

North County Fire Protection District Reconciliation Detail

CCC3106 · CAL CARD - NCFD, Period Ending 05/20/2022

Type	Date	Num	Name	Clr	Amount	Balance
Beginning Balance						10,632.86
Cleared Transactions						
Charges and Cash Advances - 27 items						
Credit Card Charge	05/24/2022		Galls	X	-965.24	-965.24
Credit Card Charge	05/24/2022		Haix North America	X	-773.42	-1,738.66
Credit Card Charge	05/24/2022		The Maynard Group	X	-494.86	-2,233.52
Credit Card Charge	05/24/2022		Google Services	X	-295.20	-2,528.72
Credit Card Charge	05/24/2022		Infinisource	X	-153.85	-2,682.57
Credit Card Charge	05/24/2022		Pastabilities	X	-131.08	-2,813.65
Credit Card Charge	05/24/2022		Trolley Car Rotisserie	X	-88.36	-2,902.01
Credit Card Charge	05/24/2022		Ace Hardware	X	-67.70	-2,969.71
Credit Card Charge	05/24/2022		Tractor Supply	X	-59.51	-3,029.22
Credit Card Charge	05/24/2022		Giant Artichoke	X	-55.77	-3,084.99
Credit Card Charge	05/24/2022		Giant Artichoke	X	-54.08	-3,139.07
Credit Card Charge	05/24/2022		Giant Artichoke	X	-52.18	-3,191.25
Credit Card Charge	05/24/2022		Office Max	X	-50.13	-3,241.38
Credit Card Charge	05/24/2022		Pacific Truck Parts	X	-46.65	-3,288.03
Credit Card Charge	05/24/2022		Santa Fe Foods	X	-29.73	-3,317.76
Credit Card Charge	05/24/2022		Ace Hardware	X	-26.48	-3,344.24
Credit Card Charge	06/01/2022		Kustom Kommunikation	X	-319.88	-3,664.12
Credit Card Charge	06/01/2022		Staples	X	-72.41	-3,736.53
Credit Card Charge	06/01/2022		Safeway	X	-66.90	-3,803.43
Credit Card Charge	06/01/2022		Central Coast Autobob...	X	-32.67	-3,836.10
Credit Card Charge	06/01/2022		Burger King	X	-28.08	-3,864.18
Credit Card Charge	06/01/2022		Ace Hardware	X	-22.91	-3,887.09
Credit Card Charge	06/03/2022		Trolley Car Rotisserie	X	-112.49	-3,999.58
Credit Card Charge	06/03/2022		AutoZone	X	-43.08	-4,042.66
Credit Card Charge	06/03/2022		Ace Hardware	X	-15.26	-4,057.92
Credit Card Charge	06/07/2022	164740	76 Gas	X	-122.13	-4,180.05
Credit Card Charge	06/07/2022	092073	USPS	X	-8.95	-4,189.00
Total Charges and Cash Advances					-4,189.00	-4,189.00
Payments and Credits - 12 items						
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	41.21	41.21
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	53.98	95.19
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	62.07	157.26
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	63.36	220.62
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	66.75	287.37
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	71.10	358.47
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	180.22	538.69
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	182.59	721.28
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	326.00	1,047.28
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	428.64	1,475.92
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	2,450.99	3,926.91
Bill	05/11/2022	42460...	US Bank - Bancorp S...	X	6,705.95	10,632.86
Total Cleared Transactions					6,443.86	6,443.86
Cleared Balance					-6,443.86	4,189.00
Register Balance as of 05/20/2022					-6,443.86	4,189.00
New Transactions						
Payments and Credits - 11 items						
Bill	05/24/2022	42460...	US Bank - Bancorp S...		26.48	26.48
Bill	05/24/2022	42460...	US Bank - Bancorp S...		105.08	131.56
Bill	05/24/2022	42460...	US Bank - Bancorp S...		131.08	262.64
Bill	05/24/2022	42460...	US Bank - Bancorp S...		157.51	420.15
Bill	05/24/2022	42460...	US Bank - Bancorp S...		170.83	590.98
Bill	05/24/2022	42460...	US Bank - Bancorp S...		237.24	828.22
Bill	05/24/2022	42460...	US Bank - Bancorp S...		250.39	1,078.61
Bill	05/24/2022	42460...	US Bank - Bancorp S...		347.96	1,426.57
Bill	05/24/2022	42460...	US Bank - Bancorp S...		773.42	2,199.99
Bill	05/24/2022	42460...	US Bank - Bancorp S...		994.04	3,194.03
Bill	05/24/2022	42460...	US Bank - Bancorp S...		994.97	4,189.00
Total New Transactions					4,189.00	4,189.00
Ending Balance					-10,632.86	0.00

#8A
NORTH COUNTY FIRE DISTRICT
Chief's Report
For June 21, 2022

RESPONSE ACTIVITY

MAJOR INCIDENT TYPE January 1, 2022, to June 13, 2022	2022	2021	2020	2019	2018
Fires	67	89	57	61	76
Overpressure rupture, explosion, overheat – no fire	1	0	1	0	2
Rescue & Emergency Medical Services	991	912	887	966	981
Hazardous Condition (No Fire)	76	58	52	86	78
Service Call	130	119	119	109	109
Good Intent Call	205	188	180	137	158
False Alarm & False Call	73	54	82	58	59
Severe Weather & Natural Disaster	0	0	0	0	1
Special Incident Type	1	1	1	1	5
Total	1544	1421	1379	1418	1469

INCIDENTS OF INTEREST

- **Wildland Fire Season** - The start of the wildland fire season has been very busy with several vegetation fires within the district and assisting local agencies, such as Cal Fire, Salinas, and Watsonville.
- **Vehicle Accident Hwy 183 - E5211, E356, and C5201** - NCFD personnel responded to a vehicle accident at Highway 183 near Cooper Rd. There were two vehicles involved with major damage. A small sedan vs. a Big Rig, the small vehicle was struck head-on, and it burst into flames. The first arriving crew reported one person trapped in the sedan with fire and extrication needed. One person was pronounced deceased at the scene.

#8A

TRAINING

- **Probationary Firefighters** - Two Probationary Firefighters have completed the NCFD driver operator certification process and are now cleared to operate all Fire District apparatus with no restrictions. Congratulations to Garrett Hasslinger and Parker Rinnhofer.

EQUIPMENT & FACILITIES

- **E-5221 (Unit 3)** Central Fire Fleet Division performed repairs to the pump, pump tested and 90-day inspection. E-5221 is back in service.
- **E-5213 (Unit 6)** was serviced by Edwards Truck Center for routine brake work and a wheel seal. E-5213 is currently back in service at Station 3.
- **E-5231 (Unit 11)** is currently at Central Fire Fleet Division for routine service and repairs to the relief valve.
- **Station 1** - The above range microwave oven was replaced. Repairs were made by the on duty crew.

PREVENTION

- **Moss Landing BESS-** The Moss Landing Battery Energy Storage continues expansion work and has announced plans for Phase 3, Moss 350 (350 Megawatts). The District to review and approve construction plans.
- **Weed Abatement Program-** The District's Weed Abatement Program is making good progress this year. The weed abatement program is a complaint-based program that allows the District's Weed Abatement Officer to conduct site visits and, if needed, work with property owners to remove fire hazards.
- **Defensible Space Inspections-** New this year, the District is conducting Defensible Space Fire Safety Inspections in high-fire-risk areas to reduce the potential of property loss due to wildland fire incidents. The frequency and intensity of today's wildland fires demand that fire departments be proactive to help mitigate large loss potential.

#8A

ADMINISTRATION

- **American Rescue Plan Act Grant (ARPA)**- The District has ordered EMS safety equipment paid for by grant funds. We have received the safety equipment and are in the process of assigning it to personnel. We will close out the grant when we receive reimbursement from the County of Monterey.
- **Assistance to Firefighters Grant (AFG)**- The District previously applied for a grant to replace older fire hoses. No awards yet, nothing new to report.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Joel Mendoza".

