Besides approving the annual budget, the District board (the BOS) does not receive any financial data. The District is not viable as currently being operated.

Financial Ability MSR Recommendation(s)

- Should No Man's Land FPD not be dissolved, it should develop a financial plan to return the district to solvency including potentially increasing the Proposition 218 assessment.
- Should No Man's Land FPD not be dissolved, establish financial oversight policies and procedures that would detect anomalies and potential financial issues in a timely manner.
- Should No Man's Land FPD not be dissolved, review the City of Davis contract terms related to special assessment billings and collections, and clearly delineate and document responsibilities of all parties.

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

- Should No Man’s Land FPD not be dissolved, 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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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?*

No. No Man’s Land FPD shares services and contracts with the City of Davis for fire protection and emergency response services.

Shared Services MSR Determination

No Man’s Land FPD shares services and contracts with the City of Davis for fire protection and emergency response services.

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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

| | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololaftco.org/yolo-local-government-website-transparency-scorecards)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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. No Man’s Land FPD’s services are provided by the City of Davis, which provides service to two other dependent FPDs also. Combining the territory served by the City of Davis under one district would be more efficient, increase accountability for community service needs, and reduce public confusion.

When No Man’s Land FPD was formed in 1974, annexation to the East Davis FPD was considered during the formation process, but “the City of Davis has refused to annex the territory to the East Davis Fire District at this time, and the East Davis Fire Protection District has therefore stated they do not desire to annex the territory.”³ Consequently, a separate FPD was formed to contract with the City of Dixon for services. However, in 1997 the service provider for No Man’s Land FPD changed to the City of Davis. Therefore, the initial reason for a separate district no longer exists and the shape and development of the FPDs should evolve accordingly.

- 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. The Yolo County Board of Supervisors serves as the board of the FPD.

- 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. City staff perform all FPD services and Yolo County provides financial management. See 4c regarding issues with No Man’s Land FPD financial management.

- 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?*

No. The City maintains policies to manage all FPD services and functions.

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

No. No Man’s Land FPD is exempt from filing Statement of Economic Interests (Form 700) disclosures.

- f) *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?*

³ LAFCo Report on Formation of No-man’s Land FPD, January 11, 1974.

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

No. The dependent FPD's (including No Man's Land FPD) are included in the annual audit of the County's Annual Comprehensive Financial Report (ACFR). The County's audited CAFR meets general audit requirements and the CAFR satisfies the requirements of Government Code 26909.

- g) *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?*

No. The No Man's Land FPD is audited annually as part of the County's ACFR and its financial transactions are very minimal.

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

No. The No Man's Land FPD does not have a website and is not required to because it is a dependent district. Yolo County should consider including a page on its website regarding the FPD.

Accountability, Structure and Efficiencies MSR Determination

No Man's Land FPD's services are provided by the City of Davis, which provides service to two other dependent FPDs also. It would be more directly accountable for community service needs and less confusing to the public if the territory served by the City of Davis were under one district with one contract managed directly by the City of Davis. The reason No Man's Land FPD was formed instead of annexing to East Davis FPD was because the City of Dixon initially provided service. Since the City of Davis began providing service in 1997, the reason for a separate district no longer exists and the shape and development of the FPDs should evolve accordingly. The Yolo County Board of Supervisors serves as the board of the No Man's Land FPD. No Man's Land FPD is included in the County's ACFR and it does not maintain a website.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- No Man's Land FPD should be dissolved and its territory should be annexed into the East Davis FPD, which is managed directly by the City of Davis and provides the service.
- Should the No Man's Land FPD not be dissolved, Yolo County should consider including a page on its website regarding the FPD.

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)."*

| | YES | MAYBE | NO |
|--|-------------------------------------|--------------------------|-------------------------------------|
| a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input 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?*

Yes. The No Man's Land FPD is very remote with an estimated population of 82 people and is unserved by fixed broadband according to the CPUC Interactive Broadband Map. AT&T provides mobile service up to 46/7 Mbps.



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

No. According to the CPUC Broadband Mapping Program, broadband adoption is greater than 80% (the highest category) for the FPD territory, which is presumably a data skewing error considering the territory is not served. AT&T offers programs for low-income households that reduces cost by \$30 per month.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account⁴ and generally help troubleshoot technology challenges. Information and 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 No Man's Land FPD is very remote with an estimated population of 82 people and is unserved according to the CPUC Interactive Broadband Map. AT&T provides mobile service up to 46/7 Mbps.

Broadband Access MSR Recommendation

- Yolo County should consider the lack of broadband service in the No Man's Land area as it addresses rural access issues.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

⁴ Email from Mark Fink, Yolo County Librarian on May 26, 2021

Discussion:

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

No. There were no recommendations from the 2016 MSR specific to the No Man's Land FPD.

Status of Previous Recommendations MSR Determination

There were no recommendations from the 2016 MSR specific to the No Man's Land FPD.

DRAFT

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

AGENCY PROFILE

The Springlake Fire Protection District (FPD) was formed as an independent district on July 21, 1942 and is authorized to provide fire protection and emergency response services. On August 9, 2019, the District applied to LAFCo to change from an independent district to a dependent district under Yolo County. Effective, July 1, 2020, the District was reorganized as a dependent district to Yolo County, governed by the Board of Supervisors. And on August 4, 2020, the Yolo County Board of Supervisors delegated its decision-making authority to a local five-member Fire Commission, each appointed by the Board of Supervisors to serve four-year terms.

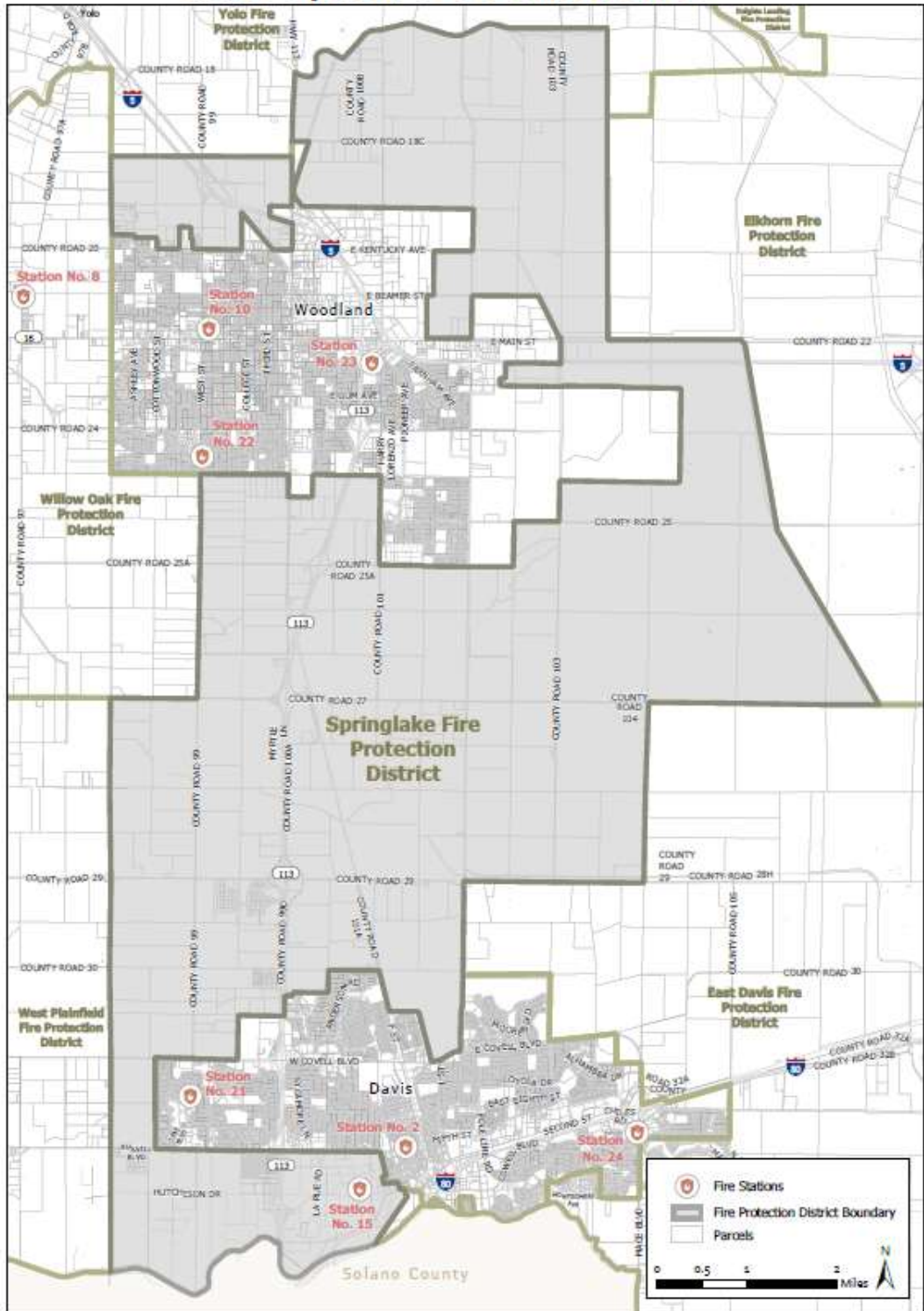
In 1959, Springlake FPD was consolidated with and subsumed the now defunct Plainfield FPD (not to be confused with the West Plainfield FPD). Springlake FPD executed a “functional consolidation” with the City of Woodland Fire Department in April 1982 where the City assumed ownership of the District’s capital assets in exchange for contractual fire protection services from the City. In November 1985 this agreement was modified to include service only to the area of the District north of County Road 29. The District then contracted with the City of Davis for fire protection services to its territory south of County Road 29, which is better served by Davis. In addition, the UC Davis campus is in the southern portion of the District, and it provides its own fire protection services from its campus Fire Department.

The District is 32,545 acres in size and serves a mix of residential, commercial, and industrial uses in the areas adjacent to Woodland and Davis, with the remainder predominantly agricultural uses. Binning Farms, North Davis Meadows, Patwin Road and West/Kentucky are designated inhabited unincorporated communities within the District. The District is located in central Yolo County and generally around and between the cities of Davis and Woodland. The District contains 713 residential and 8 commercial addresses and its population is estimated to be 6,587 residents¹.

The Springlake FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.

¹ 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.

Springlake Fire Protection District and Sphere of Influence*



*Note: Sphere of Influence is coterminous with boundary

Adopted by Yolo LAFCo on April 25, 2019

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 type="checkbox"/> Shared Services |
| <input type="checkbox"/> Disadvantaged Unincorporated Communities | <input checked="" type="checkbox"/> Accountability |
| <input type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input type="checkbox"/> Broadband Access |
| <input type="checkbox"/> Financial Ability | <input 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.

| 1. GROWTH AND POPULATION | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| Growth and population projections for the affected area. | YES | MAYBE | NO |
| a) <i>Will development 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 type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-b) *Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands? Do changes in service demand suggest a change in the agency’s services?*

No. The population for Springlake FPD is currently estimated to be 6,587 and there are no significant growth areas designated by the County. As the cities of Davis and Woodland annex territory, it is detached from the Springlake FPD.

The territory north of County Road 29 is dispatched by the Yolo Emergency Communications Agency and south of it by the City of Davis. Total calls that resulted in dispatched apparatus/responders were 208 in FY 18/19, 225 in FY 19/20 and 240 in FY 20/21, a 15% increase over three years.

Growth and Population MSR Determination

The population for Springlake FPD is currently estimated to be 6,587 and there are no significant growth areas designated by the County. As the cities of Davis and Woodland annex territory, it is detached from the Springlake FPD. Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 208 in FY 18/19, 225 in FY 19/20 and 240 in FY 20/21, a 15% increase over three years, which is relatively low compared to other FPDs in the county.

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. All "inhabited unincorporated communities" countywide receive structural fire protection services. The West/Kentucky area may be a disadvantaged community, but it receives city 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

All "inhabited unincorporated communities" countywide receive structural fire protection services. The West/Kentucky area is likely a disadvantaged community, but it receives city fire protection services.

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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-e)No. Springlake FPD has not provided direct services since 1982 and contracts with the cities of Davis and Woodland, and UC Davis for fire protection and emergency response services. The current agreement for services was executed in 2004 and expires on June 30, 2024. The agreement with UC Davis was executed in 2015 and continues indefinitely with a 90-day written notice.

Staff and Coverage, training, fire station, apparatus and equipment are all provided by a city fire department which must adhere to higher performance standards. Both National Fire Protection Association (NFPA) 1720 and 1710 are standards concerning personnel deployment and response times to fires and medical emergencies: NFPA 1720 is designed primarily for communities with volunteer firefighters. NFPA 1710 is designed primarily for communities with career, or paid, firefighters.

Capacity and Adequacy of Public Facilities and Services MSR Determination

Springlake FPD has not provided direct services since 1982 and contracts with the cities of Davis and Woodland, and UC Davis for fire protection and emergency response services. City fire departments must adhere to higher performance standards (NFPA 1710) than rural departments (NFPA 1720). The current agreement with the cities for services was executed in 2004 and expires on June 30, 2024. The agreement with UC Davis was executed in 2015 and continues indefinitely with a 90-day written notice.

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

- The Springlake FPD Chief should provide a written evaluation of the level of service, deployment, and response time objectives as an agenda item at a Springlake FPD meeting on an annual basis.

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"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Is the organization's revenue 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

Financial Background

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|----------------|----------------|----------------|----------------|----------------|
| Revenue | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 423,174 | \$ 429,271 | \$ 486,182 | \$ 489,348 | \$ 506,327 |
| Interest | 1,061 | 1,552 | 2,707 | 5,480 | (1,581) |
| Special assessment | 51,135 | 50,657 | 50,620 | 50,962 | 49,697 |
| Other revenue | - | 2,182 | 575 | - | - |
| Total Revenue | 475,370 | 483,662 | 540,084 | 545,790 | 554,443 |
| Expenditures | | | | | |
| Services and supplies | 7,411 | 11,499 | 7,601 | 14,875 | 12,187 |
| UCD share of property taxes | 18,492 | 12,294 | 32,003 | 22,325 | 23,305 |
| Contract payments - City of Davis | 266,575 | 211,672 | 215,419 | 221,150 | 237,270 |
| Contract payments - City of Woodland | 182,892 | 248,197 | 285,061 | 287,440 | 281,681 |
| Total Expenditures | 475,370 | 483,662 | 540,084 | 545,790 | 554,443 |
| Net income (loss) | - | - | - | - | - |
| Beginning Fund Balance | - | - | - | - | - |
| Ending Fund Balances | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund Balances | | | | | |
| Unassigned | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Fund Balances | \$ - | \$ - | \$ - | \$ - | \$ - |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 588,090,168 | \$ 607,451,232 | \$ 642,125,616 | \$ 663,074,121 | \$ 669,451,989 |
| b. Y-T-Y Percentage change in AV | 4.22% | 3.29% | 5.71% | 3.26% | 0.96% |
| c. Current secured, unsecured and UCD | \$ 414,935 | \$ 425,170 | \$ 471,560 | \$ 486,048 | \$ 494,398 |
| d. District share of general 1% levy (UCD) | 7.0556% | 6.9992% | 7.3437% | 7.3302% | 7.3851% |

- 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. Springlake Fire Protection District is a pass-through entity, in that all revenues in excess of administrative expenditures are remitted to the contracted agencies: City of Davis, City of Woodland and UC Davis. The District does not maintain any fund balance, including reserves of any kind.

Revenue

Springlake Fire Protection District's revenue consists of property tax revenues, special assessments and interest. Like most other rural fire districts, Springlake 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 \$506,327 comprised 91% of total revenues. The District's share of property taxes within its boundaries is approximately 7.4%, while the average for all FPDs in the County is 6.2%. This District has also levied a special assessment since 1994. In 2021 special assessment revenue was \$49,697 which accounted for 9% of total revenue.

According to the Chief, the County used to provide parcel info via a third party that provided more detailed, relevant information regarding changes to parcels. With the County moving away from the

paid service, information that was once provided, and useful, is no longer available, possibly creating inaccurate parcel information.

Expenditures

In addition to some minor administrative expenditures the District's largest expenditure is contract payments to the City of Woodland and City of Davis. These payments increase as the property tax increase and special assessment increase.

- 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 district maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the district is a dependent district, it is subject to the same accounting and financial policies as 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?*

Maybe. According to the District's minutes County financial reports are included in board meeting packets. In 2019 District board members did not detect that in-lieu taxes from State Fish and Wildlife were not posted to the District's fund.

- 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 board receives reports from the County as they become available.

- 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?*

No. Revenues are reliable. All of the revenue is from property taxes, special assessments and interest earned on surplus funds held by the County Treasury. All revenues are collected and allocated by the County.

- 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)?*

No. This is not applicable to Springlake FPD since the District is operating as a pass-through entity.

- 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?*

No. The District remits all revenues to the City of Davis, City of Woodland, and UC Davis by agreement. The District does not maintain any equipment or facilities.

- 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 capital financing and debt management policy, if applicable?*

No. The District does not have any debt.

Financial Ability MSR Determination

Springlake Fire Protection District is a pass-through entity, in that all revenues in excess of administrative expenditures are remitted to the contracted agencies: City of Davis, City of Woodland and UC Davis. The District does not maintain any fund balance, including reserves of any kind. In fiscal year 2021 property taxes of \$506,327 comprised 91% of total revenues. The District’s share of property taxes within its boundaries is approximately 7.4%, while the average for all FPDs in the County is 6.2%. This District has also levied a special assessment since 1994. In 2021 special assessment revenue was \$49,697 which accounted for 9% of total revenue. There are no financial considerations or obligations.

Financial Ability MSR Recommendation(s)

- Springlake FPD staff should review the County financial reports to detect any omissions, errors, or anomalies. This review may include comparing current year budget to actual amounts, comparing current year actuals to prior years’, etc.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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?*

No. Springlake FPD shares services and contracts with the cities of Davis and Woodland, and UC Davis for fire protection and emergency response services.

Shared Services MSR Determination

Springlake FPD shares services by contracting with the City of Davis, City of Woodland, and UC Davis for fire protection and emergency response services.

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?*

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)?*

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

f) *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?*

g) *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?*

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

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.

Detaching Portion of Springlake FPD Served by City of Davis

Even though the LAFCo 2003 MSR for Springlake FPD noted “the contract with the two cities is an acceptable government structure option”, Springlake FPD is managed by the City of Woodland and its territory is currently served by three different fire departments as contract providers: The City of Davis, the City of Woodland, and UC Davis. The territory is also dispatched by two different agencies (the City of Davis and YECA). It would be more directly accountable for community service needs and less confusing to the public if the territory south of County Road 29 served by the City of Davis were part of a district managed directly by the City of Davis.

Among the purposes of LAFCo is to review and provide information to shape the development of local agencies to advantageously provide for the present and future needs of each county and its communities. The fire service provider landscape has changed significantly since Springlake FPD was formed (and reorganized in 1959 to annex the Plainfield FPD). Springlake FPD began contracting for services with the City of Woodland altogether in 1982, and then changed service providers to the City of Davis in 1985 for everything south of County Road 29 to improve response. Combining the territory served by the City of Davis under one district and the area served by the City of Woodland under another would be more efficient, more accountable for community service needs, and less confusing to the public.

Annexing Portion of Elkhorn FPD Served by City of Woodland

The City of Woodland already responds to a portion of Elkhorn FPD’s calls under its 2015 auto aid agreement and the Elkhorn FPD service is now redundant and inferior to the City’s service. The simplest governmental structure to be accountable and provide for community service needs in an

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efficient manner would be to consolidate service territory served by each city under one district. Such a structure would be more uniformly accountable for community service needs, less confusing to the public, and efficient. Therefore, LAFCo recommends the Elkhorn FPD be dissolved and its service territory be annexed into Springlake FPD for the City of Woodland service area.

- 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. Springlake FPD has struggled to fill its seats for years, which is the reasoning behind it being reorganized as a dependent FPD effective July 1, 2020. It is understood that eventually when the fire commission loses its quorum, the Yolo County BOS will act on behalf of the Springlake FPD. Therefore, while there are issues with vacancies, there is a plan in place to address it so there is no gap in decision making authority.

| Name / Title | Start | End |
|----------------------|------------|------------|
| Vacant Seat #1 / | | 09/29/2022 |
| Vacant Seat #2 / | | 09/29/2022 |
| Carolyn Bunfill / | 09/29/2020 | 09/29/2024 |
| Wes Arvin / | 09/29/2020 | 09/29/2024 |
| Brooke Herrgessell / | 09/29/2020 | 09/29/2024 |

- 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. City staff perform all FPD services and functions.

- 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?*

No. The City maintains policies to manage all FPD services and functions.

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

No. Springlake FPD officials are current in filing Statement of Economic Interests (Form 700) disclosures.

- f) *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. Springlake FPD performed audits up until FY 20/21 when it was reorganized as a dependent FPD and is now included in the Annual Comprehensive Financial Report (ACFR). The County’s audited CAFR meets general audit requirements and the CAFR satisfies the requirements of Government Code 26909.

- g) *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?*

No. Springlake FPD is audited annually and day to day operations are managed by the City which has financial staff to review agency finances.

- h) *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 districts are not legally required to maintain a website. However, Springlake FPD maintains a website and received a 60% transparency score in 2021. Please see the report posted on the LAFCo website for where improvements are recommended.

Accountability, Structure and Efficiencies MSR Determination

Springlake FPD is managed by the City of Woodland and its territory is served by three different fire departments contract providers: The City of Davis, City of Woodland, and UC Davis. The territory is also dispatched by two different agencies (the City of Davis and YECA). It would be more directly accountable for community service needs and less confusing to the public if the territory south of County Road 29 were detached and annexed into East Davis FPD. Combining the territory served by the City of Davis under one district and the area served by the City of Woodland under another would be more efficient, more accountable for community service needs, and less confusing to the public. In addition, the City of Woodland already responds to a portion of Elkhorn FPD’s calls under its 2015 auto aid agreement and the Elkhorn FPD service is now redundant and inferior to the City’s service. Therefore, LAFCo also recommends the Elkhorn FPD be dissolved and the City of Woodland’s service territory be annexed into Springlake FPD for the City of Woodland service area.

Springlake FPD has struggled to fill its seats for years, which is the reasoning behind it being reorganized as a dependent FPD effective July 1, 2020. It is understood that eventually when the fire commission loses its quorum, the Yolo County BOS will act on behalf of the Springlake FPD. Springlake FPD performed audits up until FY 20/21 when it was reorganized as a dependent FPD and is now included in the County’s Annual Comprehensive Financial Report (ACFR). Although dependent districts are not legally required to maintain a website, Springlake FPD maintains a website and received a 60% transparency score in 2021.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- The Springlake FPD territory south of County Road 29 should be detached and annexed into the East Davis FPD, which is managed directly by the City of Davis which provides the service.
- The Springlake FPD sphere of influence should be updated to include the portion of Elkhorn FPD territory within the City of Woodland auto-aid agreement service area.
- Although dependent districts are not legally required to maintain a website, Springlake FPD maintains a website and received a 60% transparency score for best practices 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 MSR’s 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).”

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| 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"/> |

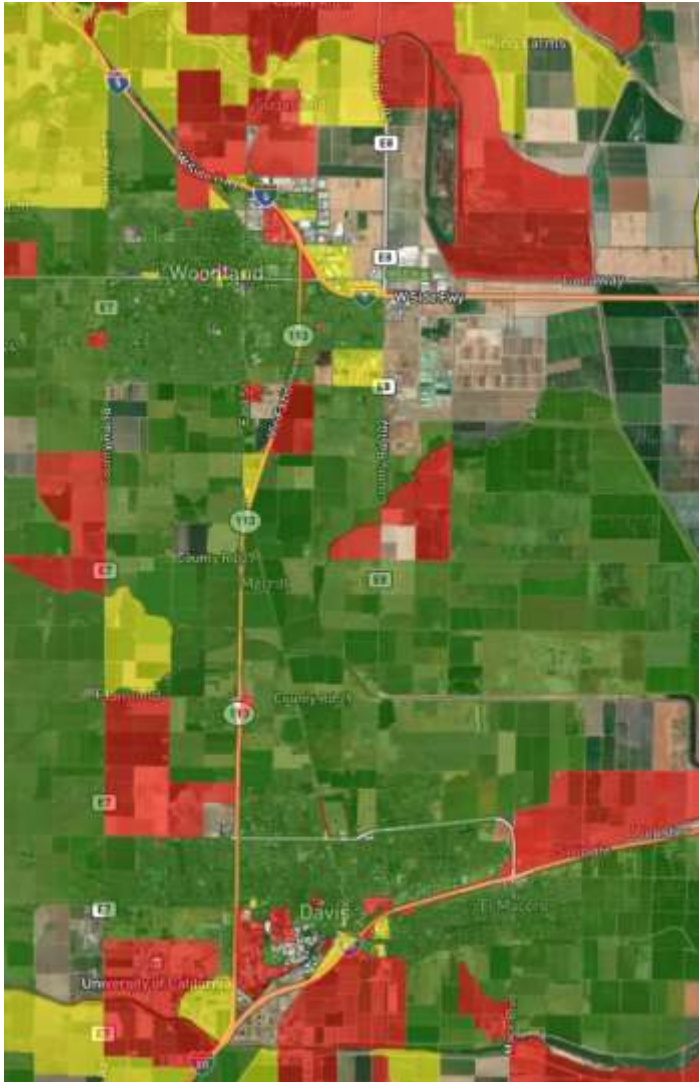
Discussion:

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

No. City fire stations have broadband service and it is widely available in most (but not all) of the Springlake FPD territory. The FPD’s territory is large and providers vary depending on location.

