

# FIRE ADVISORY GROUP

September 24, 2013

# FIRE ADVISORY GROUP

- **Brian Veerkamp, District III Supervisor**
- **Ron Mikulaco, District I Supervisor**
- **Mark Spaugh, Garden Valley Fire Board Member**
- **John Moalli, Mosquito Fire Board Member**
- **Tom Keating, Rescue Fire Chief**
- **Dave Roberts, El Dorado Hills Fire Chief**
- **Mike Applegarth, Chief Administrative Office**

# FIRE ADVISORY GROUP CHARTER

**Find a permanent solution for sustainable fire funding throughout all El Dorado County fire districts.**

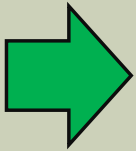
# BACKGROUND

- **April 9—Commission of Collaborative Fire Departments presentation to Board of Supervisors**
  - Restart BOS Fire Advisory Group
- **April 24—Fire Advisory Committee meets**
  - Defines charter, discusses roles/responsibilities/data needs
- **May 13—Subcommittee meets**
  - Begins developing budget/projection template
- **May 23—Subcommittee meets**
  - Draft budget/projection template complete
- **June 3—Subcommittee meets**
  - Reviews changes to budget/projection template
- **July 1—Fire Advisory Group meets**
- **July—Individual staff meetings with fire chiefs**
- **August—Fire Advisory Group finalizes analysis**

# COMMITTEE PROCESS

Focus initially on 8 rural fire protection districts:

- 1) Determine if a financial “patch” is needed for each FPD
  - (2-year) projected shortfall + immediate capital improvement needs will lead to doors closing
  - Present to Board of Supervisors



Patch buys time to:

- 2) Define a sustainable level of service and costs for each FPD
  - Participation for FPD’s critical
  - Working toward the practical & sustainable, not the ideal
- 3) Work toward a permanent funding solution
  - Most likely an AB 8 negotiation
  - Financial patch buys time to analyze/negotiate underlying property tax distribution in each district

# CALCULATING THE PATCH

- **FPD's send budgets to Chief Administrative Office**
  - Chief Administrative Office independently analyzes financial status of each district
  
- **CAO compare & pull data from FAMIS for each FPD**
  - Create a 3-year trend for major revenue line items
  - Hold expenditures at FY 2012-13 levels + 2%
  - Work with FPD's to identify one-time revenue/expenditure outliers
  - Include use of fund balance
    - Maintain reserve at 8% of annual expenditures

# PRELIMINARY RESULTS

- Most FPD's are not in jeopardy of closing their doors within the next two years