Joel Mendoza, Fire Chief

Take Action to Adopt the Preliminary Budget for Fiscal Year 2022/23**2022/2023 Preliminary Budget
Executive Summary**

This year's budget holds the prospect of relatively good news. Proposition 218 Benefit Assessment (Benefit Assessment) will fund the salaries & benefits of new firefighters and replace fire apparatus. In addition, continued development at the Moss Landing Powerplant will continue to augment the once declining tax roll.

REVENUE

Property Tax- This budget is built on an assumption of a 5% increase in Current Secured Property Tax from what we budgeted in FY 2021/22. This year we are anticipating an increase in assessed valuation from the Vistra Power Plant of approximately \$157 million, which translates to an increase of roughly \$157,000 in tax revenue. Our current discussions with the Monterey County Tax Assessor's Office have been optimistic for this budget year; we will maintain this dialogue to keep abreast of any changes that may occur before the adoption of the Final Budget.

Prop 172- This is an agreement for sharing public safety sales tax revenue. Monterey County Board policy contributes 9.13% of Monterey County's annual Prop 172 revenue to fire agencies that provide and maintain essential fire protection services within the County's unincorporated areas. This year the District will receive \$781,764.

CSA 74- This revenue is money provided to first response agencies to compensate for providing Emergency Medical Services Training to first responders. We expect FY 2022/23 to remain near \$35,000. This money will continue to be spent per the Memorandum of Understanding that we entered into with the Emergency Medical Services Agency.

Fire Mitigation Fees- These fees are necessary to ensure that the District can adequately expand its fire protection facilities, apparatus, and equipment to accommodate the population, employment growth, and new structural area created by new development. We are estimating FY 2022/23 revenue at \$25,000.

EXPENDITURES

Overtime- Operating at 27 personnel, the District calculates overtime at \$300,000 this fiscal year. The District currently has two safety personnel on Worker's Compensation; these positions must be filled at all times. Although safety personnel levels have

increased, the need for overtime remains high to maintain minimum staffing levels until the new probationary firefighters are licensed to operate fire engines and work to their full capacity.

The district still provides mutual aid to the state of California whenever possible; However, it incurs overtime pay to personnel, it also generates funds for the operating budget, this year, \$100,000 is allocated to the Strike Team Overtime expense category.

CalPERS Outstanding Unfunded Actuarial Accrued Liability (UAL)- In April of 2022, the District successfully refinanced \$10.6 Million of its UAL thru First Foundation Bank over a 20-year term at an interest rate of 3.20%. The projected savings are estimated to be approximately \$3,580,000. The annual payments will now be at \$737,000 per year over the term. With that said, in FY 2022/23, the District will still need to pay \$310,000 in regular UAL payments. It is anticipated that strong CalPERS returns registered in 2020 will reduce the District's unfunded liability and eliminate the additional regular UAL payment in FY 2023/24.

CalPERS Side Fund Loan (Side Fund)- In FY 2020/21, the District received \$885,348.73 from MCLAIA and the dissolution of the JPA. This one-time money was used to pay off part of the CalPERS Side Fund Loan (\$900K), and the balance was reduced to approximately \$450,000. The new annual payment has been reduced to roughly \$138,000 per year, and the loan will mature in January 2025.

Staffing- In February 2022, the District hired five full-time firefighters utilizing benefit assessment fees, bringing the total number of responders to twenty-seven (27) Line Personnel, two (2) Division Chiefs, and the Fire Chief/Fire Marshal. This budget allows for the promotion of a fire captain to division chief and the necessary firefighter backfill. The additional Division Chief will assume the Fire Marshal role, relieving the Fire Chief of the additional role.

Final Compensation payouts- Three (3) Fire District Firefighters have indicated that they will be retiring this year, and the cost of payouts for their accrued benefits such as vacation/sick leave will amount to approximately \$94,500.

Vehicles- To cover the replacement cost of 1 Utility/ Staff Vehicle, \$70,000 has been allocated to this category to purchase the vehicle and finish the emergency vehicle outfitting.

Maintenance of Structures- The District has also allocated funds from the benefit assessment towards the maintenance of structures. The administration is currently seeking services from an architecture firm to determine priority repairs and upgrades to each of our three fire stations.

Apparatus- Much of North County FPD’s fleet is aging and in need of replacement and includes active equipment and apparatus up to 30 years old. The District has allocated \$775,000 to be used towards the purchase of apparatus.

RECOMMENDED ACTION

We recommend that the Board adopt the Fiscal Year 2022/23 Preliminary Budget as described below:

Revenue

\$9,036,391	Anticipated Revenue
\$100,000	From Election Fund
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\$9,136,391	Total Revenue including Election Fund

Expenditures

\$6,928,766	Salaries and Benefits
\$1,320,425	Services and Supplies
\$887,200	Capital Acquisition / Bank Service Fees
<hr/>	
\$9,136,391	Total Expenditures

Respectfully submitted,



Joel Mendoza, Fire Chief

North County Fire Protection District Revenue Budget

	FY22/23 Budget
Ordinary Income/Expense	
Income	
1 · Property Taxes	
4010 · Current Secured	5,274,897
4011 · Power Generation Vistra 100	151,000
4012 · Power Generation Vistra 300	385,000
4013 · Power Generation Vistra 350	0
4017 · Power Generation PG&E	0
4020 · Current Unsecured	187,600.00
4031 · Prior Secured	55,000.00
4041 · Prior Unsecured	1,600.00
4042 · Current Supplemental	83,820.00
4043 · Prior Supplemental	7,210.00
4417 · Emergency Res Serv Assmt	1,442,000.00
4451 · HOPTR	21,000.00
Total 1 · Property Taxes	7,609,126.55
2 · Fees & Assessments	
4046 · EMS TAX	65,000.00
4933 · Fee Schedule	90,000.00
4964 · Cost Recovery	60,000.00
Total 2 · Fees & Assessments	215,000.00
3 · Revenue From Other Agencies	
4045 · CSA 74 - ZONE C	35,000.00
4610 · OES Cooperative Agreement	360,000.00
4950 · Proposition 172 Funds	781,764.00
Total 3 · Revenue From Other Agencies	1,176,764.00
4 · Grants	
4939 · Misc Grant	0.00
Total 4 · Grants	0.00
5 · Misc	
4934 · Interest Income	10,000.00
4960 · Miscellaneous Revenue	500.00
Total 5 · Misc	10,500.00
6 · Designated	
4962 · Fire Capital Mitigation (FMF)	25,000.00
Total 6 · Designated	25,000.00
Total Income	9,036,391
Gross Profit	9,036,391
Net Ordinary Income	9,036,391
Net Income	9,036,391
From Election Reserves	100,000.00
Total Revenue	9,136,391

North County Fire Protection District Expense Budget

FY22/23

Budget

Ordinary Income/Expense

Expense

0010 · SALARIES & BENEFITS

010 · Employee Salaries

5010 · Salaries-Safety Tier 1	2,188,015
5011 · Salaries-Safety Tier 2	993,483
5012 · Salary - Secretary	138,600
5013 · Reserves - Salary	60,000
5014 · Sick Leave/Vacation Payoff	100,000
5016 · Education Pay	145,000
5017 · Holiday Pay	96,385
5018 · Strike Team Overtime	228,000
5019 · Overtime Pay	289,740
5029 · In-Lieu Pay	188,750

Total 010 · Employee Salaries 4,427,973

020 · Retirement Benefits

5021 · PERS - Employer Tier 1	497,907
5023 · PERS - Employer Tier 2	60,000
5024 · Side Fund Payoff Loan	138,000
5025 · ICMA - Deferred Compensation	15,000
5026 · PERS - Employer Tier 3 PEPRA	146,000
5028 · CalPERS - Unfunded Liability	1,047,886

Total 020 · Retirement Benefits 1,904,793

030 · Health Insurance Costs

5030 · Health Insurance	426,000
5031 · Health Insurance-Retired	89,000
5032 · Life Insurance - CSFA	3,000
5033 · State Unemployment	12,000
5034 · Long Term Disability	10,000
5036 · Reserve Insurance	4,000
5037 · Medicare Hospital Insurance	46,000
5038 · Social Security	6,000

