



BOARD MEETING AGENDA SUBMITTAL

TO: GCSB Board of Directors

FROM: Pete Kampa, General Manager

DATE: January 12, 2021

SUBJECT: Agenda Item 5A. Update on the staffing, facility improvement and equipment budget projections, financial analysis, and funding plans to accomplish a Groveland CSD Fire Department standard consisting of a minimum of four staff and two engines at all times

RECOMMENDED ACTION:

This is an update report only at this time, with no specific action required. Board input and staff direction on this matter is appropriate and expected.

BACKGROUND:

The District Board commissioned the update of the Fire Department Master Plan, which was completed and adopted in 2020. The two major concerns raised in the mater plan update was the shortage of full time staffing and the funding shortfall that exists currently; even without the added staffing. Since the acceptance of the Master Plan update, the District has adopted its recommended deployment standards and secured the financial participation of Tuolumne County in the cost of providing mutual aid in the region, through funding of the CAL FIRE Amador contract.

During the District's December 2020 Board meeting, the Board adopted a goal to implement the increased staffing strongly recommended in the Master Plan update, and directed staff to further evaluate the associated cost and revenue options. The attached draft financial impact analysis details the fire department operating costs as outlined in our 2020/21 fiscal year budget, the cost of implementing the Equipment Replacement Program which is currently unfunded, as well as the cost of funding the staff, facility improvements and equipment for the second two person, 24x7x365 fire crew. To facilitate this plan, the number of full time staff funded would increase from 5 to 10, a second Type 1 Fire Engine would be financed, as would needed improvements to the GCSB fire station.

The attached sheet also identifies several sources of revenue possible to fund the second crew. You will also see that the proposed June 2021 fire special tax revenue is included in the calculation, which provides an estimated \$552,579 annually. If the special tax is not approved by the voters, our goal of increased staffing will be much further away and possibly unattainable. Once the final staffing level and cost is established and approved by the Board, all financial plans in the future, including the planned June 2021 special tax measure, planning with Tuolumne County, and the formation of the Community Facilities District will include the District's Fire Department Financial Plan. Following this Board meeting and Board direction, this financial plan should be considered for adoption by the Board in February 2021.

ATTACHMENTS:

- Draft financial impact evaluation of implementing a second full time fire crew

FINANCIAL IMPACT:

The estimated cost impact to implement a second fire crew under the Schedule A Cooperative Agreement with CAL FIRE is approximately \$1.1 million annually, including needed renovations to the fire station and a second Type 1 fire engine. An additional \$258,000 is needed annually to implement our equipment and facility replacement reserve program.

Groveland Community Services District

Fire Fiscal Impact Analysis

4-0 Staffing, 2 engines

Item	Adjusted Annual Reoccurring Expenditures
Department Salaries / Benefits ¹	\$72,058
Department Services / Supplies ¹	\$63,820
CAL FIRE Schedule A Cooperative Agreement ²	\$2,082,368
Unfunded Pension Liability ¹	\$62,730
Other (Incl. OPEB, Leases, Cost of Water) ¹	\$26,028
District Administration Allocation ¹	\$77,456
Fire Station Expansion/Renovation ⁴	\$17,000
Additional Type 1 Apparatus ⁵	\$88,000
Department Capital Outlay ³	\$257,509
Total Annual Expenditures	\$2,746,969
(Existing) Property Tax Revenue	\$1,130,000
(Proposed) Special Tax Revenue	\$552,579
Total Revenue	\$1,682,579
Revenue Shortfall	-\$1,064,390

Potential Revenue Options:

Community Facilities District within GCSD (Formation in Progress)

Additional Property Assessment or Special Tax

Tuolumne County allocation of TOT, special tax or other revenue

SAFER Grant participation (covers three years' staff cost at declining percent annually)

Notes:

¹ From District's 2020-21 Adopted Budget for the Fire Department. Excludes Jones Hill Fire Break Grant.

² Based on increased staffing level from 5 personnel to 10 personnel (2 fire captains and 8 fire apparatus engineers).

³ From 2020 GCSD Fire Master Plan Update and Board approved equipment replacement schedule, which is currently not funded due to lack of tax revenue. Includes apparatus, equipment and station upgrades and replacement.

⁴ **(SECOND CREW)** Estimated \$250,000 to modify sleeping quarters and common areas for added staff and current standards

⁵ **(SECOND CREW)** Financing \$750,000 for 10 years