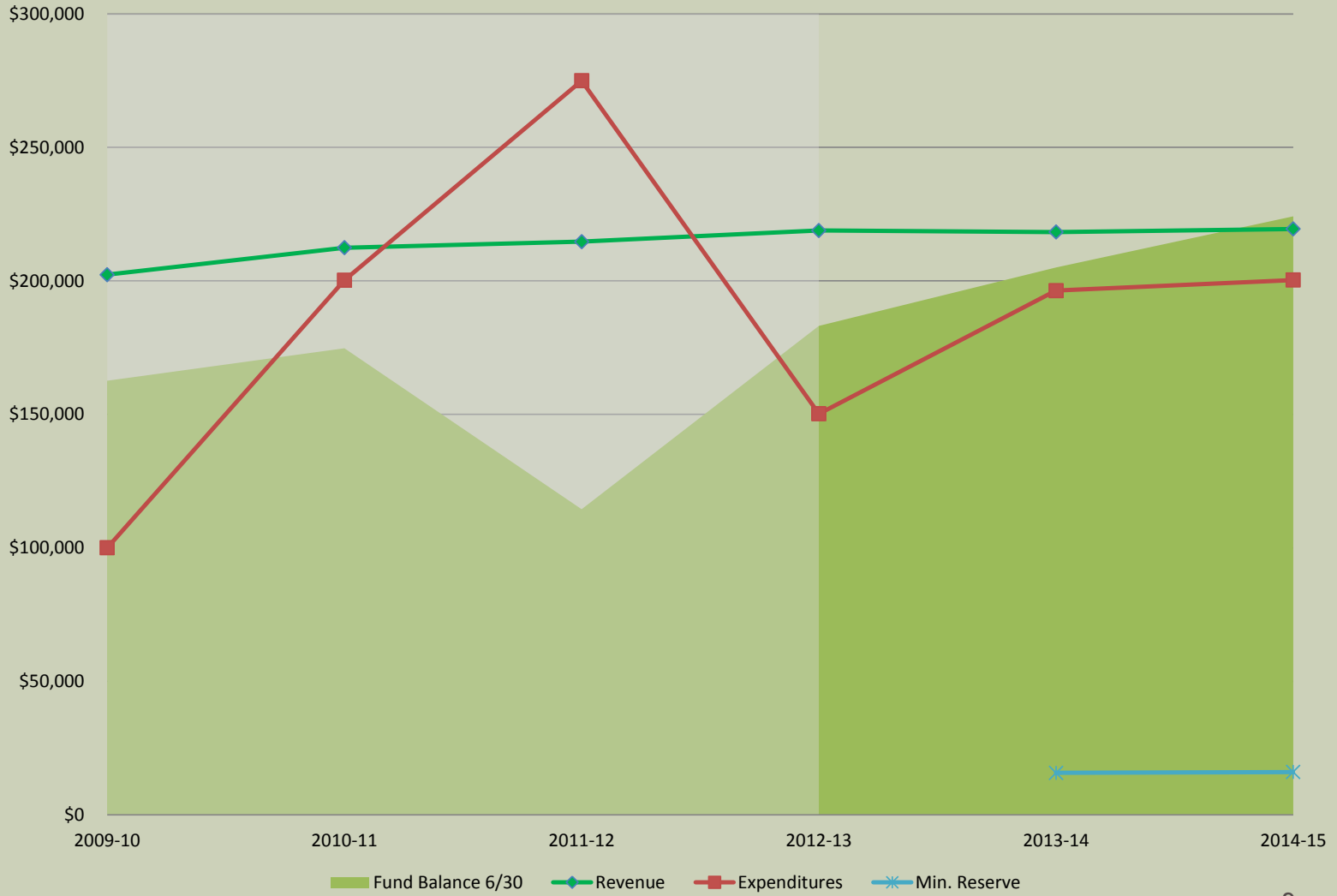
**IF...**

- No new equipment is required
- Current reduced staffing & service levels are maintained
- Some fund balances significantly drawn down
  - Undesignated
  - Designated

# FIRE PROTECTION DISTRICTS ANALYSIS



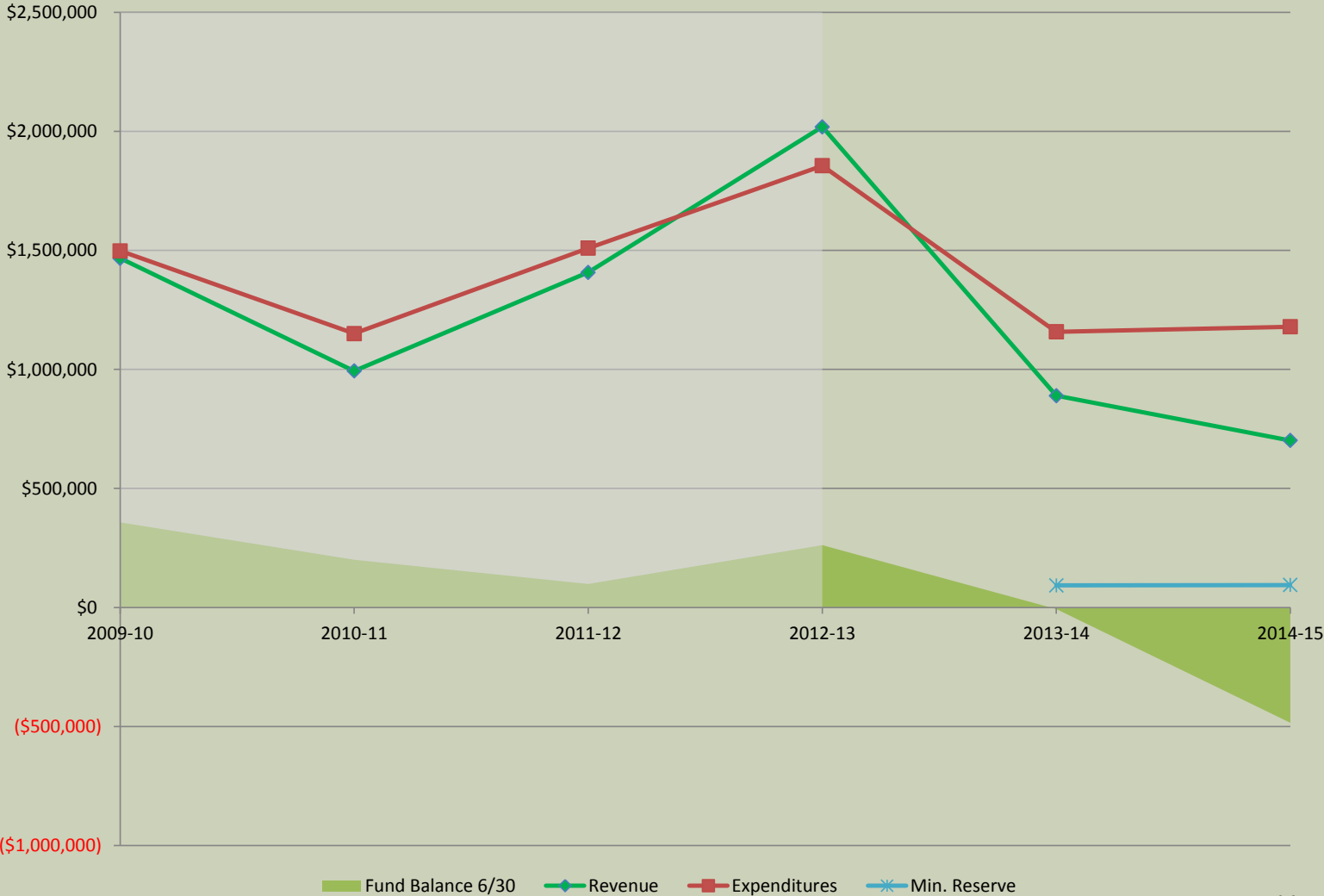
# Fallen Leaf Lake CSD Fire Department



# FALLEN LEAF ANALYSIS

- **Fallen Leaf Fire Department is operational 6 months/year**
  - All volunteer off-season (approx. Oct 15 through May 15)
- **1981 Engine does not meet National Fire Protection Association standards**
  - “D-rated” by Insurance Services Office (ISO)
- **Fire boat does not pump at capacity**
  - Fishing boat rigged with a 500 gallon/minute pumper
- **No growth**
- **High assessed value, low share of tax increment**
  