Total 030 · Health Insurance Costs 596,000

040 · Workers Comp Claims

Total 0010 · SALARIES & BENEFITS 6,928,766

0050 · SERVICES & SUPPLIES

050 · Safety & Personal Supplies Exp

5050 · Safety & Personal Supplies	25,000
5052 · Uniform Purchase	13,000

Total 050 · Safety & Personal Supplies Exp 38,000

060 · Communications

5060 · Telephone	11,500
5061 · Cellular Phone	12,700
5062 · 911 Dispatch	54,672

North County Fire Protection District Expense Budget

	FY22/23
	Budget
5063 · Computer Air Cards	3,600
Total 060 · Communications	82,472
090 · Household Exp	
5090 · Household Expenses	11,000
5091 · Laundry Service	3,500
5092 · Laundry Service - Uniforms	2,600
Total 090 · Household Exp	17,100
100 · Insurance	
5100 · Worker's Comp Insurance	297,000
5101 · General Liability Insurance	91,500
5102 · First Aid	1,000
Total 100 · Insurance	389,500
120 · Maintenance of Equipment	
5120 · Maint of Equipment	133,915
5121 · Communication Equip. Maint.	9,500
5122 · S.C.B.A. Maintenance	12,000
5123 · Office Equip Maint.	2,500
5124 · USAR Equipment	4,000
Total 120 · Maintenance of Equipment	161,915
130 · Maintenance of Structures	
5130 · Maint of Structures	51,762
Total 130 · Maintenance of Structures	51,762
140 · Medical Supplies Expense	
5140 · Medical Supplies (CSA 74)	13,000
Total 140 · Medical Supplies Expense	13,000
150 · Membership Expenses	
5150 · Memberships	15,500
Total 150 · Membership Expenses	15,500
170 · Office Expenses	
5170 · Office Expense	8,000
5171 · IT, Computer Support	27,140
Total 170 · Office Expenses	35,140
180 · Professional Service	
5180 · Accounting	27,000
5181 · Legal Counsel	7,000
5182 · Med Inoculations/Examinations	12,000
5183 · Grant Administration	
5186 · Outside Plan Checks, etc.	15,000
5187 · Property Tax Administration	94,000
5188 · Consultants	6,000
Total 180 · Professional Service	161,000
190 · Publication & Legal Notice Exp	
5190 · Publications & Legal Notices	15,000
Total 190 · Publication & Legal Notice Exp	15,000

North County Fire Protection District Expense Budget

	FY22/23
	Budget
200 · Rents & Leases	
5200 · Rents & Leases of Equipment	200
5210 · Rent & Leases Structure/Ground	200
Total 200 · Rents & Leases	400
220 · Small Tools and Equipment	
5220 · Tools & Equipment	6,000
5221 · Foam	7,200
Total 220 · Small Tools and Equipment	13,200
230 · District Special Expenses	
5231 · Hose/Nozzles	4,500
5232 · Election	120,000
5233 · Instruction Courses (Materials)	1,920
5235 · Board Member Expense	7,000
5238 · Public Education Classes	500
Total 230 · District Special Expenses	133,920
250 · Fuel & Travel Expenses	
5250 · Fuel	78,000
5251 · Travel & Accomodations	3,000
5252 · Incident/Meeting Subsistence	4,000
5253 · Outside Courses & Training	13,000
250 · Fuel & Travel Expenses - Other	
Total 250 · Fuel & Travel Expenses	98,000
260 · Utilities	
5260 · Gas & Electric	18,000
5261 · Water	4,500
Total 260 · Utilities	22,500
340 · Special Fees, Taxes & Surcharge	
5340 · Sewage Sur Charge	650
5341 · Fuel Tax (Diesel)	2,500
5342 · Special Fees & Taxes	4,000
Total 340 · Special Fees, Taxes & Surcharge	7,150
360 · Structures	
5366 · NGEN	64,866
Total 360 · Structures	64,866
Total 0050 · SERVICES & SUPPLIES	1,320,425
0300 · CAPITAL PURCHASES	
370 · Capital Acquisitions	
5371 · Mobile Communications	
5372 · Apparatus or Apparatus Upgrades	775,000
5374 · Utility/Staff Vehicles	112,000
5375 · Equipment <\$2,500 ea	
5376 · BLM/RFA/VFG Grants	
5377 · AFG Grant	
5378 · Simulator Seat Grant	

North County Fire Protection District Expense Budget

	FY22/23
	Budget
5379 · Thermal Camera	
Total 370 · Capital Acquisitions	887,000
Total 0300 · CAPITAL PURCHASES	887,000
5390 · Change in Compensated Absences	
66000 · Payroll Expenses	
66910 · Bank Service Charges	200
67000 · Depreciation Expense	
68000 · Pension Expense GASB 68	
999 · IPN Fees	
Total Expense	9,136,391
Net Ordinary Income	-9,136,391
Net Income	-9,136,391

**Take Action to Set Time & Date for
Fiscal Year 2022/23 Final Budget**

PURPOSE: To set a time and date to hold a public hearing to adopt the Fire District's final budget for FY 2022/23.

OUTLINE: The District is required to adopt a final budget by September 30 of each year. Further, on or before June 30 of each year, the District is required to publish a notice stating all of the following:

- That it has adopted a preliminary budget which is available for inspection at a time and place within the district specified in the notice
- The date, time and place when the Board will meet to adopt the final budget and that any person may appear and be heard regarding any item in the budget or regarding the addition of other items,
- The notice shall be published pursuant to Section 6061 of the Government Code in at least one newspaper of general circulation in the District. The first publication shall be at least two weeks before the date of the meeting. If there is no newspaper published in the district, the notice shall be posted in three public places in the district at least two weeks before the date of the meeting.

The September 20, 2022 Board will allow staff to have obtained and analyzed the final postings from the County.

RECOMMENDATION: That the Board set the time and date for the public hearing and direct the Fire Chief to publish the notice as required.

Respectfully submitted,



Joel Mendoza, Fire Chief

NOTICE OF ADOPTION OF PRELIMINARY BUDGET
AND
NOTICE OF PUBLIC HEARING

Notice is hereby given that the preliminary budget of the North County Fire Protection District of Monterey County for the fiscal year beginning July 1, 2020 has been adopted by the District's Board of Directors and is available for inspection by interested taxpayers at the following time and place within the District:

8:00 a.m. to 4:30 p.m.
11200 Speegle Street
Castroville, CA 95012

That on Tuesday, September 20, 2022 at the hour of 10:00 a.m. at 11200 Speegle Street, Castroville, CA said Board of Directors will meet for the purpose to approve and adopt its final budget for fiscal year ending 2022/23, and that any taxpayer may appear at same time and place and be heard regarding the increase, decrease, or omission of any budget time or for the inclusion of additional items.

Resolution 22-6-1: Dry Period Loan for Fiscal Year 2021/22

OUTLINE: On an annual basis, the Fire District requests a temporary transfer of funds, or dry period loan, from the County of Monterey because the Fire District does not usually have sufficient funds to continue fiscal year operations until the receipt of 1st half property tax monies in November of each fiscal year.

This staff report recommends that the Board request a transfer of funds in the amount of \$3,500,000. This request is our typically requested amount.

RECOMMENDATION: That the Board adopt Resolution 22-6-1 requesting said transfer of funds and authorize Secretary Gomez to sign documents necessary for said transfer.

Respectfully submitted,



Joel Mendoza, Fire Chief

NORTH COUNTY FIRE PROTECTION DISTRICT

**Resolution No.: 22-6-1
Dry Period Loan For Fiscal Year 2022/23**

WHEREAS, the Board of Directors of the North County Fire Protection District finds that, until its tax revenue is received, it will not have sufficient funds to pay its obligations incurred for maintenance purposes in the current fiscal year, and whereas its funds are in the custody of the treasurer of the County of Monterey and are paid out solely through his office;

NOW THEREFORE BE IT RESOLVED THAT, pursuant to Article 13, Section 25 of the California Constitution, the treasurer of the County of Monterey to make a temporary transfer to said district, from the funds in his custody, in the sum of \$3,500,000.00 which is necessary to provide funds for meeting obligations incurred for the following maintenance purposes by said district, to-wit;

BE IT FURTHER RESOLVED THAT, Ramon Gomez is authorized and directed to make and sign a request for said transfer and to send a certified copy of the resolution to the county treasurer.