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According to the CPUC Interactive Broadband Map, the unincorporated communities of Binning Farms, North Davis Meadows, Patwin Road and West/Kentucky have access to broadband service.



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

No. According to the CPUC Broadband Mapping Program, broadband adoption varies between 60-80% in some areas and is greater than 80% (the highest category) for the FPD territory.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account ² and generally help troubleshoot technology challenges. Information and 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

City fire stations have broadband service and it is widely available in most (but not all) of the Springlake FPD territory. The FPD's territory is large and providers vary depending on location. According to the CPUC Interactive Broadband Map, the unincorporated communities of

Binning Farms, North Davis Meadows, Patwin Road and West/Kentucky all have access to broadband service. Broadband adoption varies between 60-80% in some areas and is greater than 80% (the highest category) in other areas for the FPD territory.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

² Email from Mark Fink, Yolo County Librarian on May 26, 2021

Discussion:

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

No. There were no recommendations from the 2016 MSR specific to the Springlake FPD.

Status of Previous Recommendations MSR Determination

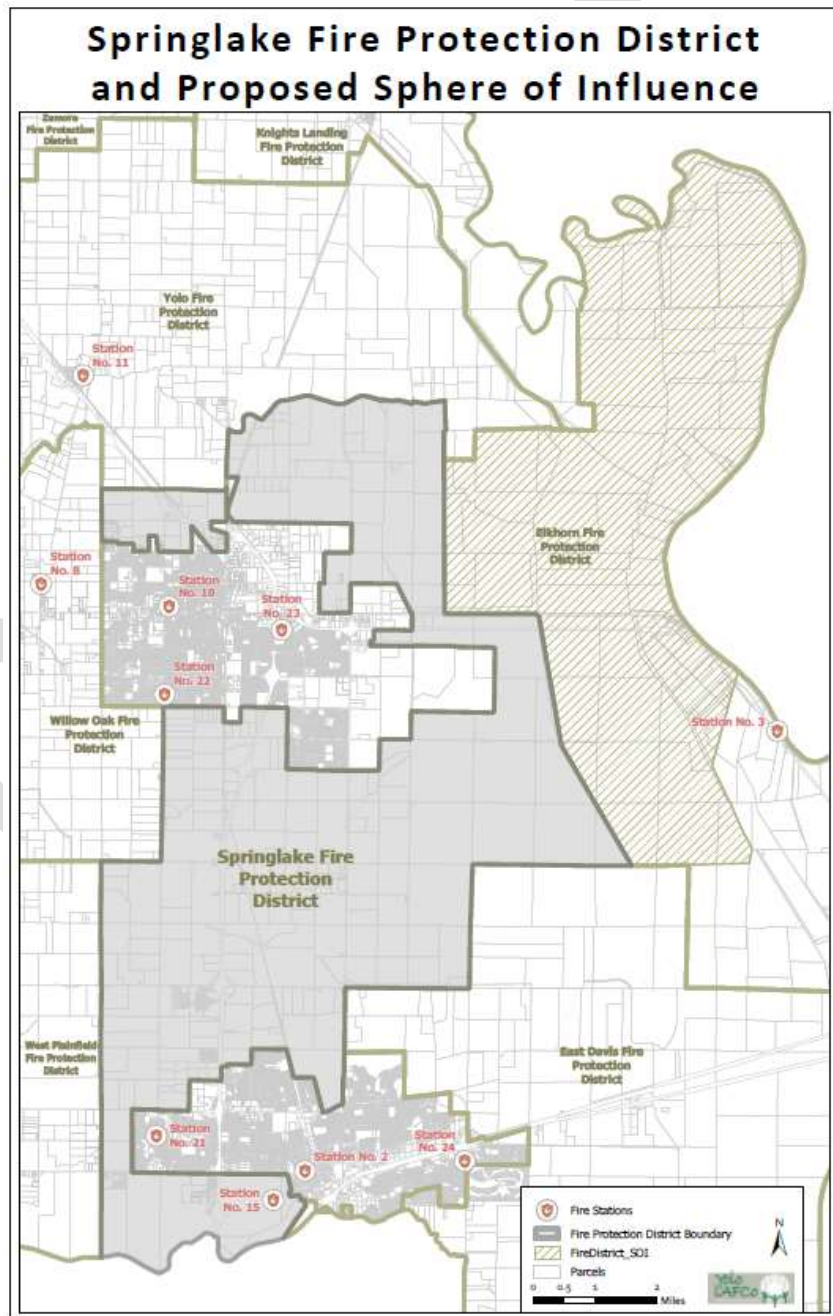
There were no recommendations from the 2016 MSR specific to the Springlake FPD.

DRAFT

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.



POTENTIALLY SIGNIFICANT SOI DETERMINATIONS

The SOI determinations 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.

- Present and Planned Land Uses
- Need for Public Facilities and Services
- Capacity and Adequacy of Provide Services
- Social or Economic Communities of Interest
- Disadvantaged Unincorporated Communities

1. PRESENT AND PLANNED LAND USES

The present and planned land uses in the area, including agricultural and open-space lands.

| | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| a) <i>Would the SOI conflict with planned, orderly and efficient patterns of urban development? Would the SOI impact the identity of any existing communities (e.g. community boundaries, postal zones, school, or other service boundaries)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Would the SOI result in the loss of prime agricultural land or open space?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Would the SOI conflict with any natural or made-made boundaries that would impact where services can reasonably be extended?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is there a conflict with the adopted SACOG Metropolitan Transportation Plan/Sustainable Communities Strategy?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-d) *Would the SOI conflict with planned, orderly and efficient patterns of urban development? Would the SOI impact the identity of any existing communities (e.g. community boundaries, postal zones, school, or other service boundaries)? Would the SOI result in the loss of prime agricultural land or open space? Would the SOI conflict with any natural or made-made boundaries that would impact where services can reasonably be extended? Is there a conflict with the adopted SACOG Metropolitan Transportation Plan/Sustainable Communities Strategy?*

The SOI is for FPD fire protection and emergency response service territory only. The SOI area does not contain any urban development or identified communities. The SOI would not result in any change to agricultural land or open space. The SOI considers natural and man-made boundaries that would affect emergency response times. There is no conflict with SACOG growth plans.

Present and Planned Land Uses SOI Determination

The SOI is for FPD fire protection and emergency response service territory only. The SOI area does not contain any urban development or identified communities. The SOI would not result in any change to agricultural land or open space. The SOI considers natural and man-made boundaries that would affect emergency response times. There is no conflict with SACOG growth plans.

2. NEED FOR PUBLIC FACILITIES AND SERVICES

The present and probable need for public facilities and services in the area.

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Would the SOI conflict with the Commission's goal to increase efficiency and conservation of resources by providing essential services within a framework of controlled growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Would the SOI expand services that could be better provided by a city or another agency?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Does the SOI represent premature inducement of growth or facilitate conversion of agriculture or open space lands?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Are there any areas that should be removed from the SOI because existing circumstances make development unlikely, there is not sufficient demand to support it?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>Have any agency commitments been predicated on expanding the agency's SOI such as roadway projects, shopping centers, educational facilities, economic development or acquisition of parks and open space?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Would the SOI conflict with the Commission's goal to increase efficiency and conservation of resources by providing essential services within a framework of controlled growth?*
 No. The SOI promotes the Commission's goal to increase efficiency. In this case fire protection and emergency response would be given to the agency that can best provide services. The territory is not identified for growth.
- b) *Would the SOI expand services that could be better provided by a city or another agency?*
 No. The SOI would expand services such that they are better provided by the City of Woodland via the Springlake FPD.
- c) *Does the SOI represent premature inducement of growth or facilitate conversion of agriculture or open space lands?*
 No. The SOI would not result in growth or conversion of agricultural or open space land.
- d) *Are there any areas that should be removed from the SOI because existing circumstances make development unlikely, there is not sufficient demand to support it?*
 No. The SOI Update is for fire protection and emergency response, which is provided countywide regardless of development demand.
- e) *Have any agency commitments been predicated on expanding the agency's SOI such as roadway projects, shopping centers, educational facilities, economic development or acquisition of parks and open space?*
 No. Not applicable.

Need for Public Facilities and Services SOI Determination

Fire protection and emergency response services are provided countywide by fire protection districts. It has been determined that there is a present need for improved services in this territory. The Springlake FPD is the most equipped and able FPD to provide services to this territory. The SOI promotes the Commission's goal to increase efficiency. In this case fire protection and emergency response would be given to the agency that can best provide services. The territory is not identified for growth and the SOI would not result

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in growth or conversion of agricultural or open space land. The SOI Update is for fire protection and emergency response, which is provided countywide regardless of development demand.

3. CAPACITY AND ADEQUACY OF PROVIDED SERVICES

The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

| | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| a) <i>Are there any issues regarding the agency's capacity to provide adequate services in the proposed SOI territory and ability to extend services?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Are there any issues regarding the agency's capacity to provide adequate services in the proposed SOI territory and ability to extend services?*

No. The Springlake FPD has capacity to provide services in the SOI territory via its contract with the City of Woodland.

Capacity and Adequacy of Provided Services SOI Determination

The Springlake FPD has capacity to provide adequate services in the SOI territory via its contract with the City of Woodland.

4. SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST

The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Are there any social or economic communities of interest in the area if the commission determines that they are relevant to the agency (see also MSR checklist question 2b)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Are there any social or economic communities of interest in the area if the commission determines that they are relevant to the agency (see also MSR checklist question 2b)?*

No. Not applicable.

Social or Economic Communities of Interest SOI Determination

There are no social or economic communities of interest in the SOI area.

5. DISADVANTAGED UNINCORPORATED COMMUNITIES

For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

| | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| a) <i>If the subject agency provides public services related to sewers, municipal and industrial water or structural fire protection (same as MSR checklist question 2a) does the proposed SOI exclude any disadvantaged unincorporated community (per MSR checklist question 2b) where it either may be feasible to extend services or required to be included under SB 244?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a) *If the subject agency provides public services related to sewers, municipal and industrial water or structural fire protection (same as MSR checklist question 2a) does the proposed SOI exclude any disadvantaged unincorporated community (per MSR checklist question 2b) where it either may be feasible to extend services or required to be included under SB 244?*

Not applicable. There are no disadvantaged unincorporated communities in the SOI territory, and all unincorporated territory receives fire protection services. The SOI Update is intended to improve services for the territory.

Disadvantaged Unincorporated Communities SOI Determination

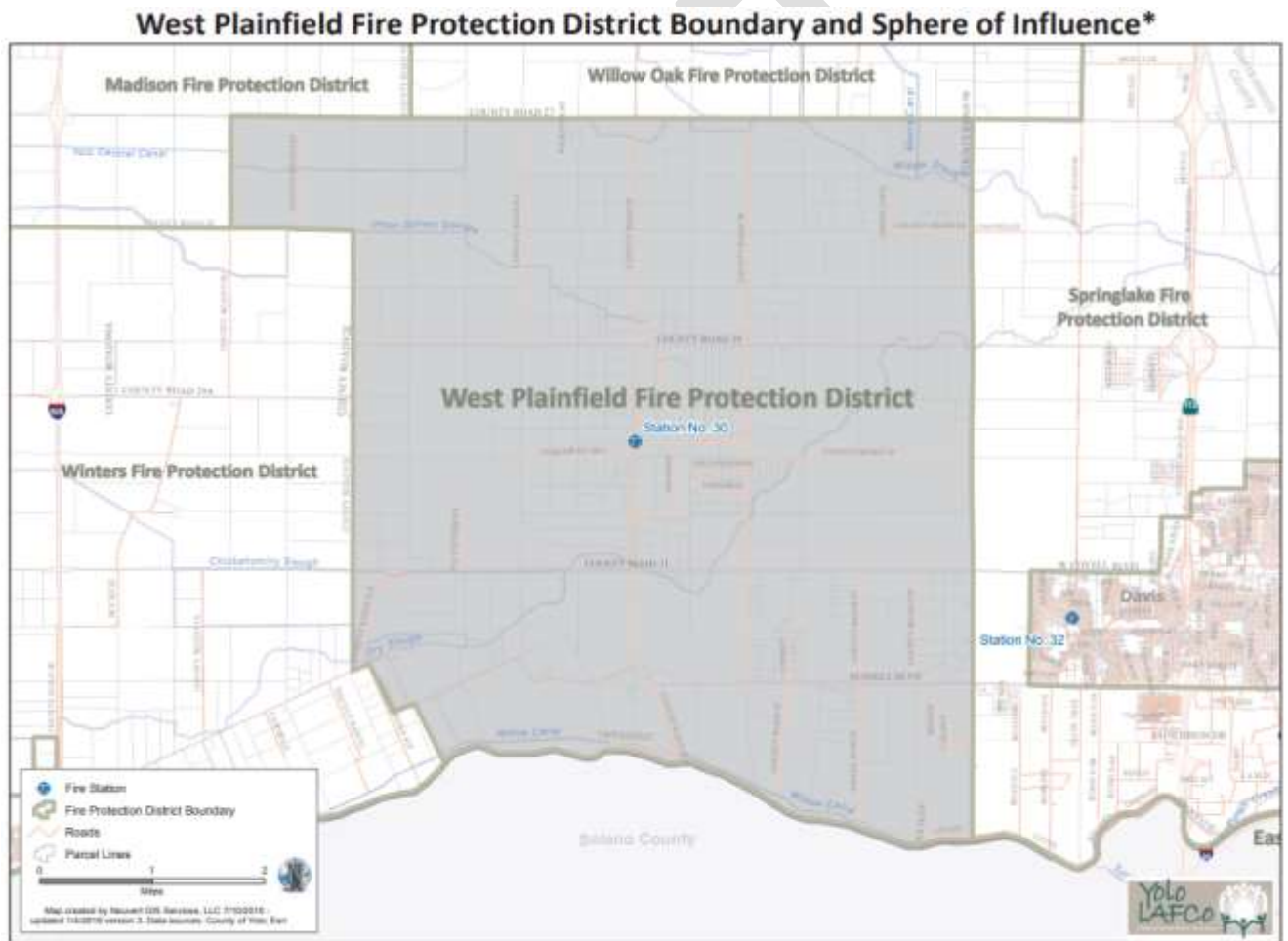
There are no disadvantaged unincorporated communities in the SOI territory, and all unincorporated territory receives fire protection services. The SOI Update is intended to improve services for the territory.

AGENCY PROFILE

The West Plainfield Fire Protection District (FPD) was formed in 1930 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 21,221 acres in size and serves the unincorporated town of West Plainfield, including the Yolo County Airport, a portion of the University of California, Davis campus, and the surrounding rural area. West Plainfield FPD contains 301 residential and 3 commercial addresses and its residential population is estimated to be 752 residents¹. It also serves an elementary school, one care home, Sacred Oaks Healing Center, and a local church. The West Plainfield FPD station is located at 24901 County Road 95 and it has 6 apparatus and 1 utility vehicle. West Plainfield FPD has 3.75 paid staff FTE, 3 reserves and 19 volunteers.

The West Plainfield FPD boundary and sphere of influence (SOI) is shown below.



* Note: Sphere of Influence is coterminous with boundary

Adopted by Yolo LAFCo June 23, 2016

¹ 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 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.

| 1. GROWTH AND POPULATION | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| Growth and population projections for the affected area. | | | |
| 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 type="checkbox"/> | <input checked="" 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 West Plainfield FPD is currently estimated to be 752 and is not expected to have any significant development that would compromise service levels. According to YECA, total calls that resulted in dispatched apparatus/responders were 140 in FY 18/19, 194 in FY 19/20 and 233 in FY 20/21, a 66% increase in only three years. West Plainfield FPD staff attributes this to an aging district population and more tourist traffic to Winters.

- b) *Do changes in service demand suggest a change in the agency's services?*

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No. Changes in service demand do not suggest a change to the West Plainfield FPD services or boundary.

Growth and Population MSR Determination

The population for West Plainfield FPD is currently estimated to be 752 and is not expected to have any significant development that would compromise service levels. Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 140 in FY 18/19, 194 in FY 19/20 and 233 in FY 20/21, a 66% increase in only three years. Changes in service demand do not suggest a change to the West Plainfield FPD services or boundary.

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 West Plainfield FPD territory is not disadvantaged² 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 West Plainfield FPD territory is not disadvantaged and all "inhabited unincorporated communities" countywide receive structural fire protection services.

² 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 infrastructure, equipment, and capacity of agency facilities 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 adequacy of services 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 type="checkbox"/> | <input checked="" 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 West Plainfield FPD has one station located at 24901 County Road 95 at the Yolo County Airport. It was built in 1967 and septic and well systems are adequate. However, the facilities need to be upgraded to accommodate 24/7 staff coverage, some of which have been completed. There is a community center (Lillard Hall) on the same property. The District manages the center and it's use; it has its own checking account and staff.



Apparatus

West Plainfield FPD has 7 apparatus and 1 command vehicle as follows:

| Use | Apparatus | Type | Age (yrs) | Reserve? (Y/N) |
|------------------------|-----------|-------------|-----------|----------------|
| Structure Fires | Engine-30 | 1 | 17 | No |
| Wildlands Fires | Brush-30 | 5 | 2 | No |
| | Brush 230 | 6 | 4 | No |
| | Brush 330 | 5 | 2 | No |
| Water Tenders | Water 30 | Tactical -1 | 1 | No |
| | Water 230 | 1 | 15 | No |
| Command/Utility | U 30 | Utility | 24 | No |

All West Plainfield FPD apparatus receive regular maintenance service, regularly scheduled rig checks, and annual pump testing. Hoses and ladders are tested every two years and the ladders were last tested on January 28, 2022. The FPD has recently repaired its hose testing equipment and will test hoses early in Fiscal Year 2022-2023.

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 all bottles are current in hydro date.

West Plainfield FPD operates adequate communications equipment including radios; however, they are no longer supported through the manufacturer with the exception of a single Bendix King KNG portable, and approximately 5 Kenwood TK-7180 VHF mobile radios. All apparatus has a mobile radio and portable radios for every seat for 3 primary apparatus.

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

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well-protected a community is by the fire department and will affect insurance rates. West Plainfield FPDs ISO rating is 03/3Y. 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).*

No.

Staff, Coverage and Training

The West Plainfield FPD has 3.75 paid staff FTE, 3 reserves and 19 volunteers (0.25 FTE is the Commission Clerk and the remainder are firefighters). West Plainfield Station 30 is staffed by one career personnel 24 hours per day, 7 days per week with a second career part-time firefighter from 9:00 am to 2:00 pm, typically Monday-Thursday. The District adds an additional staff person during Red Flag events. Plus, occasionally volunteer members work shifts ranging from 4-8 hours.

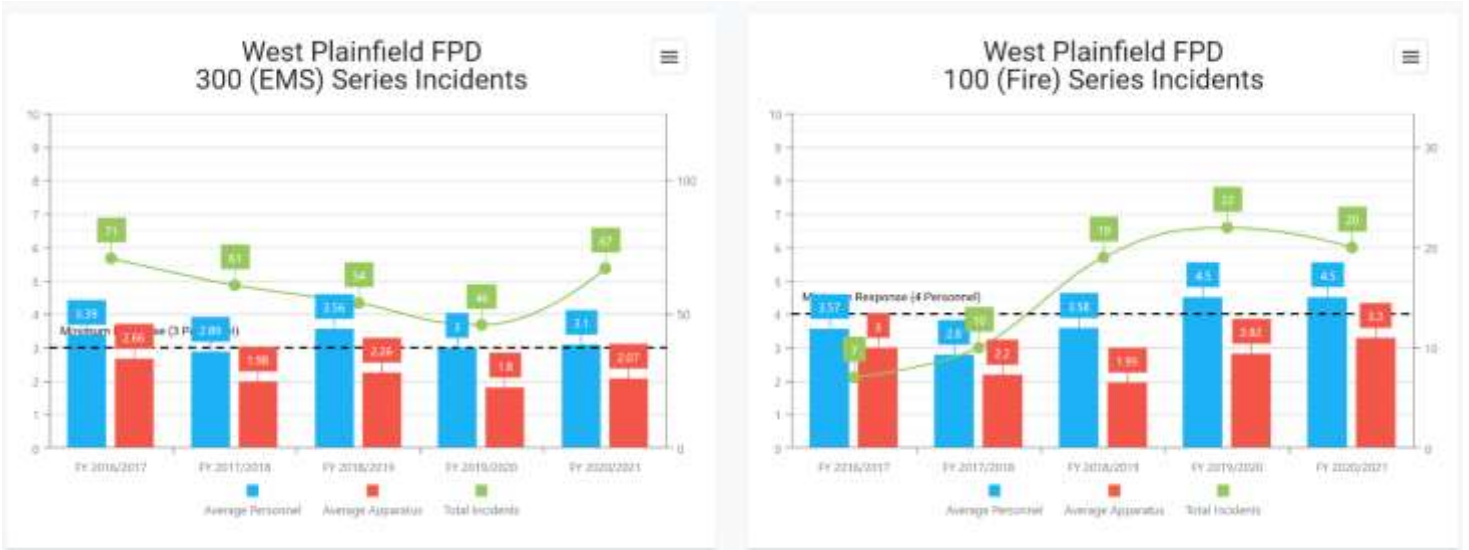
West Plainfield FPD has written guidelines and procedures and reports having a training program that ensures personnel are competent and safe to execute operations. The FPD trains all incident response personnel in ICS (incident command system) and participates in the Yolo County Firefighters Association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

Incident Reporting and Adequacy of Services

West Plainfield FPD utilizes Emergency Reporting web-based program for reporting and documentation. National Fire Incident Reporting System (NFIRS) reports are exported quarterly. 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 calls³.

Below is West Plainfield FPD's NFIRS response data for the last five fiscal years:

³ 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.



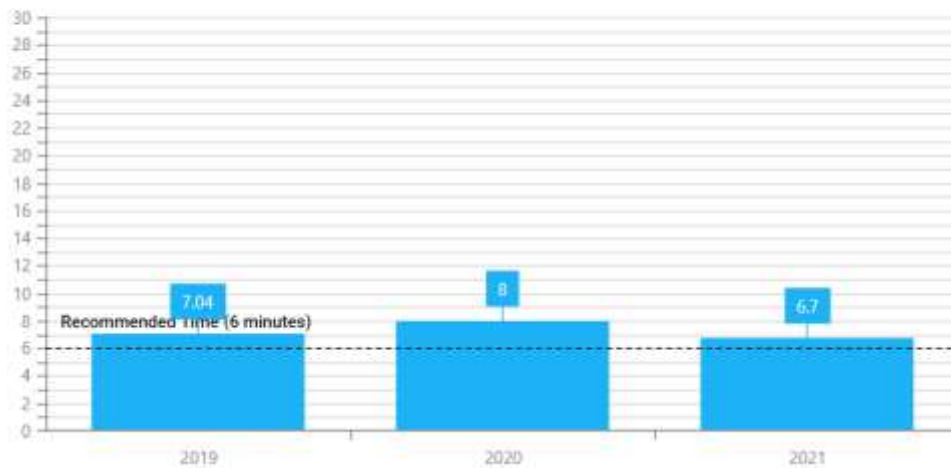
The above graphs show that, excepting FY 2017/18, West Plainfield FPD was able to respond to its rescue/EMS calls with sufficient staff coverage (which is the more common call at roughly a 3 to 1 ratio). And for fire calls, West Plainfield FPD was below the minimum 4 personnel the first three FYs and exceeded the standard the last two FYs. West Plainfield FPD needs to keep an eye on its personnel response to calls to ensure adequate coverage.

Response Time and Missed Calls

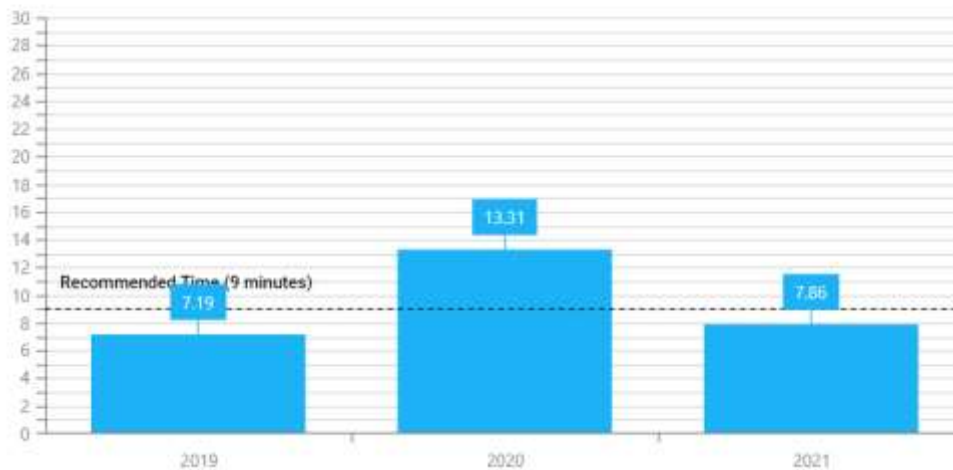
The MSR Subcommittee developed response time goals for rescue/emergency medical service (EMS) calls (6 minutes) and fire calls (9 minutes) for the first responding unit to arrive on scene. LAFCo recognizes it may be more difficult for volunteer and/or more rural FPDs to meet this goal, however as the MSR Subcommittee indicated, it represents a goal to focus on. FPD response time averages⁴ for the 2019 – 2021 calendar years are shown below.