- **Has a special tax for fire service**

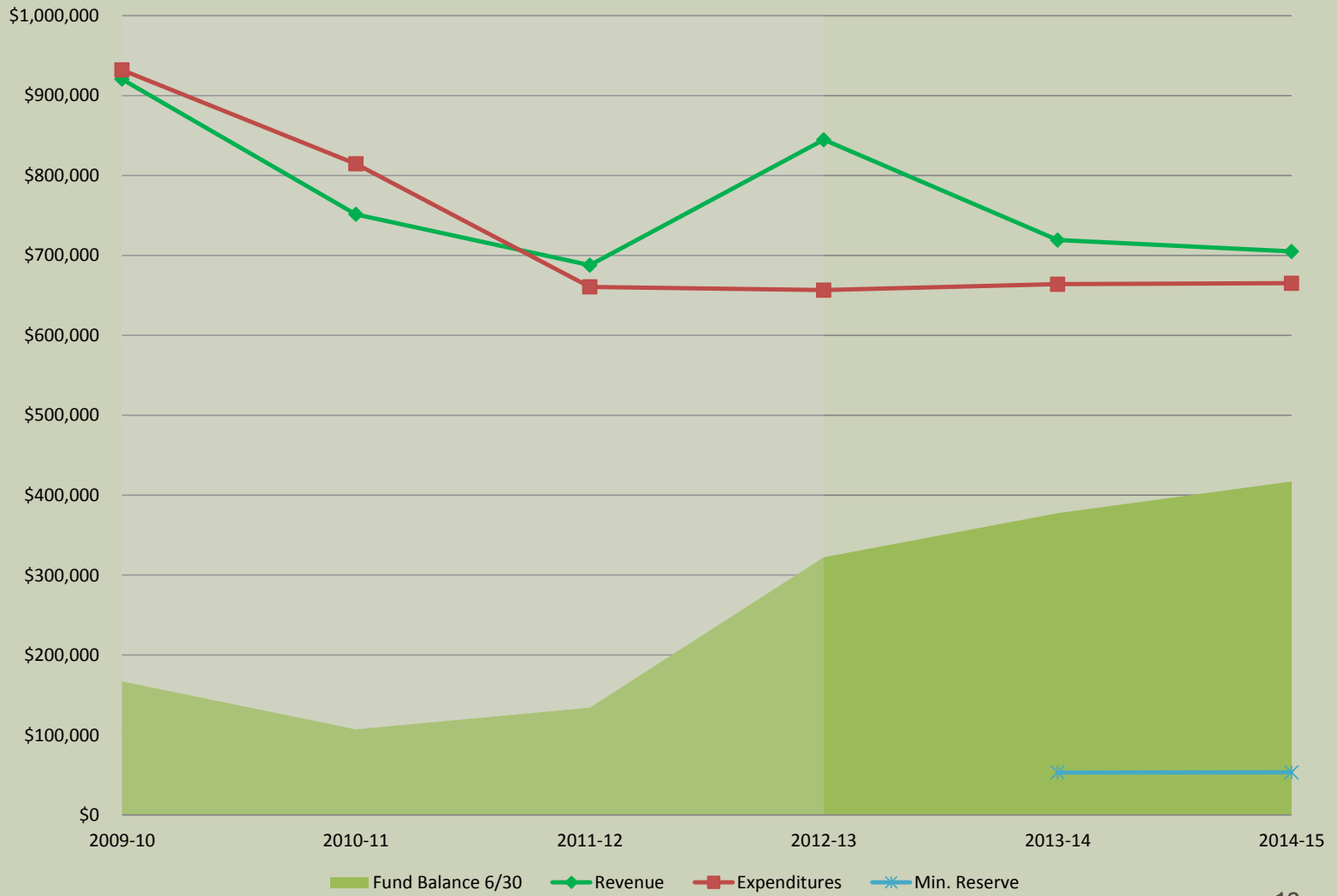
# Garden Valley Fire Protection District



# GARDEN VALLEY ANALYSIS

- **Assumes:**
  - Minimal Incident Management Team Revenue
  - Expiration of SAFER grant
  - Depletion of reserves
- **Only full-time engine in eastern Divide**
  - 2 person staffing
- **Three Fire Engineer positions eliminated in June 2012**
- **Elimination of full-time clerical position**
- **Salary/benefits increase of 23.6% (FY 2009/10 to FY 2012/13)**
  - New position funded by SAFER Grant
  - Position eliminated when grant expires
- **Established resident firefighter program at outlying stations (work in exchange for rent)**
- **Established intern program (\$50/24hour shift)**
  