Upon motion of _____, seconded by _____, the foregoing resolution is adopted this 21st day of June 2022, by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

SECRETARY'S CERTIFICATE

I HEREBY CERTIFY that I am secretary and custodian of the records and files of the above-named district that the foregoing and annexed resolution is a full, true and correct copy of a resolution duly passed by the governing board of said district at a regular meeting thereof duly held on June 21, 2022, and that said Resolution has not been modified, rescinded or superseded, and is still in full force and effect.

WITNESS my hand this 21st day of June 2022.

Ramon Gomez, Secretary

REQUEST AND CERTIFICATION FOR TEMPORARY TRANSFER OF FUNDS

(As allowed by California Constitution, Article 16, Section 6)

To the Board of Supervisors
County of Monterey
Salinas, California

The governing board of the North County Fire Protection District hereby requests a temporary transfer of funds to the general fund of the aforementioned agency in the amount of \$3,500,000 to be used for maintenance and operation purposes. No part of this loan will be invested, if granted. It is understood and agreed that this loan will bear interest at a rate equivalent to the average rate currently earned on deposits in the County Treasury.

FISCAL YEAR ENDED JUNE 30, 2023

I.	Budgeted Maintenance Operations Expenditures:	
a.	Salaries and Benefits	\$ 6,928,766
b.	Services and Supplies	\$ 1,320,425
c.	Capital Acquisition / Bank Service Fees	\$ 887,200
d.	Total Budgeted Expenditures	\$ 9,136,391

Agency Representative

CERTIFICATION BY COUNTY AUDITOR-CONTROLLER

(To be completed by Auditor-Controller's Office)

Anticipated Revenue

a.	Taxes	_____	a.
b.	Money and Property	_____	b.
e.	Aid from Other Agencies	_____	c.
f.	Charges for Current Services	_____	d.
g.	Other Revenue	_____	e.
h.	Total Anticipated Revenue	_____	f.
i.	Less Revenue received to date	_____	g.
j.	Total revenue not received	_____	h.

Amount available for Transfer (85% of line h) _____

MICHAEL J. MILLER, Auditor-Controller

By: _____

CERTIFICATION BY COUNTY TREASURER

As of _____, sufficient funds are available in the County Treasury to effect this transfer.

MARY A. ZEEB, Treasurer

By: _____

**Take Action on Resolution 22-6-2: Resolution ordering an election, requesting the county elections department to conduct the election.
Calling for the 2022 General District Election**

PURPOSE: To adopt the required Resolution 22-6-2 calling the November 8, 2022 General District Election.

OUTLINE: We have received correspondence from the Monterey County Registrar of Voters, regarding the requirements for the November 8, 2022 General District Election. At this time, the Board must adopt Resolution 22-6-2: Resolution ordering an election, requesting the county elections department to conduct the election, and requesting consolidation of the election. A copy of the resolution is attached and requires candidates to pay the cost of the statement with their statement length not to exceed 200 words as provided pursuant to Section 13307 of the Elections Code.

Three terms of office are ending and will be up for election (Jacqueline C. Simon, Ramon Gomez, and Peter Scudder). All three seats carry a 4-year term.

RECOMMENDATION: That the Board approve Resolution 22-6-2 and authorize District Secretary to the Board to sign all necessary and pertinent documents regarding the election. If the board wishes to modify the resolution, this should be indicated in the motion.

Respectfully submitted,



Joel Mendoza, Fire Chief

NORTH COUNTY FIRE PROTECTION DISTRICT

Resolution No.: 22-6-2

ORDERING AN ELECTION, REQUESTING THE COUNTY ELECTIONS DEPARTMENT TO CONDUCT THE ELECTION, AND REQUESTING CONSOLIDATION OF THE ELECTION

WHEREAS, pursuant to Elections Code Section 10002, the governing body of any city or district may by resolution request the Board of Supervisors of the county to permit the county elections official to render specified services to the city or district relating to the conduct of an election. The city or district shall reimburse the county in full for the services performed upon presentation of a bill to the city or district; and

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections, including bond elections, of any legislative or congressional district, public district, city, county or other political subdivision are called to be held on the same day, in the same territory, or in territory that is in part the same, they may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections; and

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district, city or other political subdivision for the submission of any question, proposition, or office to be filled is to be consolidated with a statewide election, and the question, proposition, or office to be filled is to appear upon the same ballot as that provided for that statewide election, the district, city or other political subdivision shall, at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the exact form of any question, proposition, or office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation. The resolution requesting the consolidation shall be adopted and filed at the same time as the adoption of the ordinance, resolution, or order calling the election; and

WHEREAS, pursuant to Elections Code Section 13307, whenever an election called by a district, city, or other political subdivision has offices to be filled, it is required to fix and determine the number of words that a candidate may submit on the candidate's statement to be either 200 or 400 words and to determine if the candidate and or the political subdivision will pay the cost of the statement; and

WHEREAS, Elections Code Section 15651 requires the city or district to determine the means and manner in which a tie vote is to be resolved in the event that two or more persons receive an equal number of votes and the highest number of votes ("tie votes") for an office to be voted upon; and

WHEREAS, various district, county, state and other political subdivision elections may be or have been called to be held on November 8, 2022;

NOW THEREFORE, BE IT RESOLVED AND ORDERED that the governing body of the **NORTH COUNTY FIRE PROTECTION DISTRICT** hereby orders an election be called and consolidated with any and all elections also called to be held on November 8, 2022 insofar as said elections are to be held in the same territory or in territory that is in part the same as the territory of the **NORTH COUNTY FIRE**

NORTH COUNTY FIRE PROTECTION DISTRICT

PROTECTION DISTRICT requests the Board of Supervisors of the County of Monterey to order such consolidation under Elections Code Section 10401 and 10403.

BE IT FURTHER RESOLVED AND ORDERED that pursuant to Elections Code Section 10002 said governing body hereby requests the Board of Supervisors to permit the Monterey County Elections Department to provide any and all services necessary for conducting the election and agrees to pay for said services, and

BE IT FURTHER RESOLVED AND ORDERED that the Monterey County Elections Department conduct the election for the purpose of electing 3 Members to this Governing Board on the November 8, 2022 ballot. Said offices are now filled by the following Board Members:

Jacqueline C. Simon	Director	4 year seat	North County Fire Protection District
Peter Scudder	Director	4 year seat	North County Fire Protection District
Ramon Gomez	Director	4 year seat	North County Fire Protection District

BE IT FURTHER RESOLVED AND ORDERED that pursuant to Election Code Section 13307 the **NORTH COUNTY FIRE PROTECTION DISTRICT** has resolved that all costs of the Candidate’s statement be paid by the candidate and that no candidate may submit a statement of over 200 words.

BE IT FURTHER RESOLVED AND ORDERED that pursuant to code section 10551, a tie vote shall be resolved by lot.

BE IT FURTHER RESOLVED AND ORDERED that tie votes shall be determined by lot.

PASSED AND ADOPTED by the North County Fire Protection District on this 21st day of June, 2022 by the following vote:

AYES: _____

NOES: _____

ABSENT: _____

ABSTAIN: _____

BY: _____

Don Chapin, President

ATTEST:

Ramon Gomez, Secretary

**Take Action to Accept the 2022 Grand Jury Report
and
Review Staff responses to Report Findings and Recommendations**

PURPOSE: Accept the 2022 Grand Jury Report, Consolidation of Two North Monterey County Fire Districts, and review staff-prepared responses to the report RECOMMENDATIONS, REQUIRED RESPONSES, and INVITED RESPONSES.

OUTLINE: On June 22, 2022, the Monterey County Civil Grand Jury (MCCG) released a grand jury report after it investigated a potential consolidation of the North County Fire Protection District (NCFPD) and Monterey County Regional Fire District (MCRFD). According to the report, “consolidation should improve coverage and call response times. It should lead to economies of scale for staffing, equipment, and capital improvements. These changes would utilize tax dollars more efficiently.”

The Grand Jury Report was more than likely commissioned after the Local Agency Formation Commission of Monterey County (LAFCO) released, on June 22, 2020, the report “Municipal Service Review and Sphere of Influence Study regarding Fire Protection and EMS in unincorporated Monterey County.” The report identified that property tax revenue apportionment inadequately funds fire districts.