⁴ 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.

West Plainfield FPD 300 (EMS) Response Time Average



West Plainfield FPD 100 (Fire) Response Time Average



West Plainfield FPD has had 0 missed call 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. West Plainfield FPD provides reports evaluating its level of service, deployment, and response time objectives at most Commission meetings, and are discussed if there's an issue.

- 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?*

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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.

The drought is affecting the station's well. West Plainfield FPD has lowered the pump once (in 2021) and may need to drop it an additional 150' but there currently isn't enough power to lower the pump more. West Plainfield FPD is seeking a grant to upgrade its power to lower the pump, which is estimated to cost approximately \$40,000. The drought is affecting the station's infrastructure needs, but West Plainfield FPD is already taking steps to address the issue.

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

West Plainfield FPD does not have 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. There are no current deficiencies in adequacy of service (however, there was in FYs 2017 – 2019) and West Plainfield FPD should continue to ensure personnel response levels remain adequate, especially with continued increases in call volume. West Plainfield FPD needs to drop the pump an additional 150'. West Plainfield FPD is seeking a grant to upgrade its power to lower the pump, which is estimated to cost approximately \$40,000. The drought is affecting the station's infrastructure needs, but West Plainfield FPD is already taking steps to address the issue. There are no DUCs in the FPD territory and there are no correlating deficiencies of fire protection services.

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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input 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"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

| | | | |
|--|-------------------------------------|--------------------------|-------------------------------------|
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Discussion:

Financial Background

**WEST PLAINFIELD FIRE PROTECTION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 320,532 | \$ 330,694 | \$ 326,325 | \$ 337,521 | \$ 370,093 |
| Interest | 2,494 | 5,420 | 15,598 | 17,961 | (2,942) |
| Rents and concessions | 310 | - | - | - | - |
| Intergovernmental grants | 120,882 | - | - | - | - |
| Other County funding | - | - | 88,000 | - | - |
| Direct Yocha Dehe Wintun Nation funding | - | - | 147,000 | - | - |
| CA Fire | 3,508 | - | - | 15,806 | 49,403 |
| Other revenue | 8,979 | 26,055 | 26,144 | 18,264 | 19,884 |
| Total Revenue | 456,705 | 362,169 | 603,067 | 389,552 | 436,438 |
| Expenditures | | | | | |
| Salaries and benefits | 180,147 | 189,418 | 214,190 | 214,720 | 295,390 |
| Services and supplies | 92,449 | 41,243 | 108,630 | 138,338 | 151,092 |
| Other expenditures | - | - | 291 | 532 | - |
| Capital Assets: | | | | | |
| Equipment | 134,313 | 48,038 | 171,012 | 2,691 | 239,032 |
| Total Expenditures | 406,909 | 278,699 | 494,123 | 356,281 | 685,514 |
| Net income (loss) | 49,796 | 83,470 | 108,944 | 33,271 | (249,076) |
| Beginning Fund Balance | 359,226 | 409,022 | 492,492 | 601,436 | 634,707 |
| Ending Fund Balance | \$ 409,022 | \$ 492,492 | \$ 601,436 | \$ 634,707 | \$ 385,631 |
| Fund Balances | | | | | |
| Assigned - Capital asset replacement | \$ 137,300 | \$ 80,798 | \$ 382,394 | \$ 230,230 | \$ 157,642 |
| Assigned - Accrued Leave | 21,709 | 22,412 | 22,659 | 23,137 | 26,379 |
| Assigned - General reserve | 149,825 | 149,825 | 159,825 | 159,825 | 159,825 |
| Unassigned | 100,188 | 239,457 | 36,558 | 221,515 | 41,785 |
| Total Fund Balances | \$ 409,022 | \$ 492,492 | \$ 601,436 | \$ 634,707 | \$ 385,631 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 49,796 | \$ 83,470 | \$ 108,944 | \$ 33,271 | \$ (249,076) |
| Percentage Increase (Decrease) | 13.86% | 20.41% | 22.12% | 5.53% | -39.24% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$228,037,094 | \$240,781,846 | \$243,480,870 | \$251,592,874 | \$262,556,868 |
| b. Y-T-Y Percentage change in AV | 7.45% | 5.59% | 1.12% | 3.33% | 4.36% |
| c. Current secured, unsecured and HOPTR | \$ 311,869 | \$ 326,398 | \$ 322,740 | \$ 336,039 | \$ 363,058 |
| d. District share of general 1% levy (c/a) | 13.6762% | 13.5558% | 13.2553% | 13.3565% | 13.8278% |

- 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?*

Yes. The District's total core revenues (property taxes) has grown on average by only 3.7% per year over the past five years while expenditures have increased on average 12%. During this time total fund balance has increased by only \$26,405, from \$359,226 to \$385,631, of that all can be used by the District for any purpose.

Revenue

West Plainfield Fire Protection District's revenue consists of property taxes, interest, grants, and other miscellaneous revenue. Like other rural fire districts, West Plainfield PFD 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 \$370,093 comprised 96% of total revenues (excluding CalFire reimbursements). The District's share of

property taxes within its boundaries is approximately 13.8%, while the average for all rural FPDs in the county is 6.2%. The District does not levy a special assessment nor impose development impact fees. In addition, over the past 5 years the District has received other County funding of \$88,000, a grant from the Yocha Dehe Wintun Nation totaling \$147,000, strike team reimbursements of \$68,717 and other revenue totaling \$99,326.

During the period since the last MSR, the District has contracted with the County Airport and Sacred Oaks Healing Center to provide inspections, training and fire monitoring services. These contracts are expected to increase revenue about \$50,000 per year.

Expenditures

District expenditures, excluding capital expenditures, has increased significantly since 2018. From 2019 to 2021 average annual expenditures were \$352,658 and only \$249,875 from 2017 to 2018. In 2021 total non-capital expenditures totaled \$397,079.

Capital expenditures

| | | |
|-------|-----------|---|
| 2017: | \$134,313 | 18 SCBA (90% grant funded) |
| 2018: | \$ 48,038 | Ford F450 |
| 2019: | \$171,012 | 2 Type 5 brush engines (\$88K from Co and \$147K from YDWN) |
| 2020: | 2,691 | completed Type 5 brush engines |
| 2021: | \$239,032 | water tender and equipment engraver |

District core revenue is not keeping pace with increased costs and the District's financial position may shortly turn negative if expenditures increase and/or if revenues are not increased. The District has not levied a special assessment nor imposed development impact fees to mitigate increased costs.

- 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 West Plainfield 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. In addition to comparing budget-to-actual data, the chief reviews monthly ledgers and tracks Lillard Hall, Sacred Oaks, incident and airport receivables on a spread sheet. Internal procedures were also changed to ensure expenditures are coded to the correct accounts.

- 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?*

Yes. The Board has not received financial reports on a periodic basis during the last two years. In the past the Board received a budget-to-actual report (GL293) and a trial balance (GL291) at each regular monthly meeting. We strongly encourage the District staff to include, in the Commission packets, financial reports on a periodic basis.

- 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?*

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No. Revenues are reliable, with the majority coming from property taxes.

- 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 revenues are not increasing as fast as expenditures and the District's total fund balance is almost \$800,000 less than the minimum recommend amount mostly due to underfunding the capital asset reserve, see 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 an adequate reserve policy and the District's total fund balance is almost \$800,000 less than the minimum recommended amount mostly due to underfunding the capital asset reserve. 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.

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

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|--------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | - | | |
| Other funds | 157,642 | | |
| | <hr/> | <hr/> | <hr/> |
| | 157,642 | 961,000 | (803,358) |
| General reserve | 159,825 | 161,000 | (1,175) |
| Other assigned | 26,379 | - | 26,379 |
| Unassigned | 41,785 | 60,000 | (18,215) |
| Total Recommended Fund Balance | \$ 385,631 | \$ 1,182,000 | \$ (796,369) |

- 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 capital financing and debt management policy, if applicable?*

No. The District does not have any debt.

Financial Ability MSR Determination

West Plainfield FPD is currently not financially stable mostly due to core revenues not keeping pace with increasing costs and the lack of funds for necessary apparatus replacement and infrastructure needs. The District's total core revenues (property taxes) are not increasing as fast as expenditures are increasing. The transitioning to a 24/7 operation has also increased cost. Recently executed service contracts with the Yolo County and Sacred Oaks Treatment Center should increase annual revenue by \$50,000. Total fund

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balances have only increased by \$26,405 over the past five years. Total fund balance increased from \$359,226 to \$385,631 of which all can be used by the District for any purpose. However, the total fund balance is over \$800,000 less than what appears to be needed, mostly due to underfunding of the capital asset replacement reserve. The West Plainfield FPD Fire Commission has not been receiving periodic financial reports. The District does not have adequate reserve policies. Additional funding may be required to fund increased expenditures and to maintain adequate reserve balances. West Plainfield FPD maintains its funds in the County Treasury and uses the County's financial system to maintain its accounting records and as a dependent district is included in the County's audited Annual Comprehensive Financial Report (ACFR).

Financial Ability MSR Recommendation(s)

- West Plainfield FPD should consider adoption of a special assessment to increase revenues to provide funding for 24/7 operations, facilities, apparatus replacement, equipment needs and to maintain adequate reserves.
- West Plainfield FPD should consider adopting a develop impact fee.
- The West Plainfield FPD should develop an adopt a capital improvement plan that includes a plan for how the FPD will fund it.
- The West Plainfield FPD should update its reserve policy to guide the Fire Commission in maintenance of adequate reserves.
- The West Plainfield FPD Fire Commission should receive regular financial reports (quarterly or mid-year at a minimum) that provide a clear and complete picture of the agency's budget status and assets and liabilities, fully disclosing both positive and negative financial information.

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 West Plainfield FPD and Willow Oak FPD scale up its services and operate more as a regional unit via a JOA.

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

Both FPDs signed a formal Joint Operating Agreement in June 2022 and are working towards standardizing written operating policies and guidelines, as well as making the Willow Oak FPDs reserve

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program a joint program. The reserve program increases staffing and, thus, improves firefighter safety. Both also have mutual/auto aid agreements with surrounding fire departments.

Shared Services MSR Determination

LAFCo recommends West Plainfield FPD and Willow Oak FPD scale up its services and operate more as a regional unit via a JOA. 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. Both FPDs have adopted a formal Joint Operating Agreement and are working towards standardizing written operating policies and guidelines, as well as making the Willow Oak FPDs reserve program a joint program. The reserve program increases staffing and, thus, improves firefighter safety. Both also have mutual/auto aid agreements with surrounding fire departments

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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

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

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. West Plainfield FPD has entered into a JOA with Willow Oak FPD designed to improve operations and efficiencies. The recommendation below is to ensure West Plainfield FPD 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. One of the commissioners term just expired and the West Plainfield FPD will need to have a new member appointed by the BOS. According to the Chief, it has never had an issue with filling commissioner seats. The Chief indicates the commissioners show appropriate concern regarding the District's finances and ask good questions.

| Member | Date Appointed | Expiration of Term |
|-------------------|----------------|--------------------|
| Emily Jacob Amy | 4/20/2021 | 10/01/2022 |
| Jim Yeager | 6/8/2021 | 6/01/2025 |
| Richard Guarino | 2/19/2019 | 4/01/2023 |
| Charles A. Hjerpe | 4/24/2018 | 5/01/2022 |
| James McMullen | 3/9/2021 | 3/01/2025 |

- 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. West Plainfield FPD paid staff are relatively stable, but the Chief reports turnover has been an issue during the last year or so. 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.

- 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. West Plainfield FPD has an operation and procedures manual for firefighters. West Plainfield FPD should adopt policies related to commission meetings, to include attendance, conduct, and responsibilities of officers. Even though West Plainfield 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. In addition, the District should develop general and administrative policies that include nepotism, conflict of interest, disaster planning, maintaining District webpage, 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 West Plainfield FPD is current in filing its required Statement of Economic Interests (Form 700) disclosures.

- f) *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 West Plainfield 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 26909⁵.

- g) *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. West Plainfield FPD is audited annually as part of the County's ACFR but the audit 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 accurate and that the District's financial status is sound.

- h) *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 West Plainfield FPD has a website but received a 27% transparency score for best practices in 2021. Please see the report posted on the LAFCo website for where improvements are needed.

Accountability, Structure and Efficiencies MSR Determination

West Plainfield FPD entered into a JOA with Willow Oak 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. West Plainfield 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. West Plainfield FPD has some basic policies but should consider adopting additional policies regarding meeting attendance, conduct, responsibilities of officers, personnel, and accounting/financial procedures. WPPFD is current in making its Statement of Economic Interests (Form 700) disclosures and as a dependent FPD and Yolo County performs its audits. Although it's not legally required, the West Plainfield FPD has a website but received a 27% 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 West Plainfield FPD should adopt, or update existing, policies related to meeting attendance, conduct, responsibilities of officers, and personnel (including employee/volunteer promotions,

⁵ 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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performance evaluations, drug and alcohol policies, payroll processing, etc.) In addition, accounting and financial policies should be developed to 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 are not legally required to maintain a website. The West Plainfield FPD has a website but received a 27% transparency score for best practices in 2021. Please see the report at <https://www.yololaftco.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).”

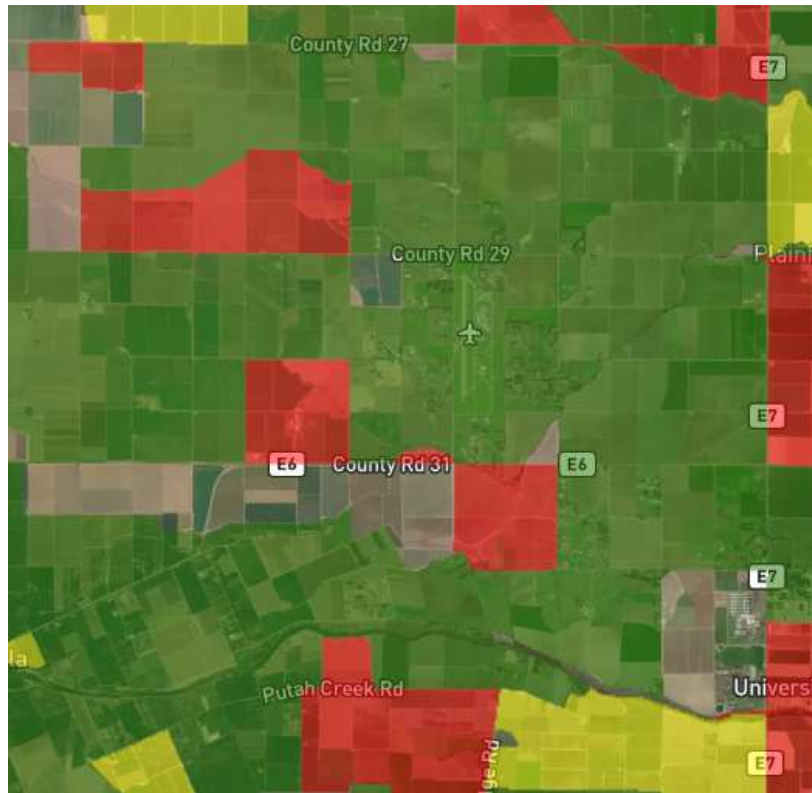
| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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. The West Plainfield FPD territory is covered by Cal.net Inc. fixed wireless service at 25 Mbps download speed and 5 Mbps upload speed⁶. The CPUC broadband maps indicate AT&T also provides service in some areas at a maximum speed of 6 Mbps download and 1 Mbps upload speeds. Internet Free Planet and AFES provides 15 Mbps download and 15 Mbps upload speed.

⁶ 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



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

No. In the rural areas, Cal.net Inc. is the only service provider which offers fixed wireless coverage at broadband speeds (i.e., 25/3 Mbps). Although it does not quote plan prices on its website, it offers an Affordable Connectivity Program through the Federal Communications Commission (FCC), which provides up to a \$30 per month discount and \$100 one-time device discount.

According to the CPUC Broadband Mapping Program, broadband adoption at broadband speeds is 40% - 60% for the West Plainfield 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 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

Overall, broadband access in the West Plainfield FPD does not appear to be an issue that would disrupt fire protection and emergency services. The West Plainfield FPD territory is mostly covered by Cal.net Inc. fixed wireless service at 25 Mbps download speed and 5 Mbps upload speed. Although it does not quote plan prices on its website, it offers an Affordable Connectivity Program through the Federal Communications Commission (FCC), which provides up to a \$30 per month discount and \$100 one-time device discount. According to the CPUC Broadband Mapping Program, broadband adoption at broadband speeds is relatively low at 40% - 60% for the West Plainfield FPD territory.

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 West Plainfield FPD and Status

1. Clarksburg and West Plainfield FPDs should consider reducing annual expenditures, seeking additional revenues, or a combination of both to achieve long-term fiscal sustainability.

Status of Previous Recommendations MSR Determination

West Plainfield FPD's increases in expenditures are much higher than revenue growth, which is not a sustainable trend. The expenditures appear necessary for adequate level of service. The issue is the West Plainfield FPD does not have an assessment or a development impact fee and has not recently looked at instituting them to increase revenues. This item has been addressed and reiterated under item 4a.

DRAFT

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

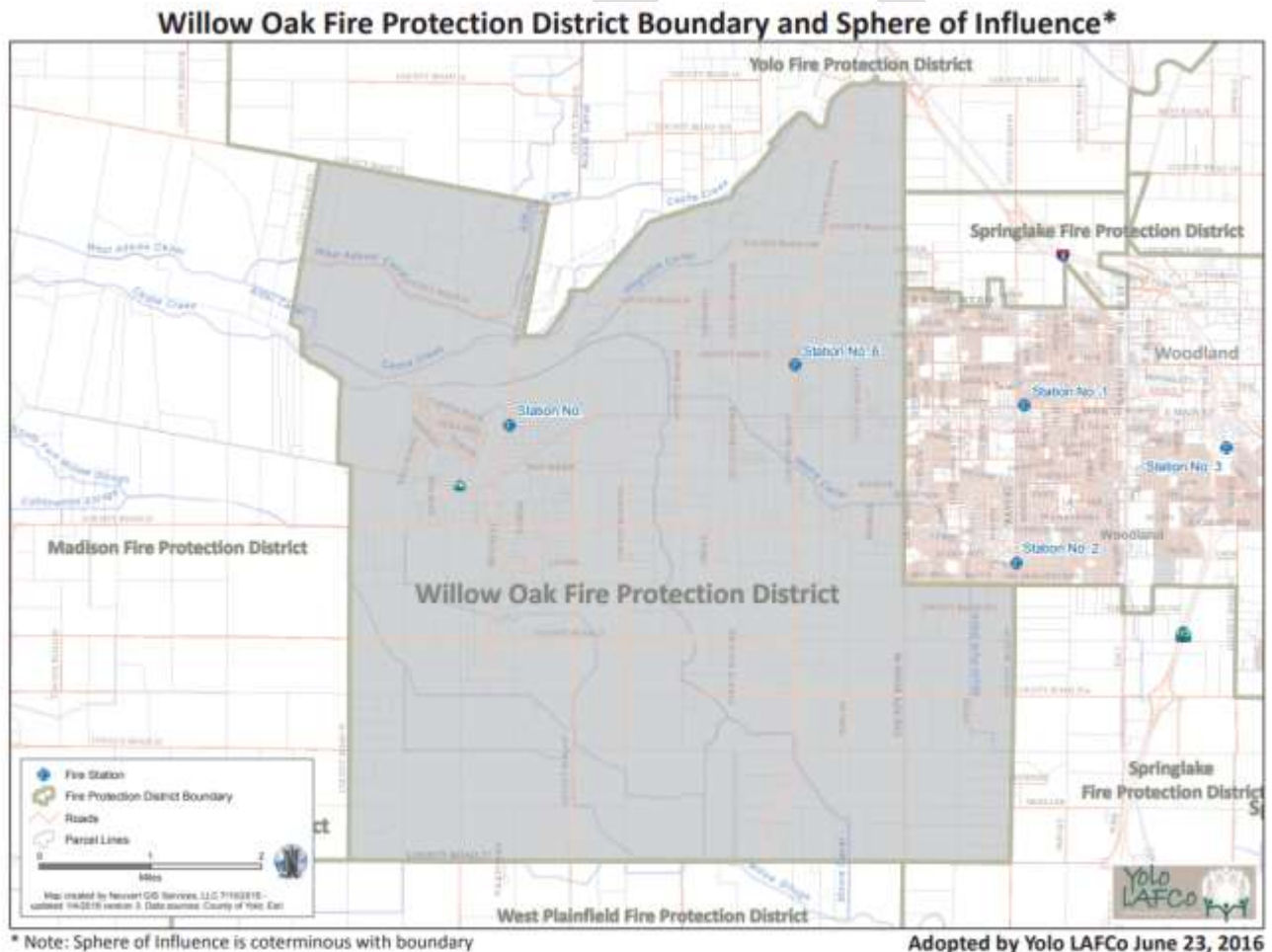
AGENCY PROFILE

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 residents¹. 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.



¹ 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.

1. GROWTH AND POPULATION

| 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 disadvantaged² 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.

² 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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <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.

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY



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? |
|------------------------|----------------------------------|--------------|-----------|----------|
| Structure Fires | Engine 6 | 1 | 18 | No |
| Wildlands Fires | Grass 6 (to be replaced in 2022) | 3 | 23 | No |
| Water Tenders | Water Tender 6 | Water Tender | 2 | No |

Station 7 (Career) Apparatus

| Use | Apparatus | Type | Age (yrs) | Reserve? |
|-------------------------|---------------------------|---------------------|-----------|----------|
| Structure Fires | Engine 7 | 1 | 3 | No |
| Wildlands Fires | Brush 7 | 3 | 14 | No |
| Water Tenders | Water Tender 7 | | 17 | No |
| Command/Utility | Chiefs command vehicle | Command | 5 | No |
| | Battalion command vehicle | Command | 14 | No |
| | Utility vehicle | Utility/ Command | 19 | No |
| Other Apparatus: | 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

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

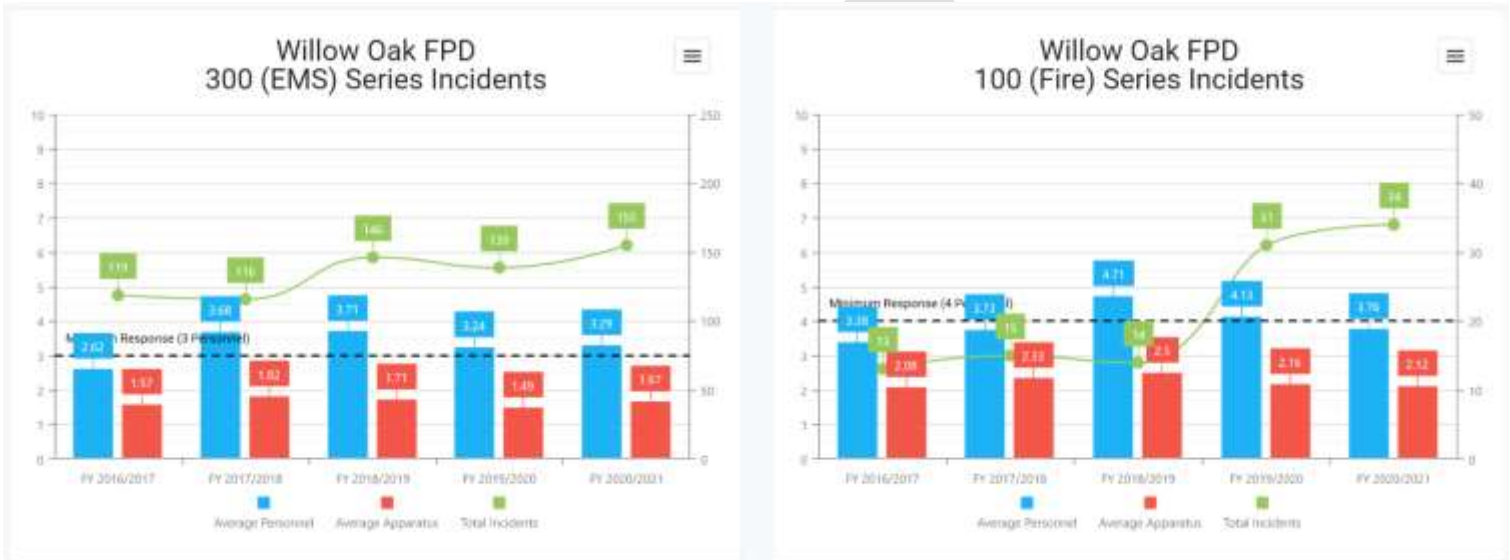
FPD has 4 at Station 7 24 hours per day, 7 days per week, but occasionally it has 3. Station 6 responders are all volunteer.

