COUNTY OF EL DORADO

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July 23, 2019

Honorable Brian Dahle California State Senate State Capitol, Room 2054 Sacramento, CA 95814-4900

Honorable Frank Bigelow California State Assembly P.O. Box 942849 Sacramento, CA 94249-0005

Honorable Kevin Kiley California State Assembly P.O. Box 942849 Sacramento, CA 94249-0006

RE: Local Fire Service Sustainability

Dear Senator Dahle, Assembly Member Bigelow and Assembly Member Kiley:

As you are aware, the 2018 wildfire season was the deadliest and most destructive wildfire season on record in California. Though El Dorado County was fortunate to avoid major wildfires in 2018, we have experienced devastating fires in the past, and residents are anxious about the 2019 season and what it could bring. In addition, many of our residents are concerned about protecting their homes because their homeowner's insurance policies are being canceled or their premiums are becoming unaffordable. A robust and sustainable fire service is now more important than ever to protect our county's residents, their property, and our beautiful natural resources.

The El Dorado County Grand Jury has issued two reports urging the Board of Supervisors to take action to improve the sustainability of the local fire service. Unfortunately, local fire service revenues have not kept up with the increasing cost of providing services. In addition, while our local agencies coordinate very well operationally, the current governance model leads to inefficiencies and does not maximize the limited resources available.

Fire and emergency medical services in El Dorado County are delivered and governed by 12 special districts and the City of South Lake Tahoe. The 12 special districts have nearly 50 stations countywide, of which approximately 20 are staffed full-time by paid firefighters. In total,

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the districts employ nearly 200 firefighters and chief officers. Total property tax revenues to the districts are approximately \$43 million. Several districts have special taxes or benefit assessments that bring in an additional \$2.5 million. However, due to the effects of Proposition 13, these resources are not spread evenly among districts, resulting in varying service levels throughout the county. For example, three districts, whose combined area covers 43% of the county, receive 71% of all property tax revenues. The inequities are particularly apparent in rural areas, where the districts' share of local property taxes is very low due to a combination of factors. Some of these agencies had very low tax rates prior to passage of Proposition 13 because they relied heavily on volunteers. The formula for allocating the local share of property taxes post-Proposition 13 memorialized those low tax rates. The more rural areas of the county typically have lower total assessed value because the housing is less dense and home prices are often lower as one travels farther from infrastructure and services. The result is a low tax rate on a small tax base. As population in the rural areas has grown, the demand for fire services has increased. At the same time, the cost of delivering fire services has grown as regulations and the county's demographics have made it nearly impossible to run a volunteerbased fire department.

We have been working with our local districts to find solutions and are exploring options such as district reorganization and consolidation and other ways to achieve efficiencies; however, this will not address the fundamental problem of extremely constrained revenues.

We realize the challenges related to securing sustainable funding for fire and emergency services are not unique to EI Dorado County. We believe that securing local fire service is of statewide concern, and we are reaching out to the California State Association of Counties and the Rural County Representatives of California for assistance in finding solutions that will ensure all communities can rely on safe, dependable service. We would appreciate the opportunity to share with you more information about EI Dorado County's challenges, and ask that your office keep us apprised of any opportunities to participate in discussions at the State level related to this very important issue facing all California communities.

Sincerely,

Sue Novasel, Chair El Dorado County Board of Supervisors

c. California State Association of Counties Rural County Representatives of California