According to the Grand Jury Report, recent interviews with stakeholders indicate parties involved are amendable to consolidation if planned thoroughly, all steps are laid out in an orderly fashion, and equity is reached for all personnel involved.

DISCUSSION: Review and discuss report findings and district-prepared responses. In addition, review and discuss prepared district responses to Report Recommendations.

RECOMMENDATION: Staff recommends the Board accept the Grand Jury Report, review, and provide feedback to responses prepared by District staff, and guide report recommendations.

District staff also recommends a final review of required responses and recommendations during the July board meeting.

Note: Required responses are due by September 30, 2022. Recommendations are due by December 31, 2022.

CONSOLIDATION OF TWO NORTH MONTEREY COUNTY FIRE DISTRICTS



SUMMARY

The 2021-2022 Monterey County Civil Grand Jury (MCCG) investigated a potential consolidation of North County Fire Protection District (NCFPD) and Monterey County Regional Fire District (MCRFD). Consolidation should improve coverage and call response times. It should lead to economies of scale for staffing, equipment, and capital improvements. These changes would utilize tax dollars more efficiently.

The Local Agency Formation Commission of Monterey County (LAFCO) released, on June 22, 2020, the report "Municipal Service Review and Sphere of Influence Study regarding Fire Protection and EMS in unincorporated Monterey County." The report identified that property tax revenue apportionment inadequately funds fire districts. Most fire district revenue comes from property taxes. The county limits growth in unincorporated areas. This action inhibits an increase of property value for tax purposes. Therefore, property taxes remain inadequate to fund fire districts.

An underfunded district like NCFPD, with its aging facilities, equipment, and the recent threat of firefighter lay-offs and one fire station closure, approaches consolidation at a disadvantage. Residents within the NCFPD voted to approve an annual special

assessment fee in 2021, increasing funding for the fire district. This assessment fee is based upon the usage of the property and does not have a sunset clause.

Recent interviews with stakeholders indicate parties involved are amendable to consolidation if planned thoroughly, all steps are laid out in an orderly fashion, and equity is reached for all personnel involved.

GLOSSARY

AB8	California Assembly Bill 8 (FY1979-1980) - provides the ongoing legal structure for distributing the 1% tax rate allocations initially created by Proposition 13
ACLS	Advance Cardiac Life Support (practiced by Paramedics who can start Intravenous therapy and give Intravenous and Intramuscular medications enroute).
BLS	Basic Life Support (CPR and first aid)
BOS	Monterey County Board of Supervisors
CAO	County Administrative Office
CalPERS	California Public Employees Retirement System, a detailed benefit plan funded by employees' contributions and earnings made on CalPERS investments. Most employees contribute a percentage of their salary, which accrues interest under their individual CalPERS account.
CFD	Castroville Fire District
EMS	Emergency Medical Services
EMT	Emergency Medical Technician who practices BLS
EBSSA	The Essential Service Buildings Seismic Safety Act of 1989 -- retrograde refitting for earthquakes
ISO	Insurance Service Office
LAFCO	Local Agency Formation Commission
MCCGJ	Monterey County Civil Grand Jury
MCRFD	Monterey County Regional Fire District
MLH	Moss Landing Harbor

- NFPA 1710** National Fire Protection Association: Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Career Fire Departments
- NFPA 1720** National Fire Protection Association: An Update on Volunteer Deployment Standard
- NCFPD** North County Fire Protection District
- Cal OSHA** California Occupational Safety & Health Administration
- Prop 13** California State Proposition (1978) - "People's Initiative to Limit Property Taxation" is an amendment to the Constitution of California, limiting property tax to 1% of assessed property value and restricts property value reassessments until a property is sold
- Prop 218** Proposition 218 bolsters Proposition 13's limitations on property taxes and special taxes by placing new restrictions on the imposition of taxes, assessments, fees, and charges
- SB1207** (2010) Fire Hazard Impacts requiring volunteer firefighters to meet the same Cal OSHA training and safety standards as career firefighters

BACKGROUND

Formation of Special Fire Districts

In the late 19th and early 20th centuries, no real records were kept of wildfires in Monterey County and methods of fighting those fires were basic at best. It was up to residents to fight fires themselves. In 1934, the Salinas chapter of the California State Grange, an agricultural advocacy established in 1873, requested that a fire protection district be formed to serve the area under the 1923 state law authorizing creation of fire districts.

The Salinas Rural Fire Protection District, after several realignments, changed its name in 2009 to MCRFD. In 2011 it completed a merger with the Carmel Valley Fire Protection District, forming a 400 square mile district serving more than 38,000 residents.

NCFPD was founded in 1949 as the Castroville Fire Department (CFD). The CFD established fire protection services for Moss Landing and Elkhorn. In 1981, LAFCO recommended the consolidation of CFD and Area Two (Prunedale) into one agency and as a result, NCFPD was formed in 1982. The district is 122.0 square miles and serves 40,000 residents.

Fire protection and emergency services have evolved over the past 100 years in Monterey County. Many challenges remain. In unincorporated Monterey County, these services are provided by a network of Federal, State and local agencies, as well as by volunteer firefighters and private ambulance providers. In Monterey County, NCFPD and MCRFPD provide fire protection covering 522 square miles of the county's total 3,281 square miles and service to 16% of the county's population of 433,000. The entire county is included in the County Emergency Medical Services (EMS) Agency's jurisdiction.

Automatic Aid/Mutual Aid

Throughout the years, the development of "Auto-Aid" and "Mutual-Aid" fire protection coverage has become seamless in Monterey County, due to fire departments and districts working collaboratively. Automatic aid is assistance dispatched automatically by a contractual agreement between two fire departments, communities, or fire districts. Mutual aid is assistance dispatched, upon request, by the responding fire department at the scene of an emergency. Mutual aid should also be defined by a signed contractual agreement. True automatic aid has several advantages:

- response from the closest station
- avoiding apparatus duplication
- quickly getting to the National Fire Protection Association (NFPA) staffing levels for a structure fire
- sharing specialty services
- increased availability of staff officers for ICS (Incident Command System) at major incidents
- help with Insurance Services Office (ISO) class rating

Property Tax Revenue

Prior to the passage of Proposition 13 (Prop 13) in 1978, local governments were authorized to levy individual property tax rates. The total tax rate for any individual parcel was the sum of separate rates levied by each local taxing jurisdiction serving that property (e.g., county, city, special districts, school districts, community colleges, Office of Education). The statewide combined tax rate in 1977 was 2.6% of full cash assessed value of individual parcels. In 1978, Prop 13 changed the base tax rate for an individual parcel from 2.6% to 1%. State and local governments were prohibited from imposing any new *ad valorem* (based on value) taxes on real property. The State constitutional amendment reduced property tax revenue by \$7 billion within the first year.

The legislature quickly determined that to maintain essential services property tax would not be subject to a redistribution process each year. Assembly Bill 8 established the basic property tax apportionment system. It ensured that in any fiscal year a local government entity would receive property tax revenue equal to what it received in the prior fiscal year. It would also receive its share of tax revenue due to changes in assessed property values within its boundaries.

The State of California enacted property tax allocation formulas over 40 years ago that remain unchanged. The property tax base and factors used to allocate assessed property values are not responding to changing economic conditions. Property tax dollars are distributed by State statutorily prescribed formulas. For every dollar that is redistributed to one local government entity, another such entity must lose a dollar. Local citizens and their elected representatives lack effective fiscal authority to change State allocation of property taxes to reflect 21st Century community priorities.

Changes of property values have a significant effect on property tax revenue. The energy plant in Moss Landing is by far the largest taxpayer in the NCFPD. The reduction in the assessed value of the power plant from \$800,000 to \$400,000 had a significant impact on special district funding to provide rural fire protection services.

Fire Protection Coverage/Insurance

Insurance Services Office (ISO), a for-profit company, creates ratings for fire departments/districts and their surrounding communities. Each district has an ISO Rating. In the ISO rating scale, a lower number is better: 1 is the best possible rating, while 10 means the fire department does not meet the ISO's minimum requirements.