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 calls³.

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.

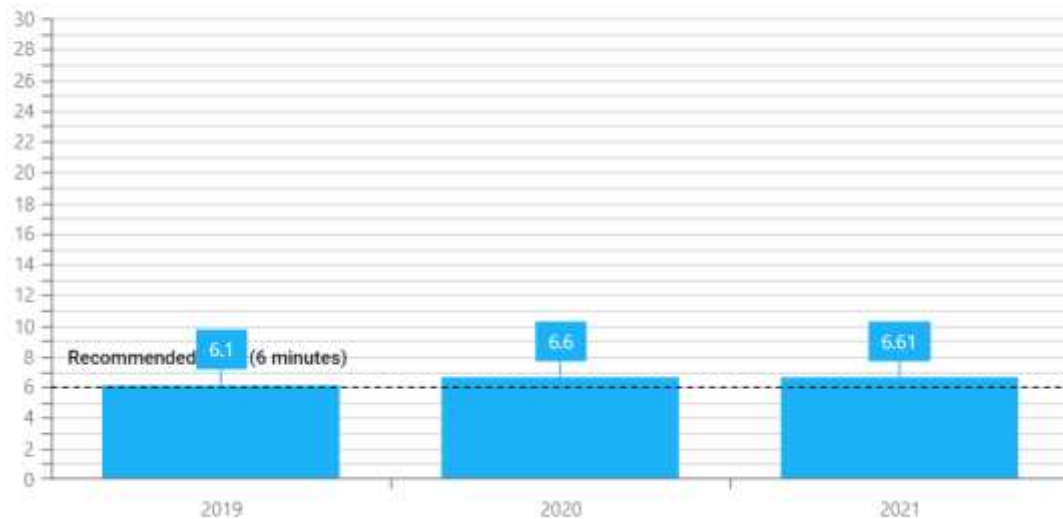
Response Time and Missed Calls

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 averages⁴ for the 2019 – 2021 calendar years are shown below.

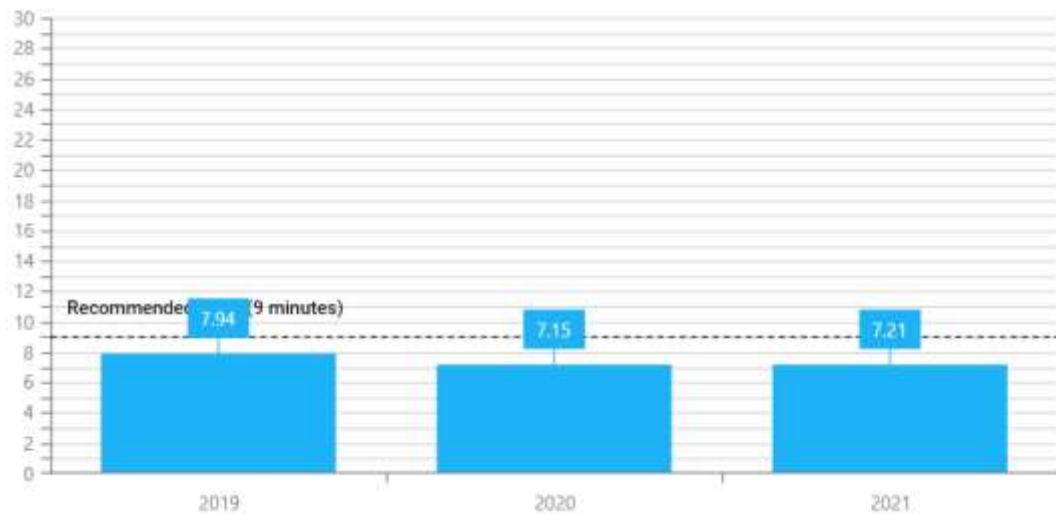
³ By consensus of the Yolo Fire Chief's MSR Subcommittee, it was determined the minimum adequate response for a fire call is 4 personnel and 2 apparatus, and for a rescue/EMS call is 3 personnel and 1 apparatus.

⁴ 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"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

| | | | |
|---|-------------------------------------|-------------------------------------|-------------------------------------|
| <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 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| 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 |
| Total Revenue | 529,307 | 561,009 | 1,074,816 | 545,205 | 750,321 |
| Expenditures | | | | | |
| 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 |
| Total Expenditures | 424,719 | 425,342 | 1,064,023 | 726,056 | 530,610 |
| Net income (loss) | 104,588 | 135,667 | 10,793 | (180,851) | 219,711 |
| Beginning Fund Balance | 575,577 | 680,165 | 815,832 | 826,625 | 645,774 |
| Ending Fund Balances | \$ 680,165 | \$ 815,832 | \$ 826,625 | \$ 645,774 | \$ 865,485 |
| Fund Balances | | | | | |
| 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 |
| Total Fund Balances | \$ 680,165 | \$ 815,832 | \$ 826,625 | \$ 645,774 | \$ 865,485 |
| Y-T-Y Change in total Fund Balances | | | | | |
| 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% |
| Property Tax Analysis | | | | | |
| 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:

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|--------------------------------|---|--|-------------------------------|
| 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) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Does the agency need liability and workers compensation insurance coverage?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| i) <i>Does the organization need to improve its public transparency via a website (see https://www.yololaftco.org/yolo-local-government-website-transparency-scorecards)?</i> | <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 26909⁵.

- 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

⁵ 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.

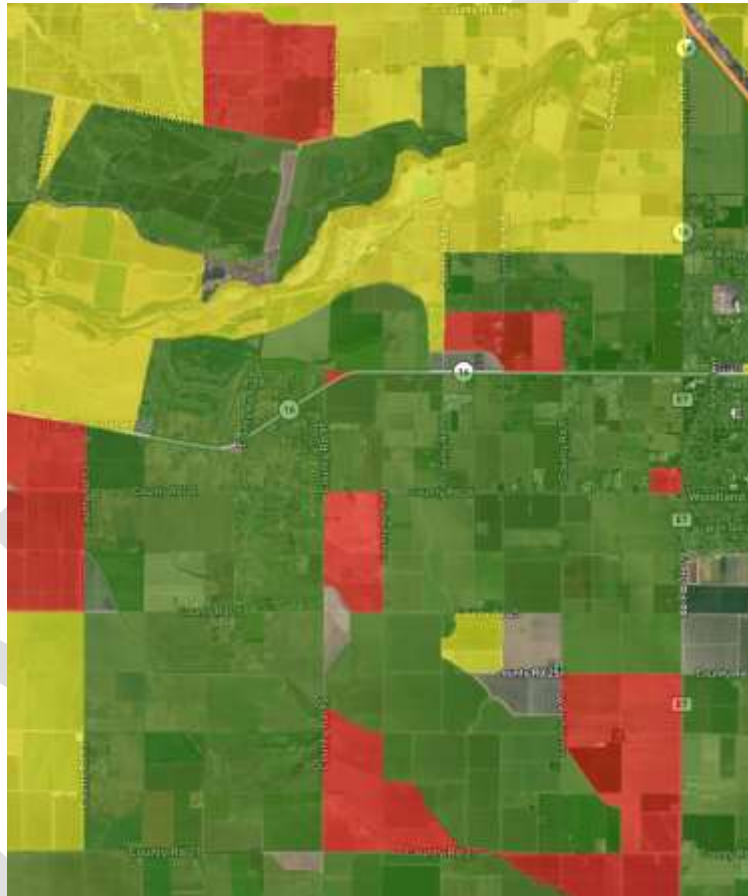
Per Yolo LAFCo Project Policy 6.2 "it is the intent of Yolo LAFCo to comprehensively review broadband access in MSRs of local agencies that either serve communities and/or provide emergency services where broadband connection is critical (i.e. cities, CSDs, CSAs, FPDs and RDs)."

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| 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 maps⁶ 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

⁶ 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

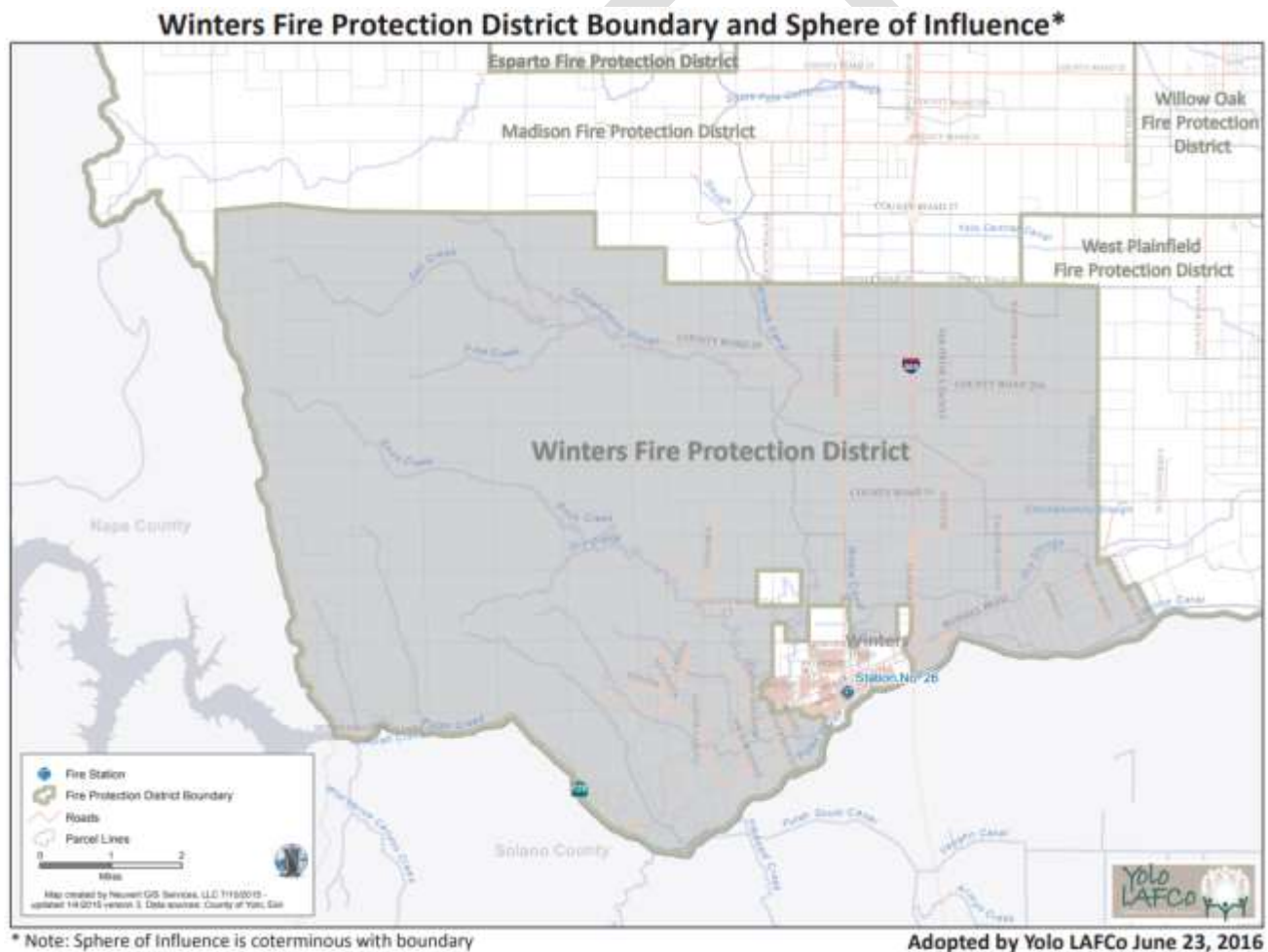
AGENCY PROFILE

The Winters Fire Protection District (FPD) was formed in 1930 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.

In 1981, the City of Winters began contracting with the Winters FPD for services. However, in 2011 services reversed, and the Winters FPD instead contracted with the City for services, ceding its employees and ownership of its facilities/equipment to the City.

The District is 50,528 acres in size and serves the unincorporated community of El Rio Villa and the rural area surrounding Winters. The District contains 406 residential and 2 commercial addresses and its population is estimated to be 1,015 residents¹.

The Winters FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.



¹ 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 type="checkbox"/> Shared Services |
| <input type="checkbox"/> Disadvantaged Unincorporated Communities | <input type="checkbox"/> Accountability |
| <input type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input checked="" type="checkbox"/> Broadband Access |
| <input checked="" type="checkbox"/> Financial Ability | <input 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.

1. GROWTH AND POPULATION

| Growth and population projections for the affected area. | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Will development 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 type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-b) *Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands? Do changes in service demand suggest a change in the agency’s services?*

No. The population for Winters FPD is currently estimated to be 1,015 and there are no significant growth areas designated by the County. As the City of Winters annexes territory, it is detached from the Winters FPD.

Winters FPD is dispatched by the Yolo Emergency Communications Agency (YECA). Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 215 in FY 18/19, 223 in FY 19/20 and 301 in FY 20/21, a 40% increase over three years. However, this increase in demand does not suggest a change in agency service provider.

Growth and Population MSR Determination

The population for Winters FPD is currently estimated to be 1,015 and there are no significant growth areas designated by the County. As the City of Winters annexes territory, it is detached from the Winters FPD. Winters FPD is dispatched by the Yolo Emergency Communications Agency (YECA). Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 215 in FY 18/19, 223 in FY 19/20 and 301 in FY 20/21, a 40% increase over three years. However, this increase in demand does not suggest a change in agency service provider or District 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 Winters FPD territory does not appear to contain any disadvantaged unincorporated communities². El Rio Villa is likely a disadvantaged community (but may not be showing in the data due to census block size), but it receives City fire protection services on par with all the FPD territory. 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

All “inhabited unincorporated communities” countywide receive structural fire protection services. El Rio Villa is likely a disadvantaged community, but it receives the same City fire protection services as with all the FPD territory.

² 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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-e)No. Winters FPD has not provided direct services since 2011 and contracts with the City of Winters for fire protection and emergency response services. The current agreement for services became effective on January 1, 2011 and expires in forty years on December 31, 2050.

Staff and Coverage, training, fire station, apparatus and equipment are all provided by a city fire department which must adhere to higher performance standards. Both National Fire Protection Association (NFPA) 1720 and 1710 are standards concerning personnel deployment and response times to fires and medical emergencies: NFPA 1720 is designed primarily for communities with volunteer firefighters. NFPA 1710 is designed primarily for communities with career, or paid, firefighters.

However, the City of Winters Fire Chief indicates his department has a critical need for increasing daily staffing levels with the current call volume, prevention, and code enforcement services. Winters Fire Department struggles to maintain adequate daily staffing of two firefighters on duty each day. A 40% increase for calls for service alone in the District over three years is significant. Just because the Winters FPD contracts with the City, it does not negate the fact the City has very similar struggles as the other FPDs who are mostly staffed with volunteers with a few paid personnel.

Capacity and Adequacy of Public Facilities and Services MSR Determination

Winters FPD has not provided direct services since 2011 and contracts with the City of Winters for fire protection and emergency response services. City fire departments must adhere to higher performance standards (NFPA 1710) than rural departments (NFPA 1720). The current agreement for services became effective on January 1, 2011 and expires in forty years on December 31, 2050. The Winters FPD receives annual performance reports from the City.

However, the City of Winters Fire Chief indicates his department has a critical need for increasing daily staffing levels with the current call volume, prevention, and code enforcement services. Winters Fire Department struggles to maintain adequate daily staffing of two firefighters on duty each day. Just because

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the Winters FPD contracts with the City, it does not negate the fact the City has very similar struggles as the other FPDs who are mostly staffed with volunteers with a few paid personnel.

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 <u>not</u> 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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Is the organization's revenue 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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 needed? Does the agency have a reserve policy?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

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Financial Background

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 297,474 | \$ 313,495 | \$ 345,527 | \$ 350,106 | \$ 375,948 |
| Interest | 3,970 | 6,918 | 16,453 | 14,744 | 1,177 |
| Total Revenue | 301,444 | 320,413 | 361,980 | 364,850 | 377,125 |
| Expenditures | | | | | |
| CalPERS pension liability | 48,609 | 75,952 | 91,902 | 98,362 | 109,962 |
| CalPERS retiree health insurance | 3,628 | 3,628 | 3,621 | 3,624 | 3,621 |
| Service and supplies | 1,564 | 850 | 850 | 4,998 | 900 |
| Contract payments | 241,672 | 232,321 | 265,406 | 262,640 | 267,906 |
| Total Expenditures | 295,473 | 312,751 | 361,779 | 369,624 | 382,389 |
| Net income (loss) | 5,971 | 7,662 | 201 | (4,774) | (5,264) |
| Beginning Fund Balance | 498,209 | 504,180 | 511,842 | 512,043 | 507,269 |
| Ending Fund Balances | \$ 504,180 | \$ 511,842 | \$ 512,043 | \$ 507,269 | \$ 502,005 |
| Fund Balances | | | | | |
| Restricted - Development impact fees | \$ 81,986 | \$ 83,121 | \$ 85,002 | \$ 86,793 | \$ 87,702 |
| Assigned - Capital asset replacement | 118,442 | 120,082 | 122,798 | 125,386 | 126,700 |
| Assigned - General reserve | 264,393 | 264,393 | 264,393 | 264,393 | 264,393 |
| Unassigned | 39,359 | 43,246 | 38,350 | 28,697 | 21,410 |
| Total Fund Balances | \$ 504,180 | \$ 510,842 | \$ 510,543 | \$ 505,269 | \$ 500,205 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 5,971 | \$ 7,662 | \$ 201 | \$ (4,774) | \$ (5,264) |
| Percentage Increase (Decrease) | 1.20% | 1.52% | 0.04% | -0.93% | -1.04% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 249,441,657 | \$ 260,934,256 | \$ 277,807,708 | \$ 293,698,599 | \$ 307,045,962 |
| b. Y-T-Y Percentage change in AV | 6.89% | 4.61% | 6.47% | 5.72% | 4.54% |
| c. Current secured, unsecured and HOPTR | \$ 292,679 | \$ 304,495 | \$ 329,762 | \$ 346,438 | \$ 361,540 |
| d. District share of general 1% levy (c/a) | 11.7334% | 11.6694% | 11.8702% | 11.7957% | 11.7748% |

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 not keep pace with increased costs?*

No. Winters Fire Protection District contracts for services with the City of Winters. The District's remits 97.5% of the revenue, net of the District's prior CalPERS unfunded pension liability, retiree health insurance obligation, and other minor administrative expenditures. Over the short-term, future increases of these unfunded accrued liability expenditures may negatively impact the amount available for contract payments to the City of Winters until the liability is paid off in 2033.

Revenue

The District's revenue consists of property taxes and interest earned on surplus funds. Like most other rural fire districts, Winters 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 \$375,948 comprised 99% of total revenues.

The District's share of property taxes within its boundaries is approximately 11.8%, while the average for all FPDs in the County is 6.2%. Total revenue has increased on average 6% over the past 5 years.

Expenditures

Winters FPD expenditures consists of annual CalPERS unfunded accrued liability lump sum payments, retiree health insurance, minimal services and supplies and contract payments to the City of Winters. All the expenditures, except for the annual CalPERS lump sum payments, have remained flat over the past five years. The CalPERS unfunded liability payments have increased on average 24% per year, however the annual rate of increase has substantially declined over the past two years. Over the short-term, future increases of these unfunded accrued liability expenditures may negatively impact the amount available for contract payments to the City of Winters until the liability is paid off in 2033 (per CalPERS actuarial report). Total expenditures have increased on average 6% per year.

Winters FPD has contracted for services with the City of Winters since January 1, 2011. The calculation for the required annual payment to the City is set forth in the contract. A high-level review of the District's financial transactions and annual payment calculations made by the City, indicate that the calculations and subsequent payments do not appear to be in accordance with the contract terms. The calculations do not include the required split of CalPERS payments over \$36,000 between the City and District based on ratio of service calls. In addition, the contract does not specifically state whether the split is calculated based on only payments related to pension or to both pension and retiree health insurance. The calculations are also performed during the fiscal year and do not include a true-up calculation after the fiscal year is closed. It appears the Winters FPD may owe the City of Winters roughly \$60,000. The information detail required by the contract formula is onerous and difficult to administer easily and clearly. LAFCo recommends the contract be amended to simplify how the cost is calculated.

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?

Yes. The district maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the district 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.

However, balances and note disclosures required by Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27", and by GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", are not recorded in the District's accounting records and the required note disclosures describing the plan and other plan information are not included in the County's Annual Comprehensive Financial Report (ACFR). These balances, if material, and known by the District's commissioners may change funding priority decisions

- 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 City of Winters staff reviews the District's financial reports provided by the County.

- 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?*

Yes. According to the Chair of the fire commission, the FPD receives annual financial reports. Quarterly or at least biannually is recommended.

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- 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?*

No. Revenues are reliable. Almost all the revenue is from property taxes which are collected and distributed by the County.

- f) *Is the organization's revenue 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)?*

No. This is not applicable to Winters FPD since the District contracts services from the City of Winters and essentially acts as a pass-through entity.

- 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?*

No. The District's does not have a written reserve policy. The District does not maintain any equipment or facilities. However, the District's unrestricted fund balance of \$412,503 (excluding restricted development impact fees balance) exceeds the minimum recommend balance of \$229,000 by \$183,503. The agreement between the City and FPD currently requires a \$200,000 minimum fund balance, however, LAFCo questions the purpose of this provision. The minimum recommended fund balance is the total of 2 components as follows:

- 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.

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

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|--------------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | 87,702 | 87,702 | - |
| | <u>87,702</u> | <u>87,702</u> | <u>-</u> |
| General reserve | 264,393 | 172,000 | 92,393 |
| Assigned - Capital asset replacement | 126,700 | - | 126,700 |
| Unassigned | 21,410 | 57,000 | (35,590) |
| Total Recommended Fund Balance | <u>\$ 500,205</u> | <u>\$ 316,702</u> | <u>\$ 183,503</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?*

Maybe. The district participates in the California Public Employees Retirement System (CalPERS) to provide retirement benefits to prior District retirees under a miscellaneous and safety plans. The County has elected not to calculate and record the District's pension liability, deferred outflows, deferred inflows, or pension expense required by Government Accounting Standards Board Statement No. 68 as this information has previously deemed immaterial to the County's Comprehensive Annual Financial Report taken as a whole. As a result, these numbers are not available to include in this report.

However, as of the June 30, 2020 actuarial valuation prepared by CalPERS, the miscellaneous plan had only 1 retired participant and the safety plan had 8 retired participants. The miscellaneous plan is 76% funded and the safety plan is 70% funded. According to *CalPERS 2019 Annual Review of Funding Levels and Risks* the big risk is continuing employer rate increases. Required employer contributions

will increase over the next few years while the cost of recent rate changes and investment losses are being phased in. The required payments will gradually be eliminated when the liability bases are fully paid off in 2033.

Financial Ability MSR Determination

Winters Fire Protection District contracts for services with the City of Winters and is essentially a pass-through entity. Once annual CalPERS unfunded liability and retiree health insurance payments are made by the district, the rest of the revenues are essentially passed through to the City. Like most other rural fire districts, Winters FPD relies primarily on a share of the general 1% property tax levy for the majority of its revenue. In fiscal year 2020/21 property taxes of \$375,948 comprised 99% of total revenues. The District's share of property taxes within its boundaries is approximately 11.8%, while the average for all FPDs in the County is 6.2%. Total revenue has increased on average 6% over the past 5 years. The CalPERS unfunded liability payments have increased on average 24% per year, however the annual rate of increase has substantially declined over the past two years. Over the short-term, future increases of these unfunded accrued liability expenditures may negatively impact the amount available for contract payments to the City of Winters until the liability is paid off in 2033.

A high-level review of the District's financial transactions and annual payment calculations made by the City, indicate that the calculations and subsequent payments do not appear in accordance with the contract terms. It appears the Winters FPD may owe the City of Winters roughly \$60,000. The information detail required by the contract formula is onerous and difficult to administer easily and clearly. LAFCo recommends the contract be amended to simplify how the cost is calculated. In addition, the Winters FPD's fund balance appears higher than needed for an agency that does not maintain any equipment or facilities. The Winters FPD should consider paying down the CalPERS unfunded liability with the excess fund balance.

Financial Ability MSR Recommendation(s)

- Consider adoption of a special assessment to increase revenues to provide funding for current staffing, facilities and equipment needs.
- Winters FPD and the City should consider reviewing the annual payment calculations since the inception of the contract (2011) and develop review procedures to ensure that Winters FPD pays the proper amount to the City.
- Winters FPD should receive financial reports on a quarterly or biannual basis.
- Winters FPD and the City should review the contract terms to consider simplifying the financial obligations of each agency, including examining the purpose of the District maintaining a relatively high fund balance and to develop reserve policies to document reserve balances. Winters FPD's role as a pass-through entity should be streamlined to the greatest extent feasible.
- Consider paying off the CalPERS unfunded accrued liabilities with the excess fund balance.
- Yolo County should include the GASB 68 and GASB 75 balances and note disclosures for Winters FPD in the County's ACFR.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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?*

No. Winters FPD shares services and contracts with the City of Winters for fire protection and emergency response services.