- **Has a special tax for fire service**

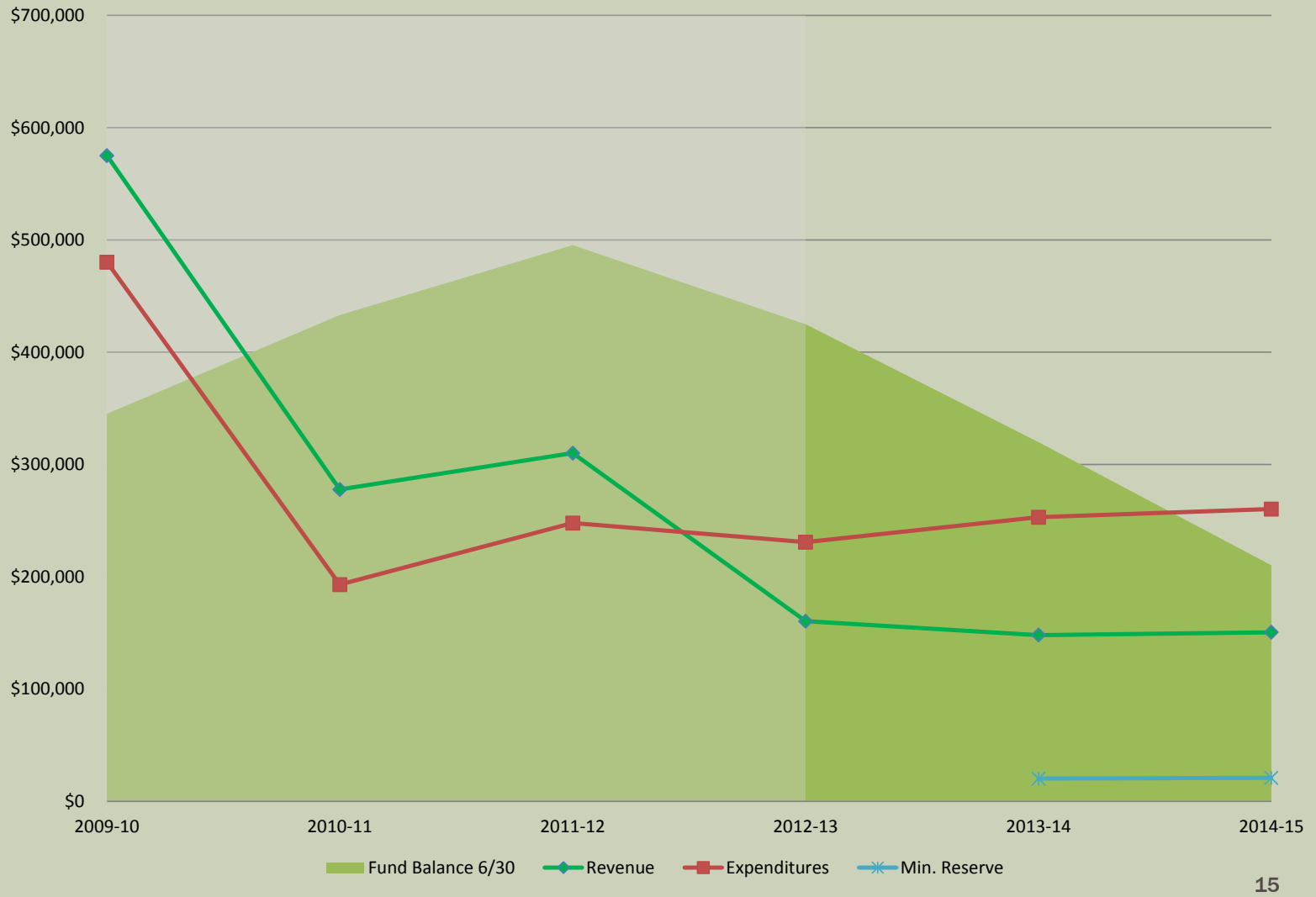
# Georgetown Fire Protection District



# GEORGETOWN ANALYSIS

- Deficient Water Tender
- No longer have full-time staffed fire engine
- Salary/benefits decrease of **26.8%** (FY 2009/10 to FY 2012/13)
  