LAFCO

LAFCO was established in 1963. It is an independent regulatory agency with quasi-legislature authority. The State legislature mandates every county in California to have a LAFCO to encourage the orderly formation of local government agencies, preserve agricultural land resources, discourage urban sprawl, and encourage the efficient delivery of local government services. LAFCO coordinates logical and timely changes to local government boundaries. It coordinates annexations and detachment of territory, incorporation of cities, formation of special districts, and consolidation, merger, and dissolution of special districts. LAFCO is also charged with reviewing and approving ways to reorganize, simplify and streamline governmental organizations.

In June of 2020, LAFCO adopted its report, "2020 Municipal Service Review and Sphere of Influence Study: Special Districts Providing Fire Protection and Emergency Medical Services in Unincorporated Monterey County." The report encouraged all stakeholders in the wider fire/EMS community in Monterey County to expand existing partnerships and dialogues. This was part of an ongoing effort to support and improve services in unincorporated Monterey County.

Seamless Fire Protection Coverage

The agencies and fire districts within Monterey County have a long history of cooperation to coordinate activities. Examples of associations and alliances include:

- Operational Area Fire and Rescue Coordinator for mutual aid
- Monterey County Fire Chiefs Association
- Monterey County Training Officers Association
- Emergency Medical Care Commission

- Dedicated Fire Dispatch (DFD) Committee
- Fire Safety Council
- Monterey County Fire Prevention Officers Association

Mutual aid is an important part of assuring adequate depth of resources for larger emergencies. No single agency can afford to have all the resources necessary for the range of hazards today's fire districts face. The practice has become more common over the last twenty years due to the increase in fire activity and reduction of available volunteers at the local level, after passage of SB1207 in 2010.

Automatic aid is an enhanced form of mutual aid. It provides the response from the closest available resource regardless of jurisdictional boundary of the first responder. There is an expectation that the aid agreement is reciprocal and not lopsided in terms of numbers of responses. Monterey County fire agencies utilize both mutual aid and automatic aid extensively. The cooperation has led to a seamless web of fire protection coverage for the entire County.

Standards

The National Fire Protection Association (NFPA) is a national standards-setting entity that promulgates standards regarding the full range of protection matters. NFPA 1710 relates to staffing for career staffed fire agencies, while NFPA 1720 addresses volunteer fire agencies. NFPA is not a regulatory agency. Application of any standards requires adoption by an agency's governing board.

Another approach is to establish in-house standards based on expected outcomes of an incident. Factors to consider include:

- response time standards based on demographics and expected outcomes
- demographic factors such as residential population density, mobile population, assets at risk, land use, special hazards, incident history and volume of incident
- concentration and distribution for determining number of staff and equipment resources to mitigate the incident, as well as identification of high-volume areas with frequent simultaneous incidents
- equipment kind and type to meet the needs of the response area

- staffing levels to mitigate an incident adequately and safely, be it career, reserve, or volunteer

A common third option is to use Insurance Services Office (ISO) classifications. Their grading is broken down into three major categories: communications/receiving and handing of fire alarms (10%), soundness of fire department/district (50%) and water supply (40%). The grading is compared to adopted organizations' standards and helps determine property fire insurance costs.

Rural water supply ratios are based on developing a water flow where the nearest hydrant is greater than 1,000 feet from the protected structure. In many cases, there is not a hydrant within several miles of the structure and all water must be transported by water tender from a static water source. ISO Class 10 is assigned to all areas greater than five road miles from the nearest fire station or where responding apparatus does not meet the minimum requirements of Class 9 (a brush truck with a permanently mounted 50 gpm @150 psi pump and a 300-gallon tank). If a fire apparatus is in good working order, it will be given credit toward ISO ratings. A homeowner whose property is valued at \$100,000 will save \$433 per year if the fire department/district improves from an ISO of Class 9 to Class 5. ISO ratings are updated every five to eight years.

The 2010 Monterey County General Plan (Safety Element-Emergency Services Section) has established goals for response times for fire, ambulance and emergency services:

- 8 minutes or less, 90% of the time in urban and community areas
- 12 minutes or less, 90% of the time in suburban areas and rural centers
- 45 minutes or less, 90% of the time in rural areas

Service Areas

NCFPD covers 122.9 square miles in North County from the Santa Cruz County line to just short of the Salinas City Limits. It includes Pajaro, Moss Landing, Las Lomas, Castroville, and Prunedale. NCFPD added the Monterey Regional Waste Management

District (MRWMD) and Monterey One Water (M1W) properties into its fire service boundaries in 2017. As of 2020, the district serves 42,000 residents.

Major highways crisscross NCFPD, including US Highway 101, State Route (SR)1 along the coast, SR156 West, and SR183. SR1, in addition to connecting the coastal cities and communities along its path, provides access to beaches, parks, and other attractions along the coast, making it a popular route for tourists. SR156 is one of the major thoroughfares used by residents, commuters, tourists, and commercial trucks to travel from the Monterey Peninsula. It carries more than 32,000 vehicles each weekday, more on warm weather weekends. SR183 is a two-lane road that carries farmworkers and produce from Santa Cruz County, through Castroville to Salinas and points south, connecting SR156, SR1 and US Route 101.

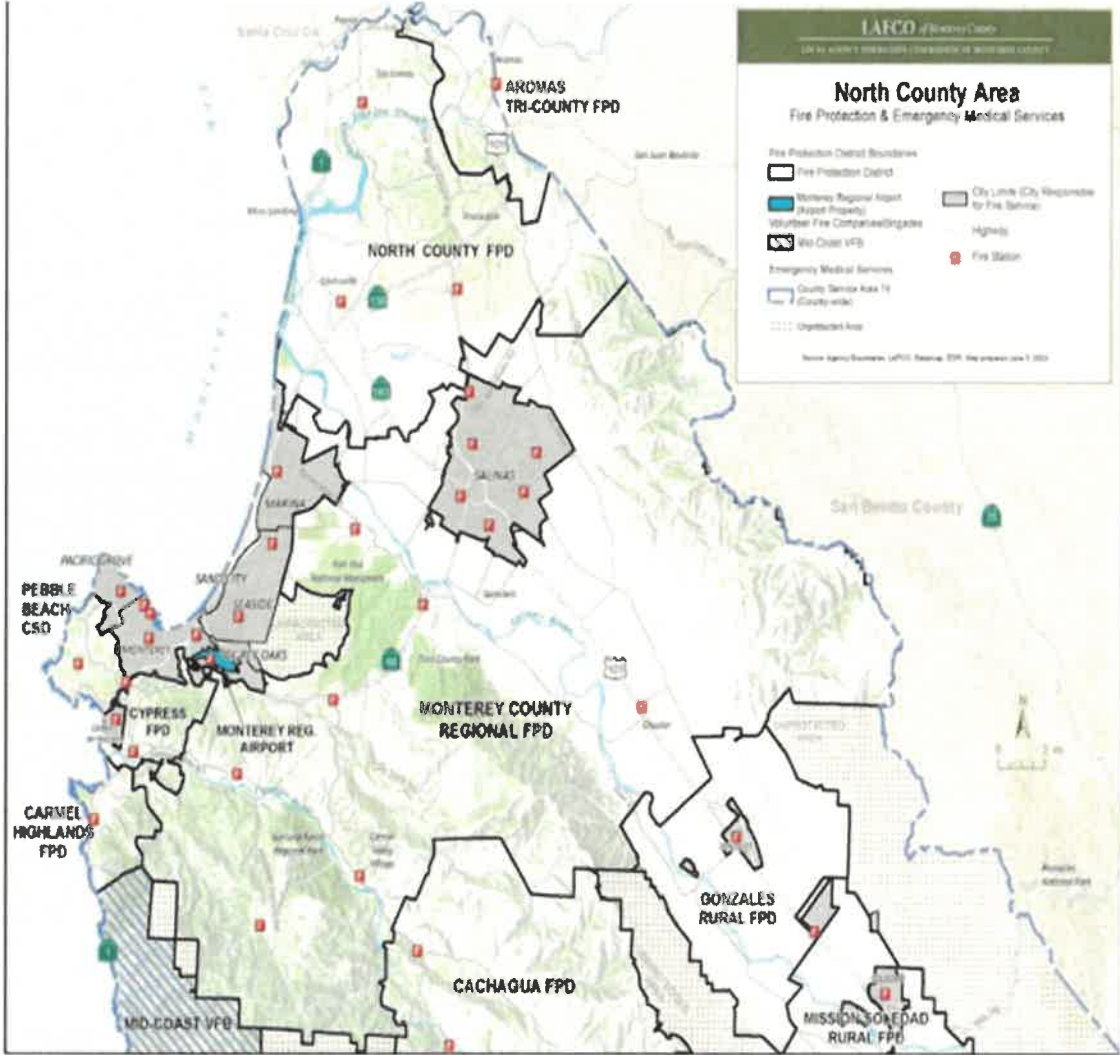
MCRFD covers triple the area of NCFPD. It stretches from the San Benito County Line on the east to Ryan Ranch and Carmel Valley on the west and south to the Gonzales Rural Fire Protection District. The district encompasses a fair number of Cannabis cultivation greenhouses in unincorporated areas that have been rehabilitated, increasing their property value tax.