Shared Services MSR Determination

Winters FPD shares services by contracting with the City of Winters for fire protection and emergency response services.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololaftco.org/yolo-local-government-website-transparency-scorecards)?</i> | <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)?*

No. The overarching LAFCo governance strategy with the contract FPDs is to have one district for each city provider, which is already the case with Winters FPD. Therefore, there are no recommended changes to the organization’s governmental structure or operations that will increase accountability and efficiency.

- 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 fire commission seats are filled there does not appear to be an issue with maintaining commissioners.

| Name / Title | Start | End |
|---------------------|--------------|------------|
| Gloria Lopez / | 11/19/2019 | 12/31/2023 |
| Dennis Mariani / | 11/19/2019 | 12/31/2023 |
| Tony Turkovich / | 11/23/2021 | 12/31/2025 |
| Bob Bell / | 11/23/2021 | 12/31/2025 |
| Vicki Jacobs / | 12/07/2021 | 12/31/2025 |

- 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. City staff perform all FPD services and functions.

- 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?*

No. The City maintains polices to manage all FPD services and functions.

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

No. The Winters FPD has been exempted from needing to file Statement of Economic Interests (Form 700) disclosures.

- f) *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 Winters FPD) are included in the annual audit of the County’s Annual Comprehensive Financial Report (ACFR). The Winters 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 CAFR meets general audit requirements and the CAFR satisfies the requirements of Government Code 26909³.

- g) *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?*

No. Winters FPD is audited annually and day to day operations are managed by the City which has financial staff to review agency finances.

³ 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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h) *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 districts are not legally required to maintain a website. However, Winters FPD maintains a website and received a 28% transparency score in 2021. Please see the report posted on the LAFCo website for where improvements are recommended.

Accountability, Structure and Efficiencies MSR Determination

Winters FPD is managed by the City of Winters and there are no recommended changes to the organization’s governmental structure or operations that will increase accountability and efficiency. All the fire commission seats are filled there does not appear to be an issue with maintaining commissioners. The Winters FPD has been exempted from needing to file Statement of Economic Interests (Form 700) disclosures. The dependent FPD’s including Winters FPD are included in the annual audit of the County’s Annual Comprehensive Financial Report (ACFR). Winters FPD is audited annually and day to day operations are managed by the City which has financial staff to review agency finances. Although dependent districts are not legally required to maintain a website, Winters FPD maintains a website and received a 28% transparency score in 2021.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- Dependent districts are not legally required to maintain a website. However, Winters FPD maintains a website and received a 28% 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).”

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

Discussion:

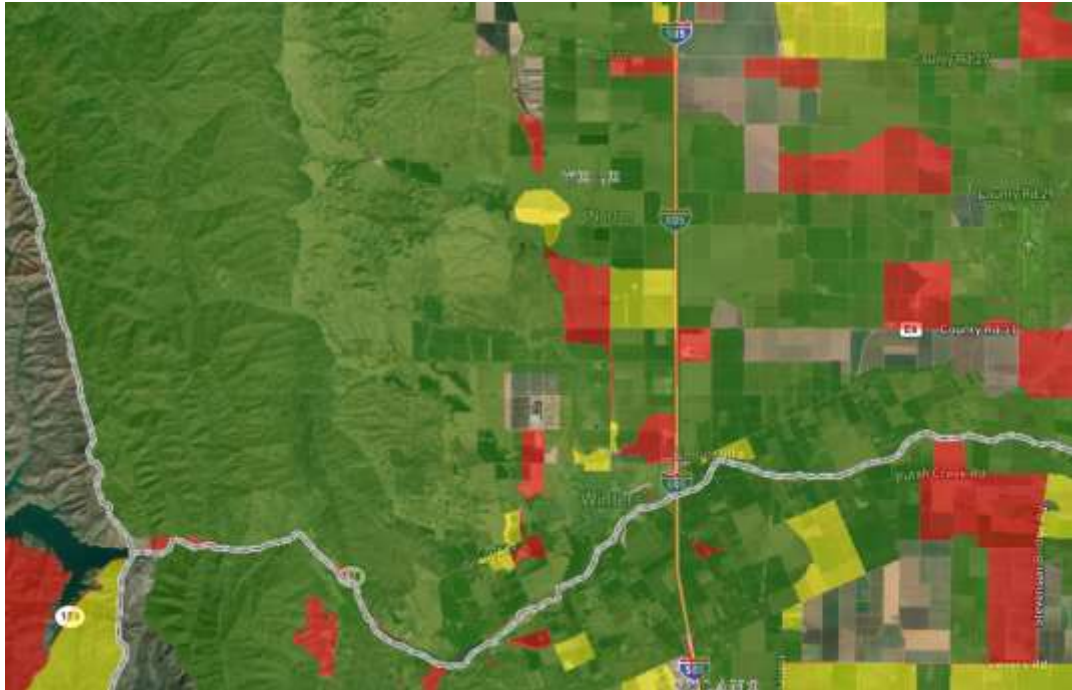
a) *Is there a lack of high-performance broadband (25/3 Mbps) available in the community?*

Maybe. Although the Winters Fire Station has access to 1,000 Mbps (or 1 Gbps/”Gig”) speeds in the City, the rural areas surrounding the City of Winters are covered by Cal.net Inc. at 25 Mbps download speed and 5 Mbps upload speed⁴. Therefore, broadband speeds of 25/3 Mbps is generally available in the Winters FPD territory (although at a high cost, see 7b) below). El Rio Villa is an unincorporated community in the Winters FPD territory that is underserved. The CPUC broadband maps indicate AT&T provides service at a maximum speed of 10 Mbps download and 1 Mbps upload speeds. Yolo County

⁴ 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.

Housing reports there is a guest Wi-Fi and computer access in the community room⁵ but it's unknown what speeds the Wi-Fi provides.

El Rio Villa is eligible to receive California Advanced Services Fund (CASF) Infrastructure grants. Yolo County Housing and/or Yolo County should explore grants to upgrade infrastructure with either the existing provider, AT&T, or Wave Broadband which provides broadband service in the City of Winters.



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

Yes. In the rural areas, Cal.net Inc. is the only service provider which offers wireless coverage, and its website does not list subscription rates, so affordability may be an issue.

According to the CPUC Broadband Mapping Program, broadband adoption is 40-60% for the Winters FPD territory. Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account⁶ and generally help troubleshoot technology challenges. Information and 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

Overall, broadband access in the Winters FPD does not appear to be an issue that would disrupt fire protection and emergency services. According to the CPUC Broadband Mapping Program, broadband adoption is greater than 80% (the highest category) for the Winters FPD territory.

Broadband speeds at or above 25/3 Mbps is generally available in the Winters FPD territory via wireless service, however, affordability is a significant issue. Internet service is provided by Winters Broadband at a relatively exorbitant cost. According to its website, for 25Mbps fixed wireless download speeds it costs

⁵ Email from Jim Gillette, Yolo County Housing September 29, 2021.

⁶ Email from Mark Fink, Yolo County Librarian on May 26, 2021

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\$225.00 per month. El Rio Villa is a disadvantaged unincorporated community that has internet service provided by AT&T but at less than 50% of the minimum standard, which should be addressed.

Broadband Access MSR Recommendation

- Yolo County Housing and Yolo County should explore CASF (California Advanced Services Fund) grants to upgrade infrastructure for the El Rio Villa community with either the existing provider, AT&T, or Wave Broadband, which provides broadband in the City of Winters.
- Yolo County should note that rural areas served by Cal.net Inc. as the only broadband provider potentially are being charged high rates for broadband service and additional providers should be encouraged and incentivized wherever possible to create market competition to drive costs down.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Are there any recommendations from the agency's previous MSR that have not been implemented?*
No. There were no recommendations from the 2016 MSR specific to the Winters FPD.

Status of Previous Recommendations MSR Determination

There were no recommendations from the 2016 MSR specific to the Winters FPD.

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

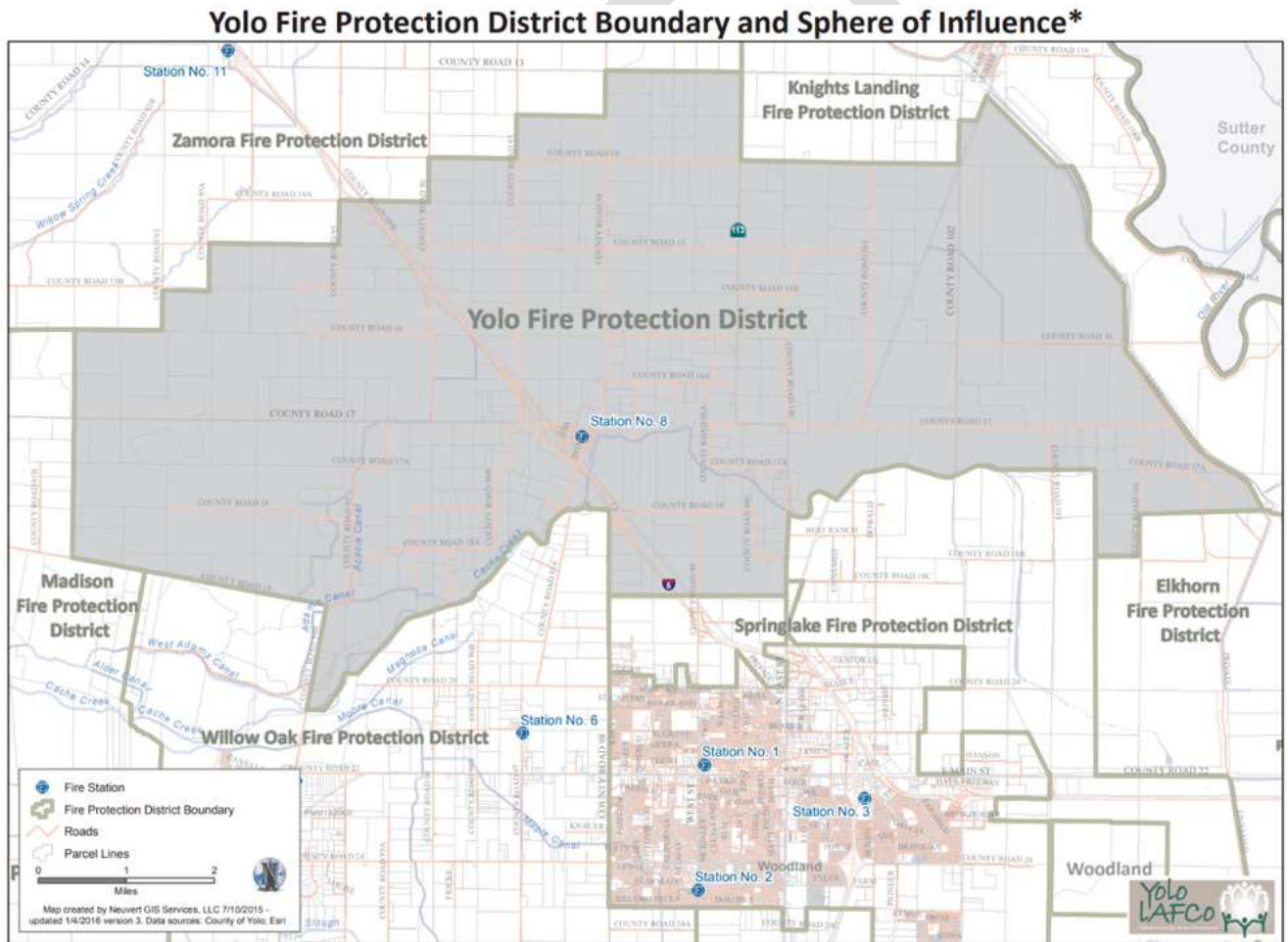
AGENCY PROFILE

The Yolo Fire Protection District (FPD) was formed in 1939 and is authorized to provide fire protection and emergency response services. It was formed as an independent district from Yolo County with a three-member Board of Directors, each elected at large to serve four-year terms.

The District is 33,584 acres in size and serves the unincorporated town of Yolo and the surrounding rural area. The District contains 388 residential and 7 commercial addresses and its residential population is estimated to be 970 residents¹. According to the 2020 Decennial Census, the town of Yolo has a population of 425.

The Yolo FPD station is located at 37720 Sacramento Street in Yolo, which houses 9 apparatus and has 1 paid firefighter, 1 part-time clerk of the board, 1 part-time office support clerk, 0 reserves and 21 volunteers (23 staff in total including 22 firefighters).

The Yolo FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.



¹ 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 checked="" 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.

| 1. GROWTH AND POPULATION | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| Growth and population projections for the affected area. | YES | MAYBE | NO |
| a) <i>Will development 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 type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Will development and/or population projections over the next 5-10 years impact the subject agency's service needs and demands?*

No. The residential population for Yolo FPD is currently estimated to be 970. The town of Yolo has limited infill growth opportunities because it does not have a municipal wastewater system.

The data that is more applicable to fire service demand is call data, which has increased more than population countywide. According to YECA data, over the last three fiscal years total calls that resulted in dispatched apparatus/responders were 381 in FY 18/19, 407 in FY 19/20 and 458 in FY 20/21, a 20% increase in only three years.

- b) *Do changes in service demand suggest a change in the agency's services?*

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

No. Population changes will not require a change in FPD boundaries. The FPD Chief reports the territory of the District is accessible, and no adjustments are warranted. The 2016 MSR notes Knights Landing has better access to the eastern portion of the district. However, the Yolo Chief indicates with daytime staffing Yolo has a faster response, except in the off hours when there is no station coverage. Regardless, there is an auto aid agreement with Knights Landing FPD on County Road 102 from Knights Landing to Cache Creek, so for any call on that corridor both FPDs are dispatched together.

Growth and Population MSR Determination

The population for Yolo FPD is currently estimated to be 970. The town of Yolo has limited infill growth opportunities because it does not have a municipal wastewater system. Therefore, development and/or population growth is not expected to impact the subject agency's service needs and demands or require a change in the agency's services and/or sphere of influence boundary. Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 381 in FY 18/19, 407 in FY 19/20 and 458 in FY 20/21, a 20% increase in only three years. Although the eastern portion of Yolo FPD is closer to the Knights Landing station, an auto aid agreement for that portion resolves the issue and no boundary changes are needed.

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 (DUC)? 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 Yolo FPD territory is not disadvantaged² 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 (DUC)? If "no" to a), this question is marked "no" because it is either not needed or not applicable.*

² CALAFCO Statewide DUC Map using American Community Survey 5-Year Data (2015-19) Updated Mar 2022

Not applicable.

Disadvantaged Unincorporated Communities MSR Determination

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

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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <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)?*

Yes. Two of the YFPD apparatus exceeds the recommended 25-year lifespan and should be scheduled for replacement as funding allows.

Fire Station

The Yolo FPD station is located at 37720 Sacramento Street in Yolo and the quality of the structure appears adequate and well-maintained. The Chief reports new asphalt paving has been done, a new station roof, the station has central heat and air, and the board authorized upgrading of the electrical system to support a new generator. The Chief reports no major facility issues or expenses.

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY



Apparatus:

YFPD has 7 apparatus and 3 command/utility vehicles as follows:

| Use | Apparatus | Type | Age (yrs) | Reserve? |
|------------------------|-------------|------|-----------|----------|
| Structure Fires | Engine-8 | 1 | 2 | No |
| | Engine-208 | 2 | 17 | No |
| | Engine 308 | 3 | 26 | No |
| Wildlands Fires | Grass 8 | 3 | 12 | No |
| | Grass 208 | 3 | 31 | Yes |
| Water Tenders | Water 8 | | 26 | No |
| Command/Utility | 800 | | 1 | No |
| | Battalion 8 | | 13 | No |
| Other Apparatus | Squad 8 | | 17 | No |
| | UTV (888) | | 2 | No |

All Yolo FPD apparatus receive daily rig checks (i.e. break and safety testing), monthly inspection noted in apparatus logs, regular scheduled maintenance service twice per year, and ladder, hose and pump testing every two years. Two of the YFPD apparatus exceeds the recommended 25-year lifespan (Grass 208 is surplus) and should be scheduled for replacement as funding allows.

Yolo FPD currently supplies all responding members with appropriate, in-date personal protective equipment (PPE). All PPE is regularly inspected and follows a PPE replacement schedule. All self-contained breathing apparatus (SCBA) receive annual flow testing. All bottles are current in hydro date, tested every five years, and batteries are inspected and replaced twice per year. Yolo FPD operates adequate communications equipment including radios with current programming that meets the needs for incident response. All apparatus have mobile radios installed and each seat has a dedicated radio.

The District received a FEMA grant for portable radios approximately six years ago. It currently uses Motorola Models 700 and 800 Series. The 800 Series are in the command vehicles and in the Yolo County Air Units. They are all programmed to be able to communicate with the cities of Davis and West Sacramento radios with 800 Series capabilities.

ISO Rating

YFPDs ISO rating is currently 4/4Y and was last evaluated in 2021. 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. 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. NFIRS data is apparently not accurate and LAFCo only has one year of data to go on. Based on F 20/21, personnel response meets recommended numbers, but the YFPD needs to improve its apparatus response on scene for fire calls.

Staff, Coverage and Training

The Yolo Fire Station is staffed Monday through Friday, 8am-5pm by one full-time employee and all other times, the station is staffed by volunteers. Yolo FPD has written operating policies and guidelines for its staff. All response personnel receive base level minimum training to respond to incidents adequately and safely (24 required trainings annually). Incident Command System (ICS) basic training is a requirement before responders can respond to incidents. Yolo FPD participates in the Yolo County Firefighters Association Training Program. Responding personnel are fit tested on an annual basis.

Incident Reporting and Adequacy of Services

Yolo 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 calls³.

Below is YFPD's NFIRS response data for the last five fiscal years:

³ 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.

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY



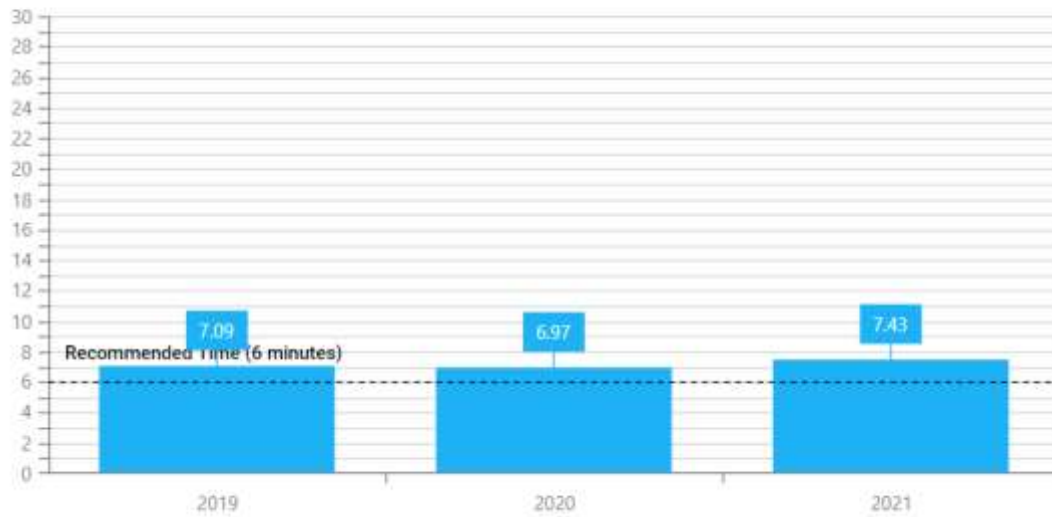
YFPD incident data was provided to NFIRS, however, the Chief reports the data was not being entered correctly. Corrected data for FY 20/21 was provided to LAFCo directly. Going by just the last FY, the data shows that the YFPD is able to respond with the recommended minimum of 3 personnel to rescue/EMS calls and 4 personnel to fire calls. Although there is an issue with sufficient apparatus on scene for fire calls (the recommended minimum is 2 and the FPD averaged 1.57). There may be an issue with sufficient volunteers able to drive apparatus. The data indicates YFPD is meeting recommended personnel response but needs to keep an eye on having two apparatus on fire calls.

Response Time and Missed Calls

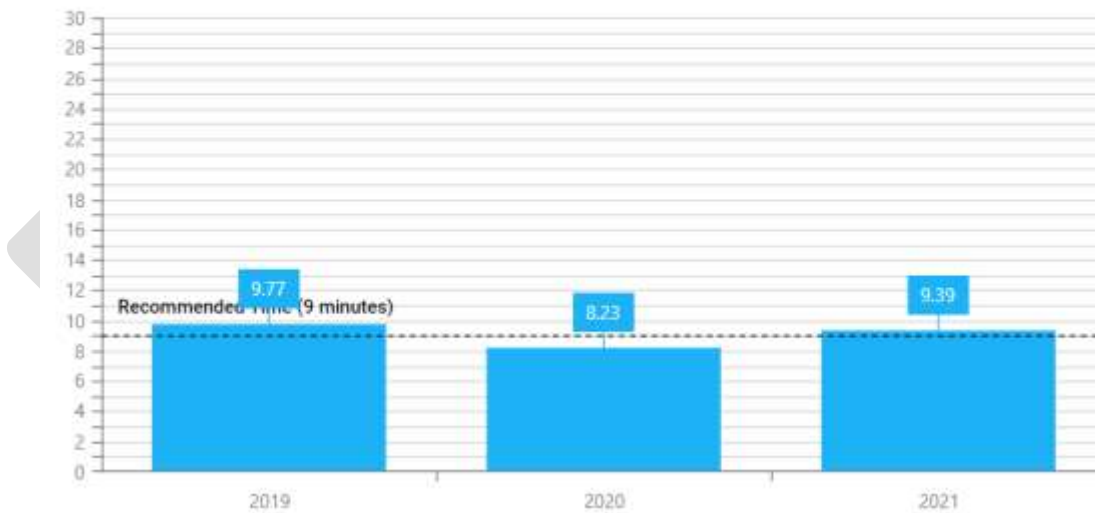
The MSR Subcommittee developed response time goals for rescue/emergency medical service (EMS) calls (6 minutes) and fire calls (9 minutes) for the first responding unit to arrive on scene. LAFCo recognizes it may be more difficult for volunteer and/or more rural FPDs to meet this goal, however as the MSR Subcommittee indicated, it represents a goal to focus on. FPD response time averages⁴ for the 2019 – 2021 calendar years are shown below.

⁴ 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.

Yolo FPD 300 (EMS) Response Time Average



Yolo FPD 100 (Fire) Response Time Average



YFPD has had 0 missed calls over the last three FYs as reported by YECA.

Annual Performance Evaluation

NFPA 1720 requires FPDs to evaluate its level of service, deployment, and response time objectives on an annual basis. According to the Chief, performance issues are discussed under the monthly chief's report if there is an issue. It would be a good practice to provide a written evaluation of the FPD's level of service, deployment, and response time objectives on an annual basis, ideally as an agenda item at a board meeting. Therefore, establishing this review and evaluation process at least on an annual basis is a recommendation.

- 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 2a.

Capacity and Adequacy of Public Facilities and Services MSR Determination

The Yolo FPD station is located at 37720 Sacramento Street in Yolo and the quality of the structure appears adequate and well-maintained. The Chief reports no major facility issues or expenses are needed. Two of the YFPD apparatus exceeds the recommended 25-year lifespan and should be scheduled for replacement as funding allows. Yolo FPD currently supplies all responding members with appropriate, in-date personal protective equipment (PPE). The District received a FEMA grant for portable radios approximately six years ago. It currently uses Motorola Models 700 and 800 Series. YFPDs ISO rating is currently 4/4Y and was last evaluated in 2021.

The Yolo Fire Station is staffed Monday through Friday, 8am-5pm by one full-time employee and all other times, the station is staffed by volunteers. Yolo FPD has written operating policies and guidelines for its staff and all response personnel receive base level minimum training to respond to incidents adequately and safely (24 required trainings annually). YFPD incident data was provided to NFIRS, however, the Chief reports the data was not being entered correctly, therefore, corrected data for FY 20/21 was provided to LAFCo directly. Going by FY 20/21, the data shows that the YFPD is able to respond with the recommended minimum of 3 personnel to rescue/EMS calls and 4 personnel to fire calls. Although there is an issue with sufficient apparatus on scene for fire calls (the recommended minimum is 2 and the FPD averaged 1.57). YFPD has had 0 missed calls over the last three FYs as reported by YECA. NFPA requires FPDs to evaluate its level of service, deployment, and response time objectives on an annual basis. Therefore, establishing this review and evaluation process at least on an annual basis is a recommendation.