- Has a special tax for fire service

# Latrobe Fire Protection District

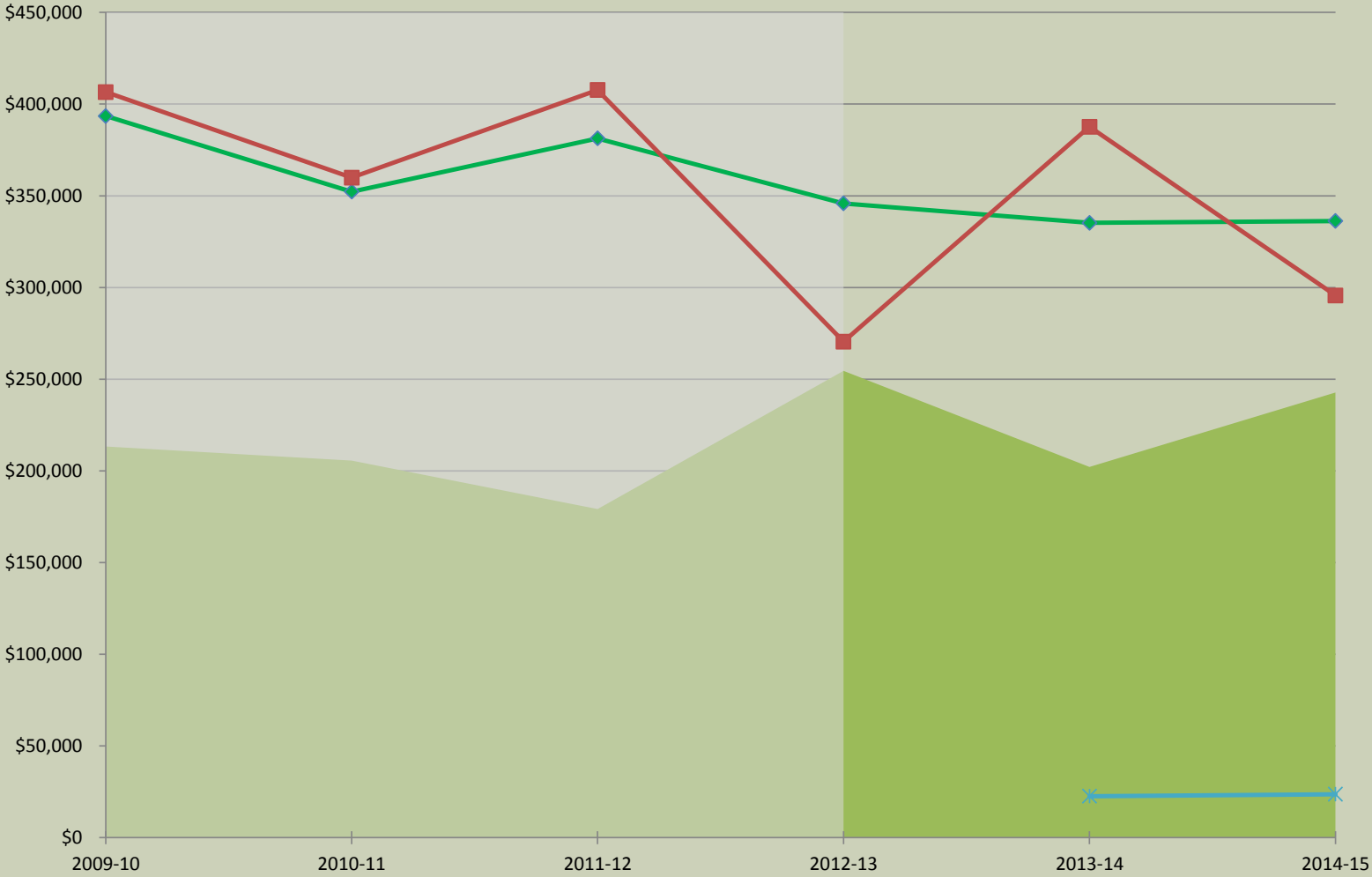


# LATROBE ANALYSIS

- Station browned-out three days per week
  - Reduced staffing including 2 captain positions
  - Chief no longer receives salary/benefits
- Salary/benefits increase of 8.1% (FY 2009/10 to FY 2012/13)
  - A difference of \$9,380
- Pays EDH Fire for supplemental engine
- Outsourced building/permit processes to EDH Fire
- Shared training with EDH Fire
- Removed volunteers not responding to at least 20% of calls
- No immediate equipment needs
  