Two main thoroughfares cross MCRFD. SR68 (Salinas-Monterey Highway) is a designated scenic route that connects the Monterey Peninsula to US Highway 101 and the Salinas Valley. SR68 is the key route for vehicular traffic that facilitates commute travel between Salinas and Monterey for 25,000 to 30,000 vehicles each day, as well as tourism and special event traffic. SR68 also aids freight and agricultural transport between the City of Salinas and River Road, as well as transport of goods and visitors to the Monterey Peninsula.

US Highway 101, the Pacific Coast Highway, runs north-south from Mexico to the Puget Sound and is a major parallel route between Los Angeles and San Francisco. More than 200,000 cars, trucks and farm vehicles use the roadway daily. For MCRFD, 85% of their service calls are medically related but only 35% involve motor vehicles.

Higher tourism and increased use of Monterey County highways bring rising demands for emergency services. Questions of reimbursement for such services strain each rural fire district budget.

NCFPD & MCRFP MAP



METHODOLOGY

- Interviewed fire personnel from various fire districts
- Interviewed other county government agencies and elected officials
- Reviewed LAFCO's 2020 Report, "Municipal Service Review and Sphere of Influence Study regarding Fire Protection and EMS in Unincorporated Monterey County."
- Reviewed various industry webpages, prior MCCGJ reports, and news media reports
- Reviewed fire districts' budgets, procedure manuals and financial statements

DISCUSSION

Consolidation could provide efficiencies of scale, equalization of staff levels and talents, upgraded equipment, funds for rehabilitation and maintenance of aging fire stations, capital improvements, standardization of service costs, and improve coverage and response times. Administrative staff and costs would be reduced in consolidation. The challenge of consolidation lies with the willingness of districts to share resources and revenue.

Stakeholders

Both districts respond to an almost equal number of service calls. However, NCFPD has half the staff and gets approximately 33% less property tax revenue than MCRFD.

NCFPD currently has 37 staff and 10 volunteers, responds to 3,437 calls for service, and has an ISO Public Protection Classification of 4/10. The annual revenue for the year 2020 was \$7 million. In 2021, a Prop 218 special assessment fee was passed, averting closure of one fire station, having its ISO Classification degraded, and permanently losing six firefighter positions. The passage aided in hiring back six firefighters that had been laid off due to failing revenues and the end of the Safer Grant. Grants are not sustainable as there is no guarantee that the district will be awarded those grants. Yet, in the past six years, NCFPD has received ten grants totaling \$3

million. In 2020-2021, NCFPD collected \$190,995 on claims of \$225,066 from insurance companies for response services on roadways.

PRUNEDALE FIRE STATION (NCFPCD)



NCFPD relies on the county-contracted American Medical Response (AMR) for Advanced Life Support and transportation medical calls. NCFPD has three fire stations, built in the 1950s, are not Americans with Disabilities Act (ADA) compliant and in need of Essential Service Buildings Seismic Safety Act of 1989 (EBSSA) upgrades. NCFPD's aging fire apparatus, some 35 years old, need replacement.

As a result of the rehiring of firefighters after the passage of the Special Assessment Fee election in 2021, IAFF Union members are more confident about District finance stability. Paramedic Advance Life Support (ALS) training remains out of reach in NCFPD, with present budget constraints and other, more demanding issues.

EAST GARRISON FIRE STATION (MCRFD)



MCRFD has 77 staff and 12 volunteers, responds to 3,579 calls for service, and has an ISO Public Protection Classification of 3/10. The 2020 annual revenue was \$18 million.

MCRFD passed a special assessment fee in 2018 to augment fire inspectors needed to evaluate cannabis industries for fire permits. It generates \$350,000 yearly with no sunset date. MCRFD applied for 27 grants over the past 10 years and received \$5 million. Fire apparatus are staffed by paramedics, and MCRFD operates the ambulance service in Carmel Valley as a “grandfathered” service from the consolidation with the Carmel Valley Fire District in 2011, which encountered obstacles that took four years to resolve. Disparities in revenue, resources, and level in medical training of firefighters in NCFPD and MCRFD can present similar obstacles.

Fire District Attributes at a Glance		
Attributes	MCRFPD	NCFPD
District area (estimated square miles)	399.6	122.9
Population (2020 estimated)	38,350	42,000
Total Revenues (FY 2020)	\$ 18,104,876	\$ 7,042,901
Number of Stations	7	3
Square miles per station	57	41
Annual revenue per capita entire district	\$ 463	\$ 159

Liabilities

MCRFD needs \$12 million annually just to keep up with future medical insurance and retirement liabilities with CalPERS. As incorporated cities grow, they annex land adjacent to their city limits. This reduces property tax revenue for unincorporated area fire districts. MCRFD has an up-to-date fire station that serves East Garrison Community Service District (EGCSD), off Reservation Road. As the City of Marina grows, EGCSD is destined to be annexed into the city. Consequently, MCRFD would lose EGCSD property tax revenue.

Savings

Consolidation could reduce administrative costs. Rather than replicate departments within each fire district, there would only be a need for one fire chief, one human resources department, one finance department, one board. Purchasing could be centralized. Resource sharing could also consolidate grant writing, training, insurance reimbursement, and universal adoption of best practices.

CONCLUSION

MCCGJ recommends the North County Fire Protection District and Monterey Regional Fire District hire an outside consultant to do a feasibility study on consolidating the two districts. The study should investigate the current disparities in funding the fire districts, recommend short- and long-term strategic planning, and provide guidance on

reaching consensus. It is important that all stakeholders (fire districts, firefighters unions, LAFCO, the Monterey County Board of Supervisors, and the citizens of both districts) be involved from inception to get a workable agreement. Interviews with stakeholders indicate all parties are amenable to consolidation with thoughtful planning, steps laid out in an orderly fashion, and equity reached for all involved.

FINDINGS

- F1** Property values and tax allocations disproportionately underfund fire districts throughout Monterey County.
- F2** NCFPD tax revenue was drastically reduced when Duke Energy sold the decommissioned Moss Landing Power Plant.
- F3** In 2018, NCFPD annexed Monterey Regional Waste Management and Monterey One Water property with increased risk but no increase in tax revenue.
- F4** In 2020, NCFPD laid off six firefighters and considered closing one fire station due to budget constraints.
- F5** Voters in NCFPD had to enact a special assessment fee in 2021 to avert layoffs and station closures.
- F6** NCFPD fire stations are outdated and fire apparatus needs updating and/or replacement.
- F7** The number of service calls is similar between NCFPD and MCRFD. North County has only half the personnel and is responding with outdated equipment.
- F8** Automatic and mutual aid agreements alone are not sufficient to resolve fire coverage issues in the two districts.
- F9** Distinct differences of EMS services exist between NCFPD (EMTs) and MCRFD (Paramedics).
- F10** Though National Fire Standards recommend four firefighters per engine, NCFPD only staffs two and MCRFD three.
- F11** Consolidation could be supported if all stakeholders are actively involved in the planning process.
- F12** In consolidation, economies of scale (grant-writing, administrative costs, shared revenue, human resources) could benefit both districts.

RECOMMENDATIONS

- R1** NCFPD and MCRFD hire an outside qualified consultant by December 31, 2022, to study the feasibility of consolidating the two districts.