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

- YFPD should consider replacing the apparatus in the fleet that exceeds the recommended 25-year lifespan.
- YFPD needs to complete its NFIRS reporting on an ongoing basis and obtain training if needed.
- YFPD should provide written evaluations of its level of service, deployment, and response time objectives on an annual basis at a Fire Commission meeting. Personnel response appears adequate, but the YFPD needs to ensure 2 apparatus on scene for fire calls.

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 checked="" type="checkbox"/> | <input type="checkbox"/> | <input 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"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Financial Background

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 95,659 | \$ 95,627 | \$ 105,731 | \$ 114,108 | \$ 122,751 |
| Development impact fees | 5,727 | 41,904 | 3,932 | 78,798 | 14,930 |
| Interest | 1,927 | 4,514 | 16,066 | 4,830 | 89 |
| Intergovernmental grants | 96,574 | - | - | - | 4,488 |
| County tribal mitigation | 12,500 | 30,000 | 30,000 | 30,000 | 30,000 |
| Other County funding | - | - | - | - | 32,500 |
| Direct Yocha Dehe Wintun Nation funding | - | - | 250,000 | - | - |
| Special assessment | 33,910 | 33,827 | 33,467 | 32,807 | 39,429 |
| CA Fire | - | 2,443 | - | 3,222 | 28,344 |
| Other revenue | 792 | 15 | 7,866 | 3,916 | 1,067 |
| Total Revenue | 247,089 | 208,330 | 447,062 | 267,681 | 273,598 |
| Expenditures | | | | | |
| Salaries and benefits | 29,127 | 49,908 | 74,420 | 79,967 | 80,638 |
| Services and supplies | 61,509 | 98,002 | 76,086 | 94,832 | 110,060 |
| Contributions to volunteers | 3,000 | 3,000 | 3,000 | 3,362 | 19,423 |
| Capital Assets: | | | | | |
| Equipment | 107,305 | - | 497,159 | - | 86,589 |
| Total Expenditures | 200,941 | 150,910 | 650,665 | 178,161 | 296,710 |
| Net income (loss) | 46,148 | 57,420 | (203,603) | 89,520 | (23,112) |
| Beginning Fund Balance | 275,187 | 321,335 | 378,755 | 175,152 | 264,672 |
| Ending Fund Balances | \$ 321,335 | \$ 378,755 | \$ 175,152 | \$ 264,672 | \$ 241,560 |
| Fund Balances | | | | | |
| Restricted - Development impact fees | \$ 32,638 | \$ 67,770 | \$ 13,243 | \$ 93,713 | \$ 102,727 |
| Restricted - Unexpended grants | 70,813 | 101,595 | 25,005 | 55,980 | 13,566 |
| Assigned - Capital asset replacement | 53,781 | 65,404 | - | - | - |
| Assigned - General reserve | 19,423 | 18,900 | 18,900 | 18,900 | 18,900 |
| Unassigned | 144,680 | 125,086 | 118,004 | 96,079 | 106,367 |
| Total Fund Balances | \$ 321,335 | \$ 378,755 | \$ 175,152 | \$ 264,672 | \$ 241,560 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 46,148 | \$ 57,420 | \$ (203,603) | \$ 89,520 | \$ (23,112) |
| Percentage Increase (Decrease) | 16.77% | 17.87% | -53.76% | 51.11% | -8.73% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 261,699,672 | \$ 271,825,738 | \$ 284,717,657 | \$ 309,334,619 | \$ 330,892,529 |
| b. Y-T-Y Percentage change in AV | 5.72% | 3.87% | 4.74% | 8.65% | 6.97% |
| c. Current secured, unsecured and HOPTR | \$ 92,052 | \$ 95,194 | \$ 104,956 | \$ 113,665 | \$ 121,575 |
| d. District share of general 1% levy (c/a) | 3.5175% | 3.5020% | 3.6863% | 3.6745% | 3.6742% |

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?*

Yes. The District's core revenues (property taxes, tribal mitigation, special assessments) have grown, on average, by 6% per year over the past five years while expenditures have increased, on average, over 16%, mostly attributable to the hiring of a full-time firefighter in fiscal year 2018. During this time total fund balance has decreased from \$275,187, as of July 1, 2017 to \$241,560 as of June 30, 2021, a \$33,627 decrease. The decrease is mostly attributable to expenditures for capital assets in the amount of \$691,053 over the past 5 years. The District can use \$125,267 of the total fund balance for any purpose. The balance of \$116,293 represents unexpended funds that are restricted for specific purposes: \$102,727 of development impact fees for acquisition of equipment and facilities related to new development and \$13,566 of County tribal mitigation funds for the purchase of capital assets. The total fund balance is almost over \$1,700,000 less than the minimum recommended fund balance, mostly due to underfunding of the capital asset replacement and general reserves.

Revenue

Yolo Fire Protection District's revenue consists of property taxes, special assessments development impact fees, interest, grants from the County and the Yocha Dehe Wintun Nation and other miscellaneous revenue. Like other rural fire districts, Yolo PFD 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 \$122,751 comprised 59% of total revenues (excluding CAL FIRE strike team reimbursements and one-time grant revenues). The District's share of property taxes within its boundaries is approximately 3.7%, while the average for all rural FPDs in the county is 6.2%. The District has also levied a special assessment since 1991. In 2021 special assessment revenue was \$39,429 which accounted for 14.4% of total revenue (excluding CAL FIRE strike team reimbursements and one-time grant revenues). The special assessment has not grown much over the years, from \$28,145 in 1991 to \$39,249 in 2021. The District also imposes development impact fees (DIF) on 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 \$145,291 of DIF. The District is one of five FPDs, that since 2004, receives annual tribal mitigation funding from the County. Over the past five years the District has received \$132,500 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 Yolo FPD has received other County funding of \$32,500, a grant from the Yocha Dehe Wintun Nation totaling \$250,000, other intergovernmental grants of \$101,262, strike team reimbursements of \$34,009 and other revenue totaling \$13,656.

Expenditures

District expenditures, excluding capital expenditures, have increased on average 16% from 2017 through 2021. Salary and benefits have increased 177% since 2017 and services and supplies have increased almost 79%. In 2021 core revenues exceeded on-going operational expenditures by only \$10,403.

Capital expenditures

2017: \$107,305, 14 SCBA units
2019: \$497,159, New Type-1 engine
2021: \$ 86,589, 2021 Ford F250, Pioneer 1000 OHV, other equipment

District expenditures are increasing at a faster rate than core revenues. In addition, the district's ending fund balance at June 30, 2021 of \$241,560 is almost \$1,700,000 less than what appears to be needed. See g) below.

- b) *Does the subject agency fail 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*

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

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 district maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Although the district is independent, it adheres 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 fail 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. District staff includes an employee, who is also employed by the County's Department of Financial Services and is very knowledgeable about the County financial reports. All posted accounting transactions are reviewed and compared to the approved budget on a monthly basis.

- d) *Does the agency board fail 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 board receives a monthly general ledger, trial balance and budget report which are reviewed on a line-item basis. The board also is informed of any funds received and discusses new purchases.

- 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?*

No. Revenues are reliable. The majority of revenue consists of property taxes, special assessments, interest and County tribal mitigation funds, all of which are allocated by the County.

- 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. District's ongoing operational expenditures are increasing faster than core revenues. In addition, the District's total fund balance of \$241,560 is almost \$1,700,000 below the minimum recommended balance, primarily due to underfunding the capital asset replacement reserve, see 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 a reserve policy and only a partial capital improvement plan (CIP). The CIP does not include how replaced assets will be funded. The District's total fund balance of \$241,560 is almost \$1,700,000 below the minimum recommended balance, primarily due to underfunding the capital asset replacement reserve. 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.

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

- Unassigned fund balance. GFOA recommendation of 15% of operating expenditures to mitigate revenue shortages and/or unanticipated expenditures.

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

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|--------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Development impact fees | 102,727 | | |
| Other funds | 13,566 | | |
| | <u>116,293</u> | <u>1,822,000</u> | <u>(1,705,707)</u> |
| General reserve | 18,900 | 76,000 | (57,100) |
| Unassigned | 106,367 | 27,000 | 79,367 |
| Total Recommended Fund Balance | <u>\$ 241,560</u> | <u>\$ 1,925,000</u> | <u>\$ (1,683,440)</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.

Financial Ability MSR Determination

The District’s core revenues are not keeping pace with increasing expenditures nor with capital asset replacement needs. The District’s core revenues (property taxes, tribal mitigation, and special assessments) are increasing 6% per year while expenditures are increasing 16% per year, and total fund balance has decreased by \$33,627 over the past five years. Total fund balance has decreased from \$275,187 to \$241,560. Of the total fund balance \$125,267 can be used by the district for any purpose, the balance of 116,293 can only be used for purchases of capital assets. The total fund balance is almost \$1,700,000 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 is required to maintain adequate reserve balances. YFPD maintains its funds in the County Treasury and uses the County’s financial system to maintain its accounting records. YFPD fire commission receives financial reports at each meeting which are reviewed thoroughly

Financial Ability MSR Recommendation(s)

- Include a funding component to the Capital Asset Replacement plan 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 an adequate fund balance.
- Consider increasing YFPD’s special assessment to provide funding for staffing, and apparatus/equipment needs.
- 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 YFPD along with Dunnigan, Knights Landing, and Zamora FPDs scale up its services and operate more as a regional unit via a JOA. In May 2022, these FPDs signed an agreement and need to work 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 YFPD along with Dunnigan, Knights Landing, and Zamora FPDs scale up its services and operate more as a regional unit via a JOA. The FPDs are already working on draft agreements and need to work 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"/> |

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

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?*

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)?*

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

f) *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?*

g) *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?*

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

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. YFPD entered into a JOA with Dunnigan, Knights Landing, and Zamora FPDs in May 2022 designed to improve operations and efficiencies. The recommendation below is to ensure all FPDs enter 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 three commission seats are filled and there does not appear to be an issue maintaining board members and training. Even though the FPD board is the only elected board among the FPDs, according to the Chief, a seat has never been contested and required an election.

| Name | Term Start | Term End |
|----------------|-------------------|-----------------|
| Steve Weiss | 09/12/2017 | 12/02/2022 |
| Charle Hermle | 1/1/2022 | 12/06/2024 |
| Lynnel Pollock | 9/10/2019 | 12/06/2024 |

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?*

Maybe. The Chief reports no issues with staff turnover and capacity. YFPD maintains a maximum of 25 volunteers and currently have 22, and about half of the volunteers have been with the district longer than 10 years. However, the Chief and Assistant Chief are close relatives. Yolo is a small community, but nepotism issues should be considered, and policies adopted to appropriately handle supervisory issues and segregation of duties for financial transactions.

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

- 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?*

No. Yolo FPD has adopted bylaws, an employee handbook, financial policies, and procedural rules. Although these policies are comprehensive. Yolo FPD should review the sample policies developed by the California Special District Association and templates to be provided by LAFCo to ensure the District has sufficient policies.

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

No. Yolo FPD is current in making their Statement of Economic Interests (Form 700) disclosures.

- f) *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 Yolo FPD is required to conduct an audit every two years and the FPD recently completed an audit through FY 2021. Therefore, the FPD is current in its audits.

- g) *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. The District should review agency finances annually with an external accountant or with knowledgeable staff at Yolo County to detect any potential financial issues. The review should include comparing the budget to actuals, comparing actuals to prior years, analyzing significant differences or changes, a review of the components of fund balance and determining if the reports appear reasonable.

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

Maybe. The Yolo FPD received a 74% transparency score in 2021 (2nd highest of all the FPDs). Please see the report posted on the LAFCo website for where improvements are needed.

Accountability, Structure and Efficiencies MSR Determination

YFPD entered into a JOA with Dunnigan, Knights Landing, and Zamora FPDs in May 2022 designed to improve operations and efficiencies. All of the three commission seats are filled and there does not appear to be an issue maintaining board members and training. Even though the FPD board is the only elected board among the FPDs, according to the Chief, a seat has never been contested and required an election. The Chief reports no issues with staff turnover and capacity. YFPD maintains a maximum of 25 volunteers and currently has 22, and about half of the volunteers have been with the district longer than 10 years. Yolo is a small community and nepotism issues should be considered, and policies adopted to appropriately handle supervisory issues and segregation of duties for financial transactions. Yolo FPD is current in making their Statement of Economic Interests (Form 700) disclosures and is current in its audits. The Yolo FPD received a 74% transparency score in 2021 (2nd highest of all the FPDs).

Accountability, Structure and Efficiencies MSR Recommendation(s)

- Dunnigan, Knights Landing, Yolo and Zamora 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.
- YFPD should consider nepotism policies, especially for supervisory issues and segregation of duties for financial transactions.

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

- YFPD should either hire an outside accountant or schedule time with DFS to evaluate FPD finances and verify the County Department of Financial Services (DFS) accounting coding is accurate.
- The YFPD received a 74% 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 MSR 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).”

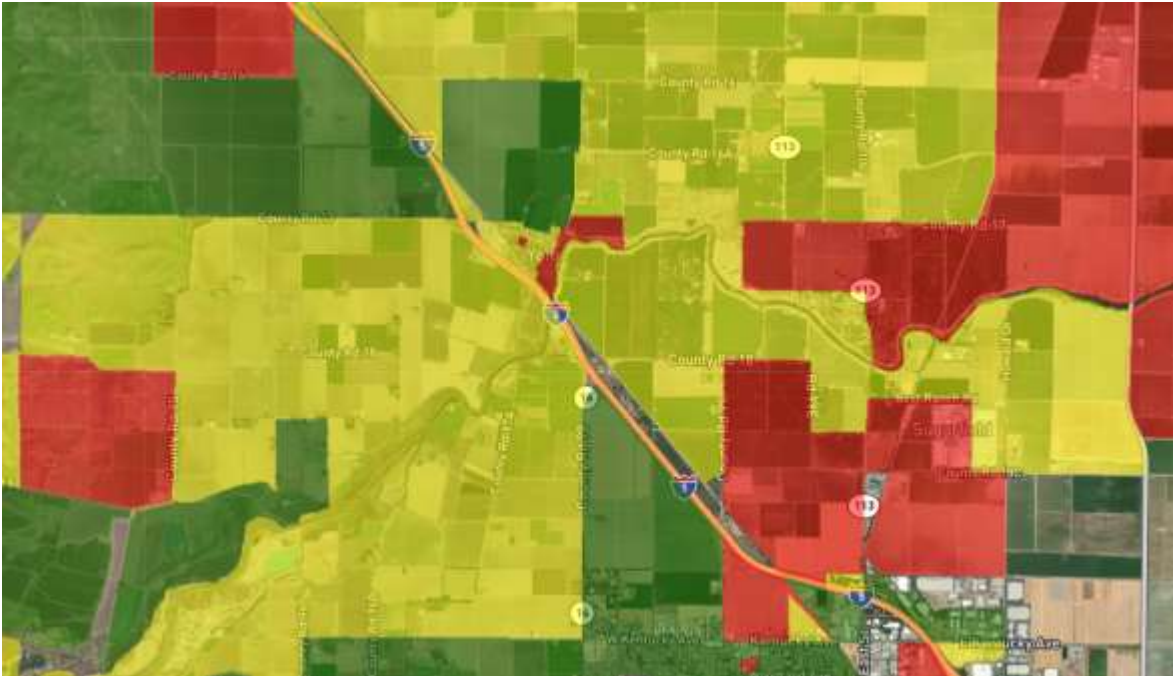
| | YES | MAYBE | NO |
|--|-------------------------------------|--------------------------|--------------------------|
| a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/>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

Discussion:

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

Yes. The town of Yolo’s only internet provider is AFES with speeds of up to 15 Mbps download and 15 Mbps upload speeds⁵. The green portions of the map below are apparently provided AT&T DSL service up to 50/10 Mbps, but some portions of the FPD have no service available at all (no wireline, fixed wireless or wireless). Therefore, broadband speeds of 25/3 Mbps is not generally available in the Yolo FPD territory. The Yolo County library in Yolo just recently was connected to AT&T fiber via CENIC and the FPD reports it will be connected also. This may be a potential project funding opportunity to extend service to the rest of the town as happened in Knights Landing.

⁵ 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.



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

Yes. In town, residents have no choice of providers, and the fastest speed rate AFES offers is 10/4 Mbps speeds for \$140.00 per month. There are no low-income subscription rates. According to the CPUC Broadband Mapping Program, broadband adoption is between 20% - 40% for most of the Yolo FPD territory.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account⁶ and generally help troubleshoot technology challenges. Information and 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

Most of the Yolo FPD territory is either underserved or unserved. The town of Yolo’s only internet provider is AFES with speeds of up to 15 Mbps download and 15 Mbps upload speeds and the fastest speed rate AFES offers is 10/4 Mbps speeds for \$140.00 per month. A few isolated portions of the FPD territory are apparently provided AT&T DSL service up to 50/10 Mbps, but the majority of the FPD outside of town have no service available at all (no wireline, fixed wireless or wireless). Therefore, broadband speeds of 25/3 Mbps is not generally available in the Yolo FPD territory. AT&T offers low-income rates, but the majority of the area does not have AT&T service available. According to the CPUC Broadband Mapping Program, broadband adoption is at 25/3 Mbps speeds is 20% - 40% for most of the Yolo FPD territory. The Yolo County library in Yolo just recently was connected to AT&T fiber via CENIC. This may be a potential project funding opportunity to extend service to the rest of the town as happened in Knights Landing.

⁶ Email from Mark Fink, Yolo County Librarian on May 26, 2021

Broadband Access MSR Recommendation

- Yolo County should note that rural areas served by AFES as the only provider option are being charged relatively exorbitant rates for minimal speeds and additional providers should be encouraged and incentivized where possible to create market competition. The Yolo County library in Yolo just recently was connected to AT&T fiber via CENIC. This may be a potential project funding opportunity to extend service to the rest of the town as occurred in Knights Landing.

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 Yolo FPD and Status

1. Within available funding, fire apparatus should be considered for replacement after not more than 25 years of service life.
2. Knights Landing, Madison, Yolo, and Zamora FPDs should consider an automatic aid agreement with Dunnigan and/or Willow Oak FPDs for immediate response to missed calls in those districts when on-duty staffing is available in Dunnigan and/or Willow Oak.
3. Elkhorn, Knights Landing, Madison, and Yolo FPDs should consider seeking grant funding for apparatus replacement to facilitate long-term fiscal viability.

Status of Previous Recommendations MSR Determination

YFPD still has apparatus that exceeds the 25-year recommended lifespan, which is discussed again in the Capacity and Financial Ability sections. Regarding auto aid agreements, YFPD has an auto aid agreement with Zamora FPD for portions of I-5 and Knights Landing FPD for the eastern portion of the district. Instead of pursuing additional auto-aid agreements YECA should implement "closest" or "borderless" response dispatch as recommended in the Executive Summary of this MSR/SOI. YFPD has obtained significant grant funding for its Engine 8, radios and SCBA grants.

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

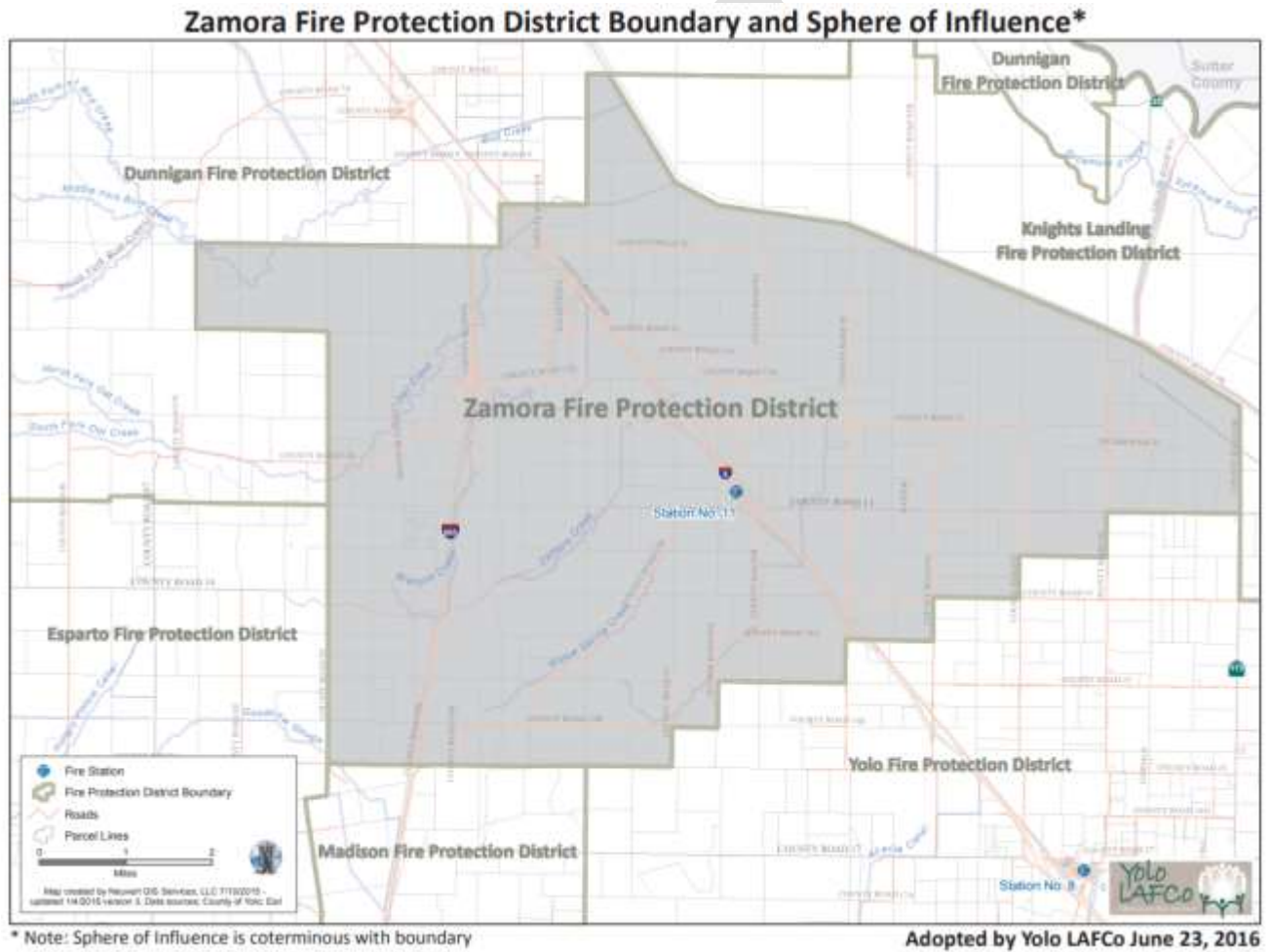
AGENCY PROFILE

The Zamora Fire Protection District (FPD) was formed in 1938 and is authorized to provide fire protection and emergency response services. It was formed as an independent district from Yolo County with a five-member Board of Directors, each appointed by the Board of Supervisors to serve four-year terms.

The District is 33,709 acres in size and serves the unincorporated town of Zamora and the surrounding rural area. The District contains 134 residential and 2 commercial addresses and its residential population is estimated to be 335 residents¹.

The Zamora FPD station is located at 33715 1st Street in Zamora, which houses 5 apparatus and has 0 paid staff, 0 reserves and 14 volunteers (13 firefighters and 1 Board Clerk).

The Zamora FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.



¹ 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 checked="" 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.

1. GROWTH AND POPULATION

| Growth and population projections for the affected area. | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Will development 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 type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands?*

No. The population for Zamora FPD is currently estimated to be 335. The FPD has 14 volunteers including 13 firefighters. The territory is primarily zoned for agricultural uses except some industrial uses along I-5 and the town of Zamora has limited growth opportunities. The District does not have an adopted development impact fee, but it wouldn’t generate significant revenue if it did.

Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 113 in FY 18/19, 137 in FY 19/20 and 152 in FY 20/21, a 34% increase in only three years.

- b) *Do changes in service demand suggest a change in the agency’s services?*

YOLO LAFCo MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

No. population changes will not require a change in FPD boundaries. The FPD Chief reports the territory of the District is accessible, and no adjustments are warranted.

Growth and Population MSR Determination

The residential population for Zamora FPD is currently estimated to be 335. The territory is primarily zoned for agricultural uses except some industrial uses along I-5 and the town of Zamora has limited growth opportunities. Therefore, development and/or population growth is not expected to impact the subject agency’s service needs and demands or require a change in the agency’s services and/or sphere of influence boundary. Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 113 in FY 18/19, 137 in FY 19/20 and 152 in FY 20/21, a 34% increase in only three years.

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 Zamora FPD territory is not disadvantaged² 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.

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

Disadvantaged Unincorporated Communities MSR Determination

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

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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <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 Station

The Zamora FPD Station 11 is located at 33715 1st Street in Zamora and the structure quality appears adequate. The well needs replacement and/or significant work as it's dredging up sand and Yolo County is assisting with a grant application to fund well costs. The station got a new roof in 2020, but the truck shed needs a new roof. \$30,000 has been budgeted so far and additional funds may need to be added this coming fiscal year. Zamora FPD also has a community hall on its property.