- Has a special tax for fire service



# Mosquito Fire Protection District



■ Fund Balance 6/30   
 ◆ Revenue   
 ■ Expenditures   
 ✕ Min. Reserve

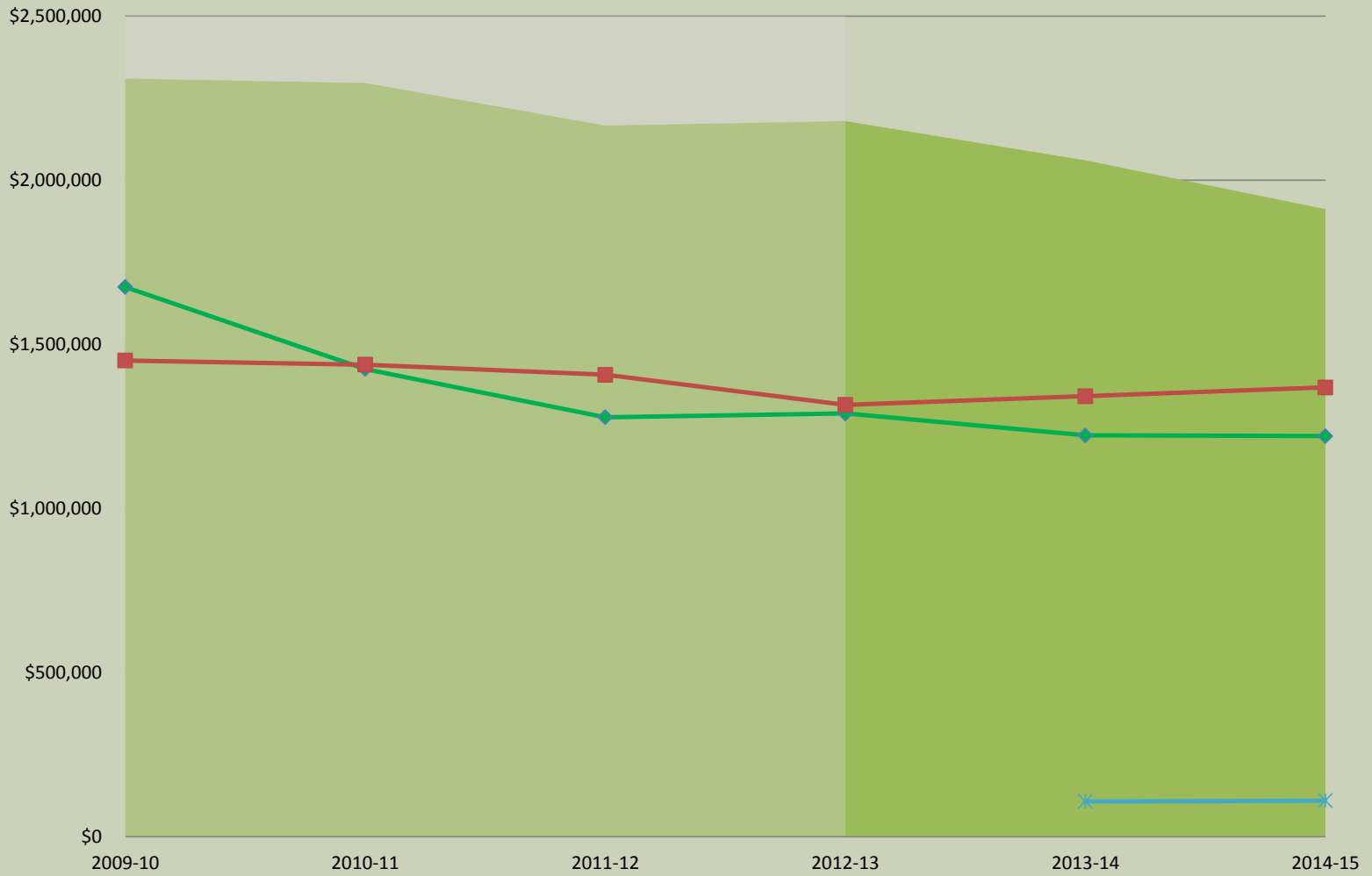
# MOSQUITO ANALYSIS

- Engines never fully staffed (minimum 2 per engine daylight hours)
  - 2010 departure of Firefighter/Mechanic position not refilled
  - 2010 departure of training officer not refilled
- Salary/benefits decrease of **21.6%** (FY 2009/10 to FY 2012/13)
- Retirement contribution capped
- Medical contribution capped
- Debt burden reduced to zero
- In process of purchasing water truck to convert to tender
- Station needs major roof repair
- Has a special tax for fire service