REQUIRED RESPONSE

The following responses are required pursuant to Penal Code §933 and §933.05:
From the following governing bodies within 90 days:

- North County Fire Protection District
Findings: F1-12
Recommendations: R1 by September 30, 2022
- Monterey County Regional Fire District
Findings: F1-12
Recommendations: R1-by September 30, 2022

INVITED RESPONSES

- LAFCO
Findings: F1-12
Recommendations: R1

Reports issued by the Grand Jury do not identify individuals interviewed. Penal Code §929 requires that reports of the Grand Jury not contain the name of any person or facts leading to the identity of any person who provides information to the Grand Jury.

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APPENDICES

APPENDIX A: Distinctions between paramedics and EMTs

APPENDIX B: NCFPD Fire Apparatus Fleet Age

APPENDIX C: Sources of Revenue

APPENDIX A

MEDICAL RESPONSE SERVICES PROVIDED BY FIRE DISTRICTS

MCRFPD Paramedic Advanced Life Support	NCFPD EMT Basic Life Support
Administer medication, insert IV's, resuscitate patients, provide breathing support using tubes and ventilation devices	Stop external bleeding, administer CPR, stabilize patients
Training includes 1,200 to 1,800 hours of classroom, clinical and field internship	Training is 120 to 150 hours
Paramedics take the NREMT and National Registry Paramedic Cognitive exam	EMTs take National Registry of Emergency Medical Technicians (NREMT) exam

APPENDIX B

NCFPD FIRE APPARATUS FLEET AGE

Type of Vehicle	Purchase Year	Purchase Price	Life Span	Replace Year	Replacement Cost as of 2019
Brush Fire Engine	1988	\$ 107,570	20	2008	\$ 575,000
Fire Engine Pumper	1990	\$ 170,000	20	2010	\$ 575,000
Beach Rescue	1998	\$ 26,800	15	2013	\$ 65,000
Utility Pick Up	1998	\$ 25,693	15	2013	\$ 55,000
Command Vehicle	2004	\$ 22,545	10	2014	\$ 70,000
Fire Engine Pumper	1996	\$ 266,059	20	2016	\$ 575,000
Fire Engine Pumper	1996	\$ 170,000	20	2016	\$ 575,000
Command Vehicle	2006	\$ 37,145	10	2016	\$ 70,000
Utility SUV	2001	\$ 50,000	15	2016	\$ 75,000
Command Vehicle	2007	\$ 43,238	10	2017	\$ 70,000
Utility Pick Up	2002	\$ 45,000	15	2017	\$ 55,000
Command Vehicle	2008	\$ 22,545	10	2018	\$ 70,000
Water Tender	1995	\$ 280,511	25	2020	\$ 435,000
Bush Fire Engine	2001	\$ 200,271	20	2021	\$ 438,818
Bush Fire Engine	2001	\$ 200,271	20	2021	\$ 438,818
Fire Engine Pumper	2003	\$ 350,327	20	2023	\$ 575,000
Fire Engine Pumper	2003	\$ 350,327	20	2023	\$ 575,000
Heavy Rescue	2005	\$ 247,034	20	2025	\$ 400,282
Ladder/Pump Truck	2001	\$ 490,310	25	2026	\$ 850,500
Water Tender	2004	\$ 192,629	25	2029	\$ 435,000
Fire Engine Pumper	2010	\$ 435,000	20	2030	\$ 575,000
Total Apparatus Replacement Costs:					\$ 7,553,418

APPENDIX C

SOURCES OF REVENUE

Property Tax	Proposition 13 – 40% goes to special districts, allocation is set by law.
Sales Tax	Proposition 172, 9.13% goes to special districts. Fire districts allocate revenue.
Special Assessments	NCFPD voters approved an assessment in 2020 for NCFPD only, \$98/residential parcel.
Cannabis Tax	\$0.18/sq ft on cultivation, \$0.10/sq ft on nurseries, \$1.00/sq ft on manufacturing and retailers for MCRFD only
Grants	Beneficial for one-time purchases and improvements. Underutilized due to lack of resources to provide follow up administration.
Bonds	Can only be used for facility improvements and must receive approval by 2/3 of voters.
Insurance Reimbursement	Outsourced agency bills insurance for medical reimbursement.

FINDINGS

F1 Property values and tax allocations disproportionately underfund fire districts throughout Monterey County.

Response: The respondent agrees with the finding.

F2 NCFPD tax revenue was drastically reduced when Duke Energy sold the decommissioned Moss Landing Power Plant.

Response: The respondent disagrees partially with the findings.

Depreciation of the Moss Landing Power Plant (MLPP) leads to revenue loss for the Fire District over the long term. When Duke Energy sold the MLPP to Vistra Corporation, the plant had been online for nearly 20 years since its last major upgrade, and it was producing less energy than before. Due to depreciation, the tax revenue decrease began long before the sale of the MLPP. In the early 2000s, with its' significant upgrades, the MLPP was valued at over \$ 1 billion, and the district received \$1 Million +/-; by 2020, the MLPP valuation was considerably less, and the associated district tax revenue was down to \$150K per year. When this happens, the depreciation at the MLPP offsets any gains that other residential and commercial properties make.

Recent upgrades at the MLPP have increased the MLPP valuation and therefore increased the tax revenue that the District receives. In 2021, MLPP's valuation increased by about \$400 Million; in 2022, its valuation increased by another \$156 Million. This change in valuation translates to a gain of about \$556K in tax revenue for the district.

F3 In 2018, NCFPD annexed Monterey Regional Waste Management and Monterey One Water property with increased risk but no increase in tax revenue.

Response: The respondent agrees with the finding.

F4 In 2020, NCFPD laid off six firefighters and considered closing one fire station due to budget constraints.

Response: The respondent agrees with the finding.

F5 Voters in NCFPD had to enact a special assessment fee in 2021 to avert layoffs and station closures.

Response: The respondent agrees with the finding.

F6 NCFPD fire stations are outdated and fire apparatus needs updating and/or replacement.

Response: The respondent agrees with the finding.

F7 The number of service calls is similar between NCFPD and MCRFD. North County has only half the personnel and is responding with outdated equipment.

Response: The respondent agrees with the finding.

F8 Automatic and mutual aid agreements alone are not sufficient to resolve fire coverage issues in the two districts.

Response: The respondent agrees with the finding.

F9 Distinct differences of EMS services exist between NCFPD (EMTs) and MCRFD (Paramedics).

Response: The respondent agrees with the finding.

F10 Though National Fire Standards recommend four firefighters per engine, NCFPD only staffs two and MCRFD three.

The respondent disagrees partially with the findings.

NCFPD hired five new firefighters on February 1st, 2022, to replace the five laid-off firefighters that were laid off on June 30, 2019. With the new staffing level, a typical day will have staffing of three firefighters in Las Lomas, three firefighters in Prunedale, and three firefighters in Castroville. If someone is sick or on vacation, one of the three stations will drop down to two firefighters.

Ideally, if the District had thirty firefighters on the roster, staffing would be three at every station, even if someone is sick, injured, or on vacation.

Regarding staffing levels at MCRFD, NCFPD cannot comment on MCRFD daily staffing as we do not have the data to back it up.

F11 Consolidation could be supported if all stakeholders are actively involved in the planning process.

Response: The respondent agrees with the finding.

F12 In consolidation, economies of scale (grant-writing, administrative costs, shared revenue, human resources) could benefit both districts.

Response: The respondent agrees with the finding.

RECOMMENDATIONS

R1 NCFPD and MCRFD hire an outside qualified consultant by December 31, 2022, to study the feasibility of consolidating the two districts.

Response: The recommendation requires further analysis. Several questions must be asked and answered before deciding on whether to move forward with the request. The basic questions are:

1. Are NCFPD interested parties still interested in moving forward with a study, or has its financial situation changed for the better?

2. Are NMCRFD interested parties currently interested in moving forward with a study, or has its financial situation changed for the better?
3. Who Will pay for the feasibility study? Will the Districts be forced to pay for this government mandate? Some time ago, LAFCO indicated that it might be able to fund a feasibility study and provide a paid consultant to guide the interested parties thru a process.

The matter will be discussed by the District governing body at the NCFPD regular board meeting on June 22, 2022.

As of this writing, no formal discussion has occurred with MCRFD regarding the matter.

DRAFT