Apparatus:

Zamora FPD has 4 apparatus and 1 squad vehicle as follows:

| Use | Apparatus | Type | Age (yrs) | Reserve? (Y/N) |
|------------------------|-------------------|------|-----------|----------------|
| Structure Fires | Engine | 3 | 20 | No |
| | Engine | 3 | 43 | Yes |
| Wildlands Fires | Ford F-550 Brush | 5 | 6 | No |
| Water Tenders | Peterbuilt Tender | | 14 | No |
| Command/Utility | None | | | |
| Other Apparatus | GMC Squad | | 17 | No |

All Zamora FPD apparatus receive rig checks every 30 days and regular scheduled maintenance service, inspection every 90 days, daily rig checks, and no annual pump testing. Hoses and ladders are not tested. The backup engine is 43 years old and exceeds the recommended lifespan, but it is a surplus vehicle.

Zamora FPD currently supplies all responding members with appropriate, in-date personal protective equipment (PPE). All PPE is within recommended service life and checked yearly. All self-contained breathing apparatus (SCBA) receive annual flow testing and all bottles are current in hydro date. All apparatus has a mounted radio, and each volunteer has personal radios they always keep on them. Radios are sent in for repair/maintenance as needed.

ISO Rating

Zamora FPD’s ISO rating is 8B/10. 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. 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

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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. The number of personnel responding is adequate. However, missed calls, ICS training, and NFIRS reporting needs improvement as discussed below.

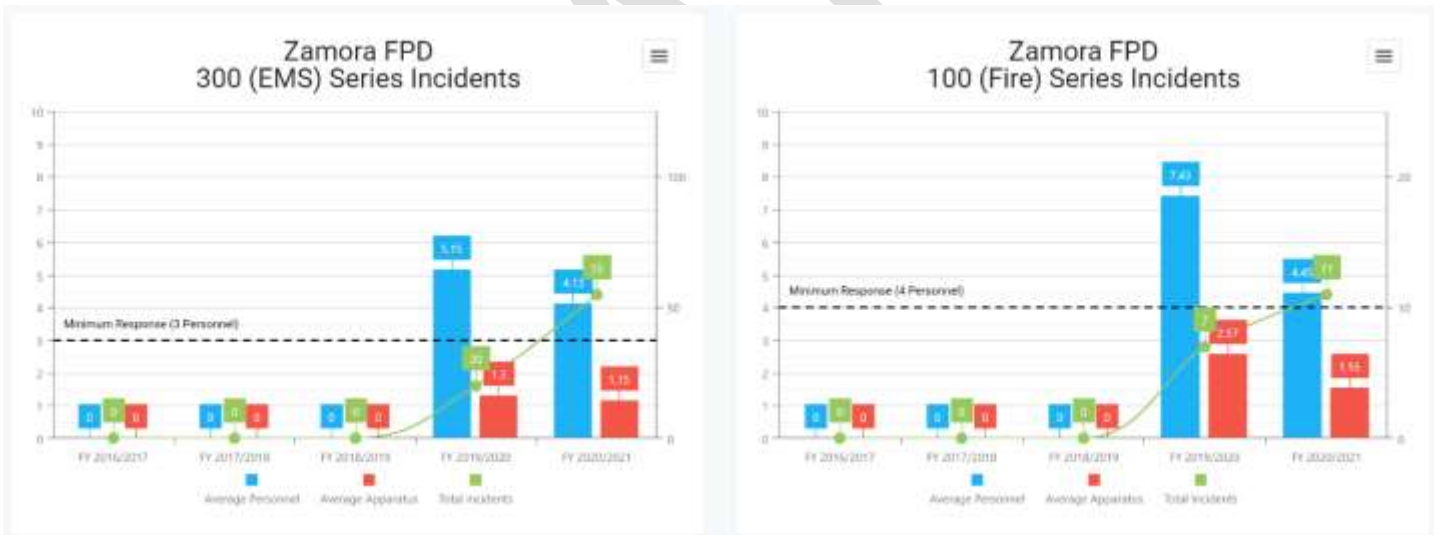
Staff, Coverage and Training

The Zamora Fire Station is not staffed on a regular schedule and varies based on volunteer availability. Zamora FPD does not have written guidelines and procedures yet reports having sufficient training to ensure personnel are competent and safe to execute operations. The FPD does not train incident response personnel in ICS (incident command system) but does participate in the Yolo County Firefighters Association Training Program depending on volunteer availability. Responding personnel are fit tested on an annual basis.

Incident Reporting and Adequacy of Services

Zamora FPD documents calls via hard copy documentation and will begin reporting to National Fire Incident Reporting System (NFIRS). 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 calls³.

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



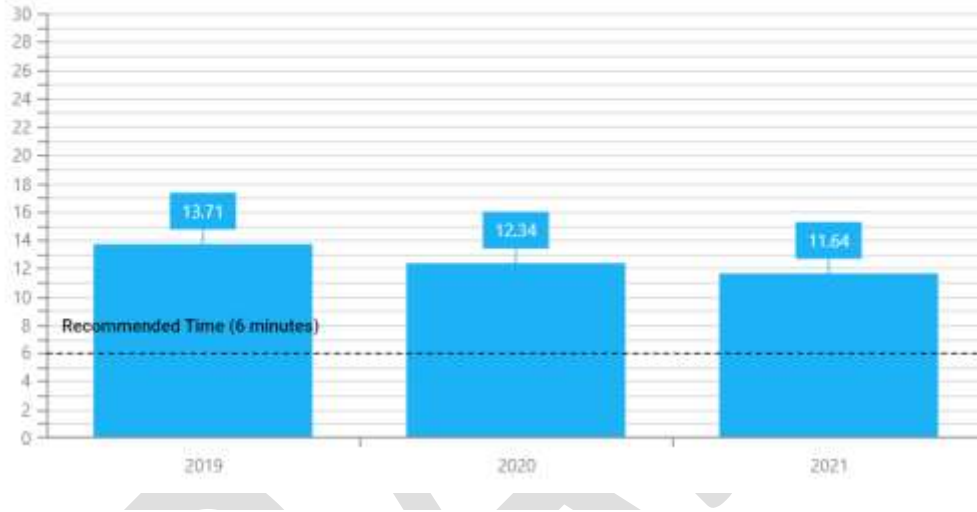
Zamora FPD incident data was not provided to NFIRS. The above graphs data that was provided to LAFCo directly for the last two FYs. The data shows that the Zamora FPD is generally able to respond with the recommended minimum of 3 personnel to rescue/EMS calls (which outnumber fire calls by roughly 5:1) and 4 personnel to fire calls. Although there is a noticeable drop in fire response from FY 2019/20 to FY 2020/21 and the apparatus on scene dropped below the recommended minimum of 2. The data indicates Zamora FPD is successful in adequately responding to calls with volunteer personnel and the volume of calls does not indicate a need for paid personnel.

³ 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.

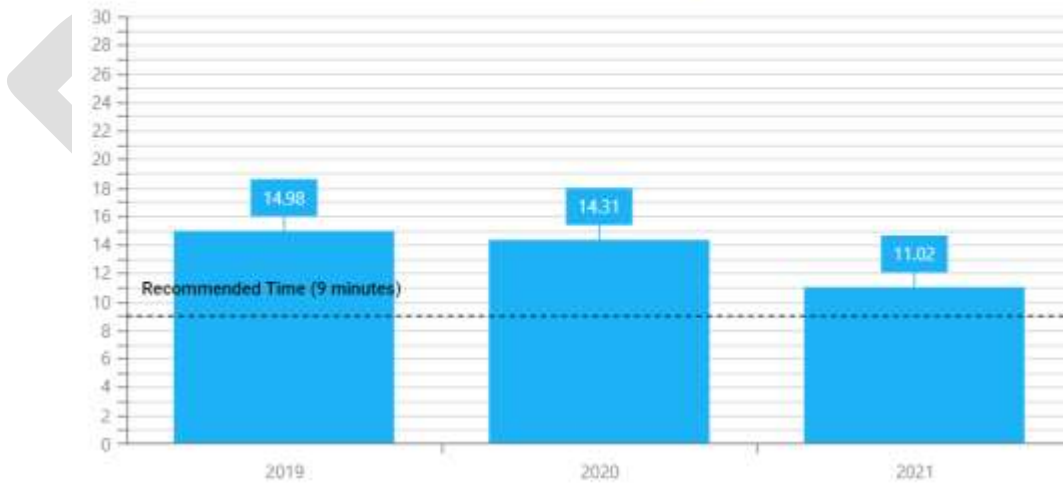
Response Time and Missed Calls

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 averages⁴ for the 2019 – 2021 calendar years are shown below.

Zamora FPD
300 (EMS) Response Time Average



Zamora FPD
100 (Fire) Response Time Average



⁴ 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.

However, Zamora FPD has had a significant amount of missed calls over the last three FYs (15 in total) but is trending towards improvement. In FY 18/19 it missed 8 or 9.3% of its calls, in FY 19/20 it missed 5 or 5.0% of its calls, and in FY 20/21 it missed 2 or 1.8% of its calls 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. From review of the meeting minutes, it does not appear this review is occurring. Therefore, establishing this review and evaluation process at least on an annual basis is a recommendation.

- c) *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.

- d) *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

The Zamora FPD station is located at 33715 1st Street in Zamora and the structure quality appears adequate. The well needs replacement and/or significant work as it's dredging up sand and Yolo County is assisting with a grant application to fund well costs. The station is also in need of a new roof that is estimated to cost approximately \$30,000. Zamora FPD has 4 apparatus and 1 squad vehicle that receive monthly checks and regular scheduled service. The backup engine is 43 years old and exceeds the recommended lifespan, but it is a surplus vehicle. Zamora FPD currently supplies all responding members with appropriate, in-date personal protective equipment (PPE). Zamora FPD's ISO rating is 8B/10.

Zamora FPD has 14 volunteer firefighters and responds to calls as needed. It needs to develop written guidelines and procedures, and train in incident command system (ICS) protocol. Zamora FPD should consider a web-based program for reporting and documentation and needs to be establish regular reporting to NFIRS. Data provided to LAFCo indicates the Zamora FPD can responds to calls with sufficient personnel but needs to keep an eye on sufficient apparatus for fire calls. Zamora FPD has had issues with missed calls, although is trending towards improvement. Zamora FPD should establish a written review and evaluation report to the FPD board on at least an annual basis.

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

- Zamora FPD should develop written guidelines and procedures for personnel and equipment testing, and train personnel in ICS (incident command system) consistent with other FPDs in the JOA.
- Zamora FPD should consider a web-based program for incident reporting and documentation. National Fire Incident Reporting System (NFIRS) reports should be exported monthly.
- The Zamora FPD chief should provide a written evaluation of the level of service, deployment, and response time objectives as an agenda item at a board meeting on an annual basis in compliance with NFPA 1720.

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"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>Is the organization's revenue 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

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Financial Background

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

| | 2017 | 2018 | 2019 | 2020 | 2021 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Revenue | | | | | |
| Property taxes, in lieu taxes, HOPTR | \$ 108,320 | \$ 113,262 | \$ 131,140 | \$ 136,263 | \$ 141,161 |
| Licenses and permits | - | - | - | - | 5,000 |
| Interest | 2,371 | 5,447 | 14,277 | 18,242 | 343 |
| Rents and concessions | 750 | 1,950 | 1,750 | 1,500 | 250 |
| Intergovernmental grants | 68,690 | - | - | - | - |
| Other County funding | - | 50,000 | - | - | - |
| Special assessment | 16,443 | 16,352 | 16,442 | 16,457 | 16,746 |
| CA Fire | - | - | - | 2,407 | - |
| Other revenue | 1,146 | 15 | 3,300 | 12,000 | - |
| Total Revenue | 197,720 | 187,026 | 166,909 | 186,869 | 163,500 |
| Expenditures | | | | | |
| Salaries and benefits | 5,869 | 5,609 | 5,278 | 4,779 | 4,181 |
| Services and supplies | 49,016 | 86,790 | 54,221 | 88,363 | 63,352 |
| Contributions to volunteers | - | - | - | 1,148 | - |
| Capital Assets: | | | | | |
| Buildings and improvements | - | 45,700 | - | - | - |
| Equipment | 76,322 | - | - | - | 101,295 |
| Total Expenditures | 131,207 | 138,099 | 59,499 | 94,290 | 168,828 |
| Net income (loss) | 66,513 | 48,927 | 107,410 | 92,579 | (5,328) |
| Beginning Fund Balance | 337,979 | 404,492 | 453,419 | 560,829 | 653,408 |
| Ending Fund Balances | \$ 404,492 | \$ 453,419 | \$ 560,829 | \$ 653,408 | \$ 648,080 |
| Fund Balances | | | | | |
| Assigned - Town hall | \$ 2,298 | \$ 3,145 | \$ - | \$ - | \$ - |
| Assigned - Capital asset replacement | 338,769 | 303,854 | 502,433 | 263,471 | 223,418 |
| Assigned - General reserve | 20,060 | 20,060 | 20,060 | 12,412 | 20,060 |
| Unassigned | 43,365 | 126,360 | 38,336 | 514,296 | 404,602 |
| Total Fund Balances | \$ 404,492 | \$ 453,419 | \$ 560,829 | \$ 790,179 | \$ 648,080 |
| Y-T-Y Change in total Fund Balances | | | | | |
| Amount Increase (Decrease) | \$ 66,513 | \$ 48,927 | \$ 107,410 | \$ 92,579 | \$ (5,328) |
| Percentage Increase (Decrease) | 19.68% | 12.10% | 23.69% | 16.51% | -0.82% |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 159,717,466 | \$ 168,397,931 | \$ 187,270,768 | \$ 194,369,824 | \$ 201,441,220 |
| b. Y-T-Y Percentage change in AV | 7.31% | 5.43% | 11.21% | 3.79% | 3.64% |
| c. Current secured, unsecured and HOPTR | \$ 107,066 | \$ 112,281 | \$ 130,401 | \$ 135,224 | \$ 140,055 |
| d. District share of general 1% levy (c/a) | 6.7035% | 6.6676% | 6.9632% | 6.9570% | 6.9526% |

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, and special assessments) increased on average, 6% per year. Property taxes increased almost 7% per year but the special assessment has remained flat. Total fund balances have increased over the past five years from \$337,979 to \$648,080 of which all can be used for any purpose. Excluding one-time revenues and expenditures, the District operates in the black with an average net income of almost \$70,000 per year. However, total fund balance is over \$450,000 below the minimum recommended amount (see f below).

Revenue

Zamora Fire Protection District’s revenue consists of property taxes, special assessments, interest, hall rental, grants and other miscellaneous revenue. Like other rural fire districts, Zamora 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 \$141,161 comprised 86% of total revenues. The District’s share of property taxes within its boundaries is approximately 6.9%, while the average for all rural FPDs in the county is 6.2%. The District has also levied a special assessment since 1993. In 2021 special assessment revenue was \$16,746 which accounted for 10% of total revenue. The special assessment revenue has increased less than \$500 since inception in 1993. In addition, over the past 5 years the Zamora FPD has received County funding of \$50,000, \$68,690 in federal funding, strike team reimbursements of \$2,407 and other revenue totaling \$16,461.

Expenditures

District expenditures, excluding capital expenditures have ranged from \$54,885 to a high of \$94,290 with 2021 expenditures totaling \$67,533. The District does not have any paid staff except for contracted clerical support. The salary and benefits expenditures on the 5-yr trend is workers’ compensation insurance for the volunteers.

Capital Expenditures

| | | |
|-------|-----------|---|
| 2017: | \$76,322 | 10 SCBA units (90% Federal Funded) |
| 2021: | \$101,295 | 2022 IHC 4x4 (Chassis for Type 3 replacement) |

Excluding one-time revenues and expenditures, the District operates in the black with an average net income of almost \$70,000 per year.

- 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 district maintains all funds in the County Treasury and uses the County’s financial system to maintain its accounting records. Although the district is independent, it follows the same accounting policies of the County. Accounting and budget data including all cash receipts and disbursements are reviewed by County finance staff before they are posted to the County’s financial system.

- 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. Accounting transactions over the years have been recorded to the proper accounts in a very consistent manner. District staff cross references claims and deposits submitted to the County for processing with the ledgers on a monthly basis and a review of the budget report (GL293) is performed on a monthly basis to check for possible coding errors and to monitor budget status.

- d) *Does the agency board fail 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. At each regular meeting the board reviews bank statements, monthly claims, deposits, and financial reports provided by the County, as they become available.

- 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?*

No. Revenues are reliable, with the majority coming from property taxes and special assessments.

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- f) *Is the organization’s revenue 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 has facilities needs and the fund balance as of June 30,2021 of \$648,080 is over \$450,000 less than the minimum recommended balance, primarily due to underfunding the capital asset replacement reserve using an assumed apparatus replacement schedule. 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.

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

| | 6/30/2021 Actual Balance | 6/30/2021 Recommended Balance | Excess/ (Shortage) |
|---------------------------------------|---|--|-------------------------------|
| Apparatus Replacement | | | |
| Unrestricted district funds | 223,418 | | |
| | <u>223,418</u> | 1,017,000 | <u>(793,582)</u> |
| General reserve | 20,060 | 73,000 | (52,940) |
| Unassigned | 404,602 | 12,000 | 392,602 |
| Total Recommended Fund Balance | \$ 648,080 | \$ 1,102,000 | \$ (453,920) |

- 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 have a reserve policy, but it needs to be more robust (example sent to District). The District's total fund balance is \$450,000 less than what is recommended mostly due to underfunding of the capital asset replacement reserve. It is recommended that the General Reserve balance should be maintained at a minimum amount equaling a total of 50% of total current secured property taxes and 50% of special assessment revenue which as of June 30, 2021 would be \$73,203. The balance of the General Reserve as of June 30, 2021 was \$20,060, a shortage of \$53,143. According to GFOA best practice, unassigned fund balance should be approximately 15% (2 months) of operating expenditures which amounts to \$12,000. The balance of unassigned fund balance as of June 30, 2021 was \$404,602 an excess of \$392,602. In addition to these reserves the District at its option may have reserves to mitigate financial losses resulting from litigation, natural disasters, loss of vehicles, etc.

- 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 capital financing and debt management policy, if applicable?*

No. The agency does not have any debt, nor does it participate in any post-retirement benefit plans.

Financial Ability MSR Determination

Due to conservative budget practices Zamora FPD is currently financial stable. The District's total annual core revenues (property taxes, and special assessments) have increased 6% per year and total fund

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balances have increased from \$337,979 to \$648,080 of which all is available to the District for any purpose. However, the total fund balance is \$450,000 less than what is recommended mostly due to underfunding of the capital asset replacement reserve. The District's reserve policy needs to be more robust. Additional funding is required to make station improvements and maintain adequate reserve balances to fund the CIP. Zamora FPD maintains its funds in the County Treasury and uses the County's financial system to maintain its accounting records. The Zamora FPD board receives financial reports at each meeting.

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 a robust reserve policy in order to adequately fund the CIP, maintain liquidity and provide for unexpected loss in revenue and unanticipated expenditures.
- Consider increasing Zamora FPD's special assessment to provide funding for facilities and apparatus/equipment needs. The assessment has not increased since its inception in 1993.

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 Zamora FPD along with Dunnigan, Knights Landing, and Yolo FPDs scale up its services and operate more as a regional unit via a JOA. The FPDs are already working on draft agreements and need to work 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 Zamora FPD along with Dunnigan, Knights Landing, and Yolo FPDs scale up its services and operate more as a regional unit via a JOA. These FPDs have already signed JOAs and need to work 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.

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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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| d) <i>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)?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololafco.org/yolo-local-government-website-transparency-scorecards)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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. Zamora FPD recently entered into a JOA with Dunnigan, Knights Landing, and Yolo FPDs in May 2022 designed to improve operations and efficiencies. The recommendation below is to ensure Zamora FPD enters into the JOA and maintains standing in good faith to achieve JOA goals.

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- 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?*

All FPD Board seats are filled and there does not appear to be an issue with maintaining board members. The only turnover in the last five years was in 2018 when two members retired at the end of their term and were filled quickly.

| Name / Title | Start | End |
|---------------------|--------------|------------|
| Richard Covington / | 11/20/2018 | 12/01/2022 |
| Cathy Briggs / | 02/19/2019 | 03/01/2023 |
| Douglas Lewey / | 09/14/2021 | 04/01/2025 |
| David Keller / | 09/14/2021 | 08/01/2025 |
| Christopher Long / | 01/11/2022 | 01/01/2026 |

- 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?*

Maybe. The fire chief position has been held by three people in the last five years, but the position appears stable now. The Chief, Board Clerk, and one Board of Directors member are close relatives. Zamora is a small community and intergenerational family members serving in FPD roles are expected; however, policies should be adopted to appropriately handle segregation of duties for financial transactions.

- 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. The District should adopt standard operating policies and guidelines. Zamora FPD should adopt policies related to board meetings, to include attendance, conduct, and responsibilities of officers. Zamora FPD is an independent District which by practice has followed the County’s accounting policies. The District should review those accounting policies and develop ones that are unique to the District. Accounting policies should include general accounting, processing and recording of disbursements and receipts, allowable expenditures, employee and board 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. Zamora FPD has been exempted from needing to file Statement of Economic Interests (Form 700) disclosures. The Yolo County Board of Supervisors is the conflict of interest code reviewing body for these districts. Review occurs every two years and was last approved on October 6, 2020. Districts can be exempt from filing conflict of interest disclosures if: there are no “designated employees”⁵; it is within a year of being inoperative; or the district does not have decision making authority and its annual operating budget is less than \$150,000 per year. The Zamora FPD is exempt from filing Form 700s.

- f) *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 Zamora FPD is current, most recent “audit” covers the period 2014 to 2019 which was an Agreed Upon Procedures (AUP) review.

⁵ “Designated employees” is defined by Government Code sections 82019 and 87302(a).

- g) *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?*

Yes. Zamora FPD needs to either hire an outside accountant or schedule time with DFS to evaluate FPD finances and verify the County Department of Financial Services (DFS) accounting coding is accurate.

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

No. The Zamora FPD received a 99% transparency score in 2021, which is fantastic!

Accountability, Structure and Efficiencies MSR Determination

Zamora FPD entered into a JOA with Dunnigan, Knights Landing, and Yolo FPDs in May 2022 designed to improve operations and efficiencies. All FPD Board seats are filled and there does not appear to be an issue with maintaining board members. The fire chief position has been held by three people in the last five years, but the position appears stable now. The Chief, Board Clerk, and one Board of Directors member are close relatives. Zamora is a small community and intergenerational family members serving in FPD roles are expected; however, policies should be adopted to appropriately handle segregation of duties for financial transactions.

Zamora FPD needs bylaws, standard operating polices and guidelines, and an employee handbook. The Zamora FPD should also adopt policies related to conduct and responsibilities of officers, personnel, accounting and financial policies. Zamora FPD has been exempted from needing to file Statement of Economic Interests (Form 700) disclosures due to its small budget and no designated employees. The Zamora FPD is current, most recent "audit" covers the period 2014 to 2019 which was an Agreed Upon Procedures (AUP) review and it received a 99% website transparency score in 2021, which is fantastic!

Accountability, Structure and Efficiencies MSR Recommendation(s)

- Dunnigan, Knights Landing, Yolo and Zamora 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.
- Zamora FPD needs bylaws, standard operating polices and guidelines, and an employee handbook. The Zamora FPD should adopt policies related to meeting attendance, conduct, responsibilities of officers, and personnel (including employee/volunteer promotions, performance evaluations, drug and alcohol policies, payroll processing, etc.). In addition, accounting and financial policies should be developed to include general accounting, processing, and recording of disbursements and receipts, allowable expenditures, employee and board travel and expense reimbursements, capital assets, debt and borrowing, credit card use, etc. LAFCo will provide policy templates for FPD use. In particular, policies for segregation of duties for financial transactions should be included.
- Zamora FPD should either hire an outside accountant or schedule time with DFS to evaluate FPD finances and verify the County Department of Financial Services (DFS) accounting coding is accurate.

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).”

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

Discussion:

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

Yes. According to the CPUC California Interactive Broadband Map, the Zamora FPD territory is generally provided fixed wireless services from AFES Network Services LLC but its advertised speeds are a maximum of 15 Mbps download speed and 15 Mbps upload speed. It can also access mobile service provided by AT&T at 46/7 Mbps, but the majority of Zamora FPD territory is underserved or unserved. Therefore, broadband speeds of 25/3 Mbps is not generally available in the Zamora FPD territory. Starlink satellite internet is becoming more available in the area with speeds on average (tested by the Chief) of 75/8 Mbps.



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

Yes. AFES Network Services subscription rates are very high. The monthly rate ranges from \$45/month for 4Mbps to \$140.00/month for 10 Mbps download speeds. Not surprisingly, according to the CPUC Broadband Mapping Program, broadband adoption is relatively low ranging from 0%-60%. Starlink satellite service is becoming available at a cost of \$110/month with \$550 one-time equipment fee.

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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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. However, there is no library in Zamora and the closest are either 7 miles away in Yolo or 9 miles away in Knights Landing.