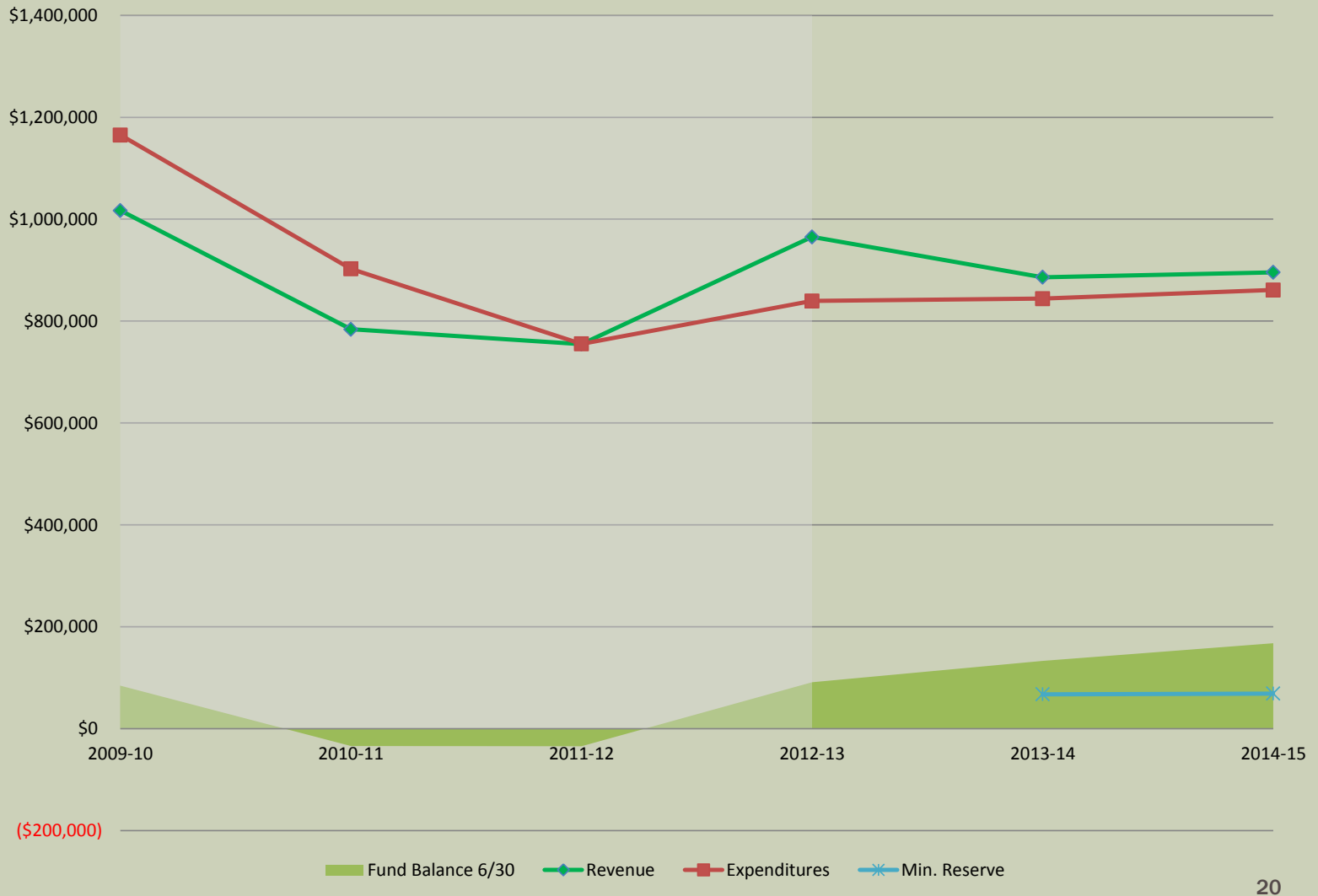
Built in 1979

# Meeks Bay Fire Protection District



■ Fund Balance 6/30   
   Past   
 ◆ Revenue   
 ■ Expenditures   
 ✕ Min. Reserve

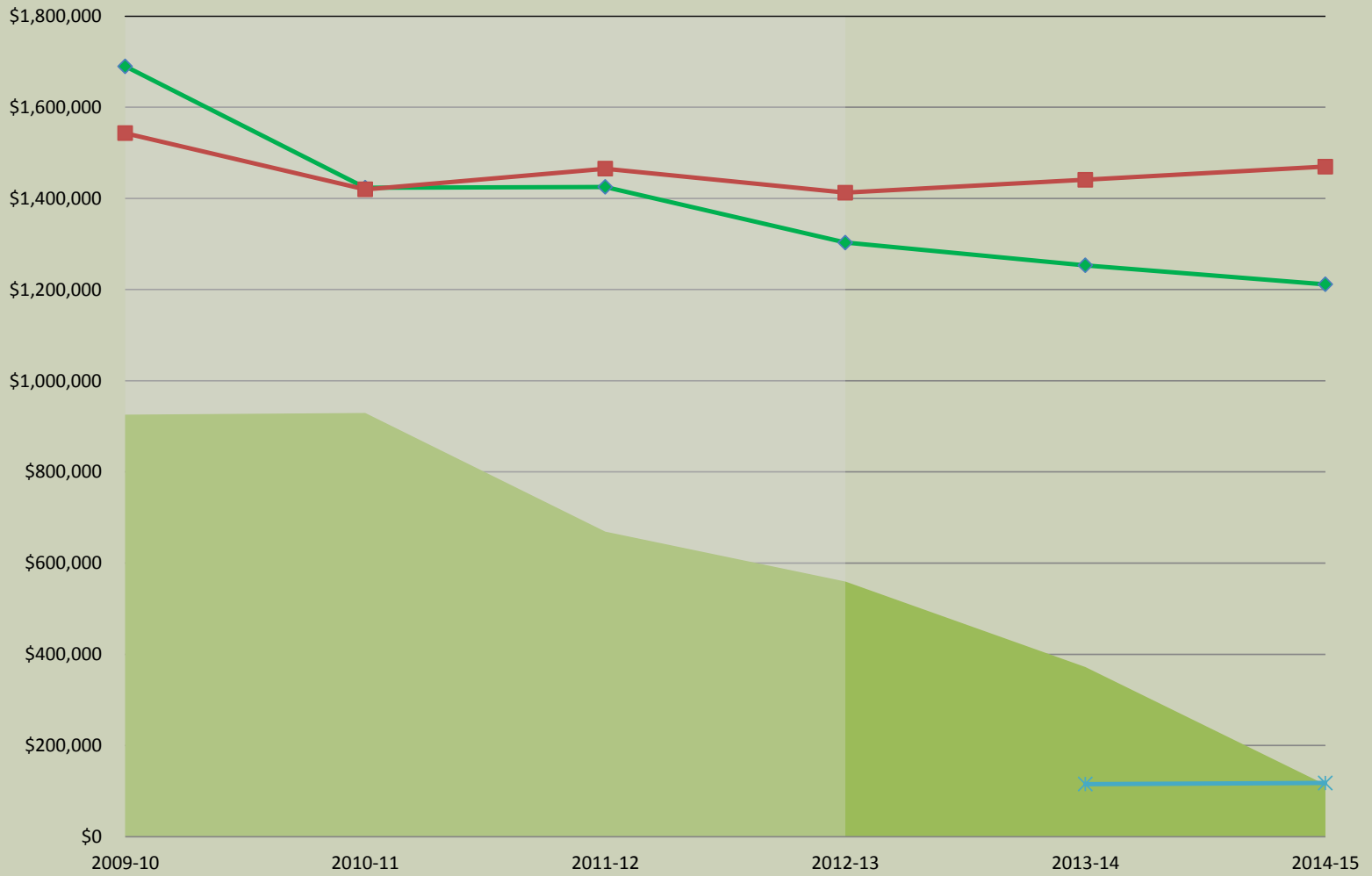
# Pioneer Fire Protection District



# PIONEER ANALYSIS

- No Water Tender (must wait for Diamond/El Dorado for water)
- Willows station closed (6 staff)
- Salary/benefits decrease of 31.3% (FY 2009/10 to FY 2012/13)
  
- Has a special tax for fire service

# Rescue Fire Protection District



■ Fund Balance 6/30   
  Past   
 ◆ Revenue   
 ■ Expenditures   
 ✱ Min. Reserve

# RESCUE ANALYSIS

- Fund balance depleted in FY 2014-15 below one-month reserve
- Expiration of SAFER grant July 2014
- FTE's reduced from seven to five with additional 1 FTE reduction anticipated for December 2013
- Salary/benefits decrease of 7.8% (FY 2009/10 to FY 2012/13)
- Employees paying 6% of retirement costs with additional 3% scheduled for July 2014
- Implementation of "Cafeteria Plan" to control health costs
- Approved "second tier" safety retirement plan (2% @ 55)
- Discontinued Post Retirement Health Benefits for all new employees effective July 2013
  
- Has a special tax for fire service

# STATUS SNAPSHOT

- Staffing reduced 16% across El Dorado County Fire Districts
- 50% of Fire Districts unable to maintain safety equipment
- 70% of Fire Districts rely on fire engines older than 25 years
- 90% of Fire Districts deferred purchase of equipment



# THE PATCH

District	FY 2013-14 Surplus/(Shortfall)	FY 2014-15 Surplus/(Shortfall)	Reserve Sufficient?	Request		Comment
				FY 2013-14	FY 2014-15	
Fallen Leaf	\$21,896	\$19,150	Yes/No	\$125,000	\$125,000	Fire Boat & 4x4 Engine
Garden Valley	(\$6,764)	(\$385,107)	No	\$99,385	\$479,451	Funding for staff
Georgetown	\$55,113	\$39,739	Yes	\$300,000		Funding for Water Tender & staff
Latrobe	(\$105,028)	(\$109,723)	Yes	\$30,000	\$30,000	Funding for staff
Meeks	(\$119,421)	(\$148,581)	Yes	\$0	\$0	
Mosquito	(\$52,390)	\$40,581	Yes	\$68,000	\$68,000	Funding for staff
Pioneer	\$41,913	\$34,688	Yes/No	\$150,000	\$75,000	Staff + tender 13/14, staff 14/15
Rescue	(\$187,578)	(\$258,063)	No	\$70,000	\$70,000	Funding for staff
				\$842,385	\$847,451	

■ 2-Year Total = \$1,689,836

# AID TO FIRE COMPARISON

- Last year of Aid to Fire was FY 2008-09
  - \$1,300,347 distributed to 8 fire protection districts
  
- Patch
  - FY 2013-14 = \$842,385
  - FY 2014-15 = \$847,451

} Conceptual Ceiling  
Based on Actual Need

# RECOMMENDATION

- No upfront lump sums for projected operational shortfalls
- Conceptually authorize ceiling amount for each district (as indicated in slide 25)
- County reimbursement and/or partial reimbursement for agreed capital purchases
- Direct CAO to develop and bring back funding contracts allowing dispersal of funds based on agreed financial triggers
  - Based on actuals
  - Higher than projected revenue results in less county funding
- With patch in place, direct Fire Advisory Committee to begin working toward service level analysis & negotiation of property tax distribution

# PHASE TWO

## 1. Define Sustainable Level of Fire Service

- What is a reasonable response capability in each community?
  - Salaries/Benefits
  - Services/Supplies
  - Facilities/Equipment
- Level of Service may include (but is not limited to):
  - Sub-regional Consolidations
  - Consolidated Purchasing
  - Consolidated Training

## 2. How much revenue will it take to support that level of service?

- Shift of property tax base
- Reallocation of tax increment
- Other special taxes/assessments
  - May be difficult due to SRA Fee

# TAX INCREMENT SHARES

## FY 2013-14

District	Average % of Increment
Cameron Park CSD	20.53%
Diamond Springs-El Dorado Fire	19.32%
Lake Valley Fire	19.25%
El Dorado Hills Fire	17.31%
El Dorado County Fire	14.88%
Georgetown Fire	11.21%
Mosquito Fire	11.14%
Rescue Fire	10.85%
Pioneer Fire	8.71%
Meeks Bay Fire	8.06%
Garden Valley Fire	7.54%
Fallen Leaf Lake CSD	5.70%
Latrobe Fire	4.98%

- Tax increment is the difference resulting from the comparison of base or prior year assessed values to current year values
  - R&T Code §96.5

# QUESTIONS