Broadband Access MSR Determination

According to the CPUC California Interactive Broadband Map, the Zamora FPD territory is generally provided fixed wireless services from AFES Network Services LLC but its advertised speeds are a maximum of 15/15 Mbps download/upload speed. It can also access mobile 5G service provided by AT&T at 46/7 Mbps, but the majority of Zamora FPD territory is underserved or unserved. AFES Network Services subscription rates are very high, ranging from \$45/month for 4Mbps to \$140.00/month for 10 Mbps download speeds. Not surprisingly, according to the CPUC Broadband Mapping Program, broadband adoption is relatively low ranging from 0%-60%. The FPD Chief reports that Starlink satellite internet is becoming more available in the area at average speeds of 75/8 Mbps at a cost of \$110/month with a one-time \$550 equipment fee. 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. However, there is no library in Zamora and the closest are either 7 miles away in Yolo or 9 miles away in Knights Landing.

Broadband Access MSR Recommendation

- Yolo County should consider the lack of broadband service in the Zamora community and outlying areas as it addresses rural access issues.

| 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 Zamora 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.
2. Knights Landing, Madison, Yolo, and Zamora FPDs should consider an automatic aid agreement with Dunnigan and/or Willow Oak for immediate response to missed calls in those districts when on-duty staffing is available in Dunnigan and/or Willow Oak.

Status of Previous Recommendations MSR Determination

Zamora FPD has not adopted recommended policies and this concern has been reiterated under item 6d. Zamora FPD's response has improved since 2016 and auto aid agreements no longer appear warranted.

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

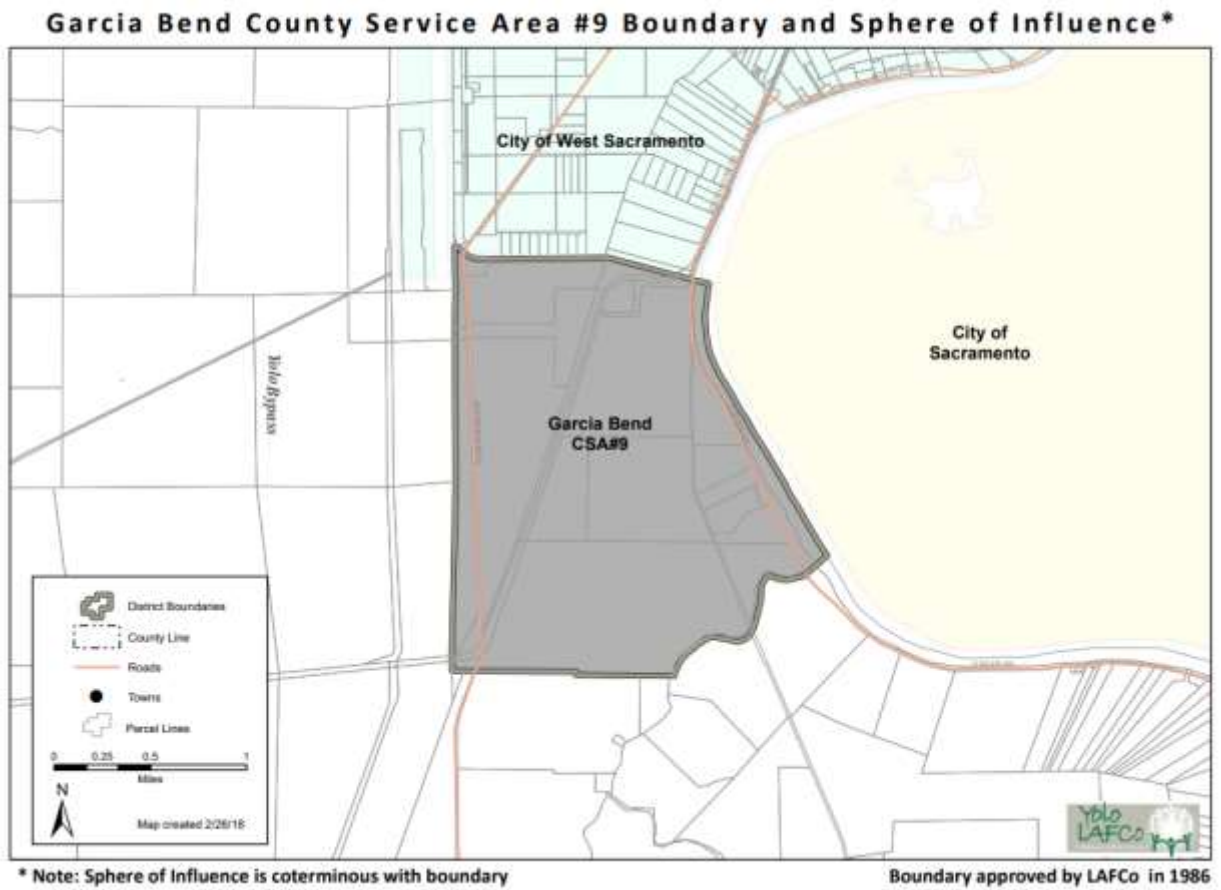
AGENCY PROFILE

County Service Area 9 (CSA 9), also known as “CSA 9”, was created concurrent with the City of West Sacramento’s incorporation and the dissolution of the East Yolo Fire Protection District on January 1, 1987. The Board of Supervisors acts on behalf of all CSAs.

The territory in CSA 9 was part of the East Yolo Fire Protection District but was not included in the City of West Sacramento corporate boundaries (or sphere of influence). As a mitigation measure for the impact of this area losing fire service due to incorporation, the County and the City of West Sacramento entered into an agreement stipulating that the City of West Sacramento would provide fire protection, fire suppression and basic life support emergency medical service by contract to CSA 9. In return, the City receives the share of the property tax previously allocated to the East Yolo Fire Protection District.

The District is 2,461 acres in size and serves the unincorporated area south of the City of West Sacramento. The District contains 3 residential and 0 commercial addresses and its population is estimated to be 8 residents.

The CSA 9 boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.



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 type="checkbox"/> Shared Services |
| <input type="checkbox"/> Disadvantaged Unincorporated Communities | <input checked="" type="checkbox"/> Accountability |
| <input type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input type="checkbox"/> Broadband Access |
| <input type="checkbox"/> Financial Ability | <input 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.

| 1. GROWTH AND POPULATION | | | |
|--|--------------------------|--------------------------|-------------------------------------|
| Growth and population projections for the affected area. | YES | MAYBE | NO |
| a) <i>Will development 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 type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-b) *Will development and/or population projections over the next 5-10 years impact the subject agency's service needs and demands? Do changes in service demand suggest a change in the agency's services?*

No. The District population is estimated to be 8 residents and there are no significant growth areas designated by the County. The territory is dispatched by the Yolo Emergency Communications Agency (YECA) and total calls according to the Chief average around 8 per year. Changes in service demand do not suggest a change in service provider.

Growth and Population MSR Determination

The CSA 9 population is estimated to be 8 residents and there are no significant growth areas designated by the County. The territory is dispatched by the Yolo Emergency Communications Agency (YECA) and

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total calls according to the Chief average around 8 per year. Changes in service demand do not suggest a change in service provider.

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. All “inhabited unincorporated communities” countywide receive structural fire protection services. There are no unincorporated communities located within the CSA 9 boundaries and the territory is not identified as disadvantaged¹.

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

All “inhabited unincorporated communities” countywide receive structural fire protection services. There are no unincorporated communities located within the CSA 9 boundaries and the territory is not identified as disadvantaged.

¹ 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) <i>Are there any deficiencies in the infrastructure, equipment, and capacity of agency facilities 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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Are there any deficiencies in the adequacy of services 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).</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-e)No. The CSA 9 has always operated as a pass-through district since it was formed in 1987 and contracts with the City of West Sacramento for fire protection and emergency response services. The current agreement for services was executed in 1992 and continues in perpetuity unless either party gives 1-year written notice.

Staff and coverage, training, fire station, apparatus and equipment are all provided by a city fire department which must adhere to higher performance standards. Both National Fire Protection Association (NFPA) 1720 and 1710 are standards concerning personnel deployment and response times to fires and medical emergencies: NFPA 1720 is designed primarily for communities with volunteer firefighters. NFPA 1710 is designed primarily for communities with career, or paid, firefighters.

Capacity and Adequacy of Public Facilities and Services MSR Determination

The CSA 9 has always operated as a pass-through district since it was formed in 1987 and contracts with the City of West Sacramento for fire protection and emergency response services. The current agreement for services was executed in 1992 and continues in perpetuity unless either party gives 1-year written notice.

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"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| 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> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

YOLO LAFCO MUNICIPAL SERVICE REVIEW/SPHERE OF INFLUENCE STUDY

Financial Background

| COUNTY SERVICE AREA #9 - GARCIA BEND | | | | | |
|---|---------------|---------------|---------------|-----------------|-----------------|
| STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES | | | | | |
| | 2017 | 2018 | 2019 | 2020 | 2021 |
| Revenue | | | | | |
| Property taxes, in-lieu taxes, HOPTR | \$ 17,067 | \$ 15,056 | \$ 17,674 | \$ 17,723 | \$ 18,074 |
| Interest | 52 | 131 | 255 | 375 | (86) |
| Total Revenue | 17,119 | 15,187 | 17,929 | 18,098 | 17,988 |
| Expenditures | | | | | |
| County administration | - | 455 | 733 | 386 | 144 |
| City of West Sacramento contract pmt | 17,300 | 14,900 | 16,400 | 16,400 | 16,400 |
| Total Expenditures | 17,300 | 15,355 | 17,133 | 16,786 | 16,544 |
| Net income (loss) | (181) | (168) | 796 | 1,312 | 1,444 |
| Beginning Unassigned Fund Balance | 487 | 306 | 138 | 934 | 2,246 |
| Ending Unassigned Fund Balance | \$ 306 | \$ 138 | \$ 934 | \$ 2,246 | \$ 3,690 |
| Property Tax Analysis | | | | | |
| a. Assessed Value (AV) | \$ 6,692,832 | \$ 6,471,414 | \$ 6,891,728 | \$ 6,914,856 | \$ 7,034,525 |
| b. Y-T-Y Percentage change in AV | -2.01% | -3.31% | 6.49% | 0.34% | 1.73% |
| c. Current secured, unsecured and HOPTR | \$ 17,062 | \$ 15,053 | \$ 17,674 | \$ 17,715 | \$ 18,036 |
| d. District share of general 1% levy (c/a) | 25.4929% | 23.2608% | 25.6452% | 25.6188% | 25.6393% |

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. Not applicable. The CSA 9 operates as a pass-through agency. 100% of its revenue comes from property taxes and interest.

- b) *Can 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 district maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the district is a dependent district, it is subject to the same accounting and financial policies of the County.

- 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 CSA 9 operates as a pass-through agency and as such reconciliations and discrepancies do not occur.

- 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. See 4c above.

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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?*

No. Revenues are reliable, all coming from property taxes.

f) *Is the organization's revenue 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)?*

No. The district does not maintain infrastructure or equipment. See 4a above.

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?*

No. The District contracts with the City of West Sacramento for fire suppression and related services and as such has limited risks that would require a reserve.

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 capital financing and debt management policy, if applicable?*

No. The district does not have any debt.

Financial Ability MSR Determination

The CSA 9 operates as a pass-through agency. Its revenue is reliable as 100% of it comes from property taxes. The district does not maintain infrastructure or equipment. It contracts with the City of West Sacramento for fire protection and emergency medical response and as such has limited risks that would require a reserve. The district maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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?*

No. CSA 9 shares services and contracts with the City of West Sacramento for fire protection and emergency response services.

Shared Services MSR Determination

CSA 9 shares services and contracts with the City of West Sacramento for fire protection and emergency response services.

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"/> |
| c) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>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)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| f) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| g) <i>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?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| h) <i>Does the organization need to improve its public transparency via a website (see https://www.yololafco.org/yolo-local-government-website-transparency-scorecards)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" 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. The City of West Sacramento responds to a portion of Elkhorn FPD's calls under its 2015 auto aid agreement and the Elkhorn FPD service is now redundant and inferior to the City's service. The simplest governmental structure to be accountable and provide for community service needs in an efficient manner would be to consolidate service territory served by each city under one district. Such a structure would be more uniformly accountable for community service needs, less confusing to the public, and efficient. Therefore, LAFCo recommends the Elkhorn FPD be dissolved and the City of West Sacramento service territory be annexed into CSA 9.

- 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. The Yolo County Board of Supervisors serves as the board of the CSA.

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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?*

No. City staff perform all CSA services and Yolo County provides financial management.

- 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?*

No. The City maintains policies to manage all services and functions.

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

No. The Yolo County Board of Supervisors serves as the board of the CSA.

- f) *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 districts are included in the annual audit of the County's Annual Comprehensive Financial Report (ACFR). The County's audited CAFR meets general audit requirements and the CAFR satisfies the requirements of Government Code 26909.

- g) *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?*

No. The CSA 9 is audited annually as part of the County's ACFR and its financial transactions are very minimal.

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

No. The CSA 9 does not have a website and is not required to because it is a dependent district. Yolo County has a page on its website regarding the CSAs.

Accountability, Structure and Efficiencies MSR Determination

The City of West Sacramento responds to a portion of Elkhorn FPD's calls under its 2015 auto aid agreement and the Elkhorn FPD service is now redundant and inferior to the City's service. The simplest governmental structure to be accountable and provide for community service needs in an efficient manner would be to consolidate service territory served by each city under one district. Such a structure would be more uniformly accountable for community service needs, less confusing to the public, and efficient. Therefore, LAFCo recommends the Elkhorn FPD be dissolved and the City of West Sacramento service territory be annexed into CSA 9. The Yolo County Board of Supervisors serves as the board of the CSA. The CSA is included in the County's ACFR and Yolo County has a page on its website regarding the CSAs.

Accountability, Structure and Efficiencies MSR Recommendation(s)

- The CSA 9 sphere of influence should be updated to include the portion of Elkhorn FPD territory within the City of West Sacramento auto-aid agreement service area.

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).”

| | YES | MAYBE | NO |
|--|-------------------------------------|--------------------------|-------------------------------------|
| a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input 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?*

Yes. The CSA 9 is remote with an estimated population of 8 people and is unserved by fixed broadband according to the CPUC Interactive Broadband Map. AT&T provides mobile service up to 46/7 Mbps.



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

No. According to the CPUC Broadband Mapping Program, broadband adoption is 60-80% for the CSA territory, which is presumably a data skewing error considering the territory is not served. AT&T offers programs for low-income households that reduces cost by \$30 per month.

Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account² and generally help troubleshoot technology challenges. Information and 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

² Email from Mark Fink, Yolo County Librarian on May 26, 2021

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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 CSA 9 is relatively undeveloped with an estimated population of 8 people and is unserved according to the CPUC Interactive Broadband Map. AT&T provides mobile service up to 46/7 Mbps.

Broadband Access MSR Recommendation

- Yolo County should consider the lack of broadband service in the CSA 9 area as it addresses rural access issues.

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 type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

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

No. There was 1 recommendation from the 2018 MSR for the CSA 9:

- *While acquiring data from Yolo Emergency Communications Agency (YECA), it was discovered that calls for service on Babel Slough Road/South River Road are being dispatched to West Sacramento Fire instead of the Clarksburg Fire Protection District. LAFCo alerted YECA regarding the boundary discrepancy, however, Yolo County and/or the City of West Sacramento should follow up with YECA to ensure this is resolved.*

This item has been resolved.

Status of Previous Recommendations MSR Determination

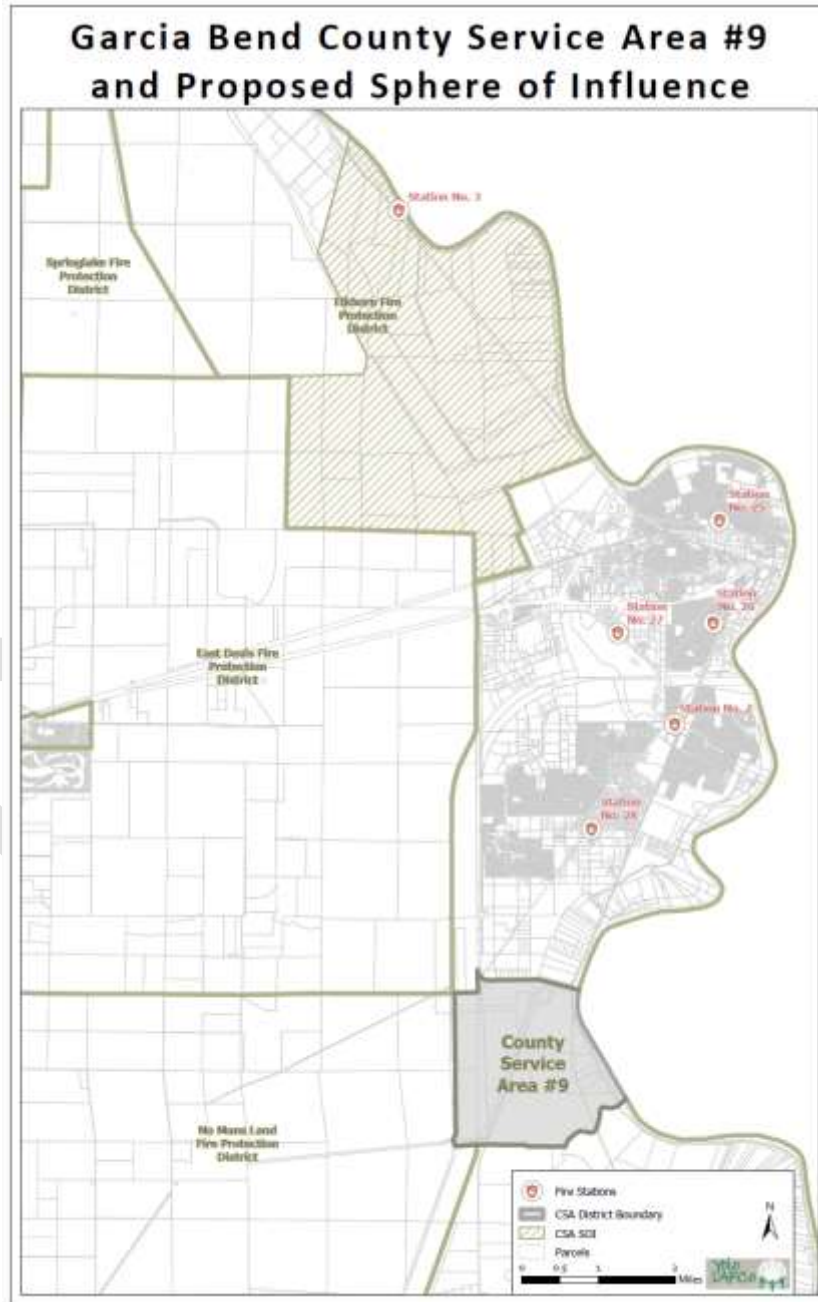
There was one recommendation from the 2018 MSR for the CSA 9 regarding dispatch by YECA and it has been resolved.

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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.



POTENTIALLY SIGNIFICANT SOI DETERMINATIONS

The SOI determinations 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.

- Present and Planned Land Uses
- Need for Public Facilities and Services
- Capacity and Adequacy of Provide Services
- Social or Economic Communities of Interest
- Disadvantaged Unincorporated Communities

1. PRESENT AND PLANNED LAND USES

The present and planned land uses in the area, including agricultural and open-space lands.

| | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| a) <i>Would the SOI conflict with planned, orderly and efficient patterns of urban development? Would the SOI impact the identity of any existing communities (e.g. community boundaries, postal zones, school, or other service boundaries)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Would the SOI result in the loss of prime agricultural land or open space?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Would the SOI conflict with any natural or made-made boundaries that would impact where services can reasonably be extended?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Is there a conflict with the adopted SACOG Metropolitan Transportation Plan/Sustainable Communities Strategy?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a-d) *Would the SOI conflict with planned, orderly and efficient patterns of urban development? Would the SOI impact the identity of any existing communities (e.g. community boundaries, postal zones, school, or other service boundaries)? Would the SOI result in the loss of prime agricultural land or open space? Would the SOI conflict with any natural or made-made boundaries that would impact where services can reasonably be extended? Is there a conflict with the adopted SACOG Metropolitan Transportation Plan/Sustainable Communities Strategy?*

The SOI is for CSA fire protection and emergency response service territory only. The SOI area does not contain any urban development or identified communities. The SOI would not result in any change to agricultural land or open space. The SOI considers natural and man-made boundaries that would affect emergency response times. There is no conflict with SACOG growth plans.

Present and Planned Land Uses SOI Determination

The SOI is for CSA fire protection and emergency response service territory only. The SOI area does not contain any urban development or identified communities. The SOI would not result in any change to agricultural land or open space. The SOI considers natural and man-made boundaries that would affect emergency response times. There is no conflict with SACOG growth plans.

2. NEED FOR PUBLIC FACILITIES AND SERVICES

The present and probable need for public facilities and services in the area.

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Would the SOI conflict with the Commission's goal to increase efficiency and conservation of resources by providing essential services within a framework of controlled growth?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| b) <i>Would the SOI expand services that could be better provided by a city or another agency?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| c) <i>Does the SOI represent premature inducement of growth or facilitate conversion of agriculture or open space lands?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| d) <i>Are there any areas that should be removed from the SOI because existing circumstances make development unlikely, there is not sufficient demand to support it?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| e) <i>Have any agency commitments been predicated on expanding the agency's SOI such as roadway projects, shopping centers, educational facilities, economic development or acquisition of parks and open space?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *Would the SOI conflict with the Commission's goal to increase efficiency and conservation of resources by providing essential services within a framework of controlled growth?*
 No. The SOI promotes the Commission's goal to increase efficiency. In this case fire protection and emergency response would be given to the agency that can best provide services. The territory is not identified for growth.
- b) *Would the SOI expand services that could be better provided by a city or another agency?*
 No. The SOI would expand services such that they are better provided by the City of West Sacramento via the CSA 9.
- c) *Does the SOI represent premature inducement of growth or facilitate conversion of agriculture or open space lands?*
 No. The SOI would not result in growth or conversion of agricultural or open space land.
- d) *Are there any areas that should be removed from the SOI because existing circumstances make development unlikely, there is not sufficient demand to support it?*
 No. The SOI Update is for fire protection and emergency response, which is provided countywide regardless of development demand.
- e) *Have any agency commitments been predicated on expanding the agency's SOI such as roadway projects, shopping centers, educational facilities, economic development or acquisition of parks and open space?*
 No. Not applicable.

Need for Public Facilities and Services SOI Determination

Fire protection and emergency response services are provided countywide by fire protection districts. It has been determined that there is a present need for improved services in this territory. The City of West Sacramento via the CSA 9 is the most equipped and able agency to provide services to this territory. The SOI promotes the Commission's goal to increase efficiency. In this case fire protection and emergency response would be given to the agency that can best provide services. The territory is not identified for growth and the SOI would not result in growth or conversion of agricultural or open space land. The SOI

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Update is for fire protection and emergency response, which is provided countywide regardless of development demand.

3. CAPACITY AND ADEQUACY OF PROVIDED SERVICES

The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

| | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| a) <i>Are there any issues regarding the agency's capacity to provide adequate services in the proposed SOI territory and ability to extend services?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a) *Are there any issues regarding the agency's capacity to provide adequate services in the proposed SOI territory and ability to extend services?*

No. The City of West Sacramento via the CSA 9 has capacity to provide services in the SOI territory.

Capacity and Adequacy of Provided Services SOI Determination

The City of West Sacramento via the CSA 9 has capacity to provide services in the SOI territory.

4. SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST

The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

| | YES | MAYBE | NO |
|--|--------------------------|--------------------------|-------------------------------------|
| a) <i>Are there any social or economic communities of interest in the area if the commission determines that they are relevant to the agency (see also MSR checklist question 2b)?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

a) *Are there any social or economic communities of interest in the area if the commission determines that they are relevant to the agency (see also MSR checklist question 2b)?*

No. Not applicable.

Social or Economic Communities of Interest SOI Determination

There are no social or economic communities of interest in the SOI area.

5. DISADVANTAGED UNINCORPORATED COMMUNITIES

For an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

| | YES | MAYBE | NO |
|---|--------------------------|--------------------------|-------------------------------------|
| a) <i>If the subject agency provides public services related to sewers, municipal and industrial water or structural fire protection (same as MSR checklist question 2a) does the proposed SOI exclude any disadvantaged unincorporated community (per MSR checklist question 2b) where it either may be feasible to extend services or required to be included under SB 244?</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

Discussion:

- a) *If the subject agency provides public services related to sewers, municipal and industrial water or structural fire protection (same as MSR checklist question 2a) does the proposed SOI exclude any disadvantaged unincorporated community (per MSR checklist question 2b) where it either may be feasible to extend services or required to be included under SB 244?*

Not applicable. There are no disadvantaged unincorporated communities in the SOI territory, and all unincorporated territory receives fire protection services. The SOI Update is intended to improve services for the territory.

Disadvantaged Unincorporated Communities SOI Determination

There are no disadvantaged unincorporated communities in the SOI territory, and all unincorporated territory receives fire protection services. The SOI Update is intended to improve services for the territory.