



**FISCAL PEER REVIEW OF  
ANNEXATION PROPOSAL**

**EL DORADO HILLS FIRE  
DEPARTMENT &  
LATROBE FIRE PROTECTION  
DISTRICT**

*August 4, 2014*



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## SECTION 1—SCOPE OF REVIEW

The El Dorado Hills Fire Department (El Dorado Hills FD) retained Citygate Associates, LLC to perform a peer review of the fiscal and operational components of an annexation of the Latrobe Fire Protection District (Latrobe FPD) to the El Dorado Hills County Water District (EDHCWD). The EDHCWD provides fire services and is commonly called the El Dorado Hills FD. The annexation is a product of a pending dissolution application for the Latrobe FPD before the El Dorado County Local Agency Formation Commission (LAFCO).

Specifically, Citygate was asked to:

- ◆ Review the fire services fiscal, operational, and consolidation documents produced to date.
- ◆ Review, evaluate, and make recommendations regarding the fiscal and operational details of a consolidation of fire services in the District's application to El Dorado LAFCO dated February 4, 2014.
- ◆ Prepare an Executive Summary letter, and if requested, prepare a PowerPoint and brief the El Dorado Hills County Water District Board of Directors.

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## SECTION 2—BACKGROUND INFORMATION

### 2.1 APPLICATION TO LAFCO FOR ANNEXATION

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The application for annexation of the Latrobe FPD to the EDHCWD was accompanied by conditions agreed to by both parties and a draft budget for fire protection services in the Latrobe area. The intent of El Dorado Hills FD is to (1) stabilize the level of service to Latrobe area while improving headquarters support services to the career and volunteer firefighters, and (2) be prepared to expand the service level as additional fire service revenue is generated by land within the Latrobe area. Growth within the Latrobe area will begin to generate the need for expanded services that can only be covered by associated revenue.

#### 2.1.1 Proposed Conditions for the Merger of Fire Services

Both of the El Dorado Hills FD and Latrobe FPD Boards have developed the basic conditions that will make a consolidation of the fire services effective for both agencies.

The application for the annexation was conditioned on the following elements in a resolution approved by the Latrobe FPD Board on February 3, 2014:

- A. *It is desired that the proposed annexation provide for and be made subject to the following terms and conditions.*
  1. *That the Board of Directors of the EDHCWD (“EDHCWD BOD”) agrees to the annexation of territory and the conditions set forth herein, and, simultaneously submits to LAFCO a Resolution providing for such annexation.*
  2. *That this annexation shall occur, if at all, only after successful AB-8 negotiations have concluded resulting in a seventeen percent (17%) property tax increment accruing to the EDHCWD for the entire annexed territory. This annexation shall be further conditioned upon confirmation by the County of El Dorado Tax Collector and/or Auditor-Controller that the current ERAF exemption applicable to EDHCWD shall be unaffected by this annexation and that the exemption shall apply prospectively to all areas annexed.*
  3. *There shall be no change to the governing structure of the EDHCWD BOD. Three (3) seats will be subject to open district-wide election in November 2014.*
  4. *There shall be an advisory council established and comprised of Latrobe BOD members and Latrobe residents, to advise the*

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*EDHCWD regarding issues of importance to the Latrobe service area, commencing at annexation and continuing for as long as necessary, but not less than one (1) year from and after annexation.*

5. *That adequate staffing and deployment commitments have been agreed upon and are set forth in the proposed “Plan For Service” jointly developed by EDHCWD and LFPD, a copy of which is attached.*
6. *To ensure an ongoing sense of community within the Latrobe service area, Latrobe area stations will be identified with branding which recognizes both the EDHCWD and the Latrobe community (e.g. El Dorado Hills Fire Department – Latrobe Station 91). Similar branding will be utilized on apparatus. Further details are set forth in the Plan For Service.*
7. *The existing lease agreements for LFPD Stations 91 and 92 shall be extended upon their existing terms for a period of not less than fifty (50) years from the date of annexation. All other real property owned by LFPD shall be deeded to EDHCWD upon annexation.*
8. *All retained personnel shall be subject to EDHCWD policies and procedures. All personnel issues will be resolved by and between the parties prior to LAFCO approval. Additional detail is contained in the Plan For Service.*

*B. The reasons for this proposal are as follows:*

*This jointly proposed annexation, with agreed upon conditions, will stabilize and secure the financial condition of the LFPD, ensure appropriate levels of emergency fire and medical response to all areas of the resulting District, eliminate redundant management personnel, increase operations and efficiencies and maximize available resources.*

The Plan for Service referenced in the Latrobe FPD resolution is included as an attachment to this report.

### **2.1.2 El Dorado County Approval of the Increase in Tax Increment**

On June 10, 2014 the El Dorado County Board of Supervisors approved the transfer of the existing property tax base from the Latrobe FPD to EDHCWD to include an increase to 17 percent of the property tax increment above the base amount that would accrue to the EDHCWD for the Latrobe territory. This transfer of property tax increment will be effective upon the final approval of the proposed annexation of the Latrobe FPD to the EDHCWD. This approval was

the critical fiscal element that the two fire service agencies felt was necessary to make the annexation fiscally viable. On an annualized basis, the FY 2014-15 property tax revenue would be expected to be \$371,381, or an estimated \$264,581 higher than \$106,800 revenue in the prior year.

### 2.1.3 Operational and Fiscal Condition of the Latrobe FPD

The Latrobe FPD serves a population of about 1,000 in approximately 400 dwelling units in an area of 23,000 acres. Fire services to date have been provided with staffing for one fire engine, using part-time paid staff for ten hours per day from Monday through Sunday, a part-time fire chief, and a part-time secretary. The District’s fire stations are in good condition, and the front-line fire apparatus is only 5 to 6 years old. The District already contracts with the El Dorado Hills FD to provide second unit response services when needed. In the most recent year, the contract cost was \$25,000.

The Latrobe FPD, like all small fire departments, does not have a separate fire prevention or firefighter training function. However, with the current agreement with the El Dorado Hills FD, the Latrobe FPD utilizes the El Dorado Hills FD Battalion Chief as a qualified incident commander (chief officer) 24/7/365 to command/control/supervise major emergency incidents.

The Latrobe FPD faces significant challenges maintaining its current level of fire services. Current reserves for the District are estimated to be down to \$300,979 as of June 30, 2014. This is following two years of using reserves to balance the budget. For the years prior to FY 2012-13 the Latrobe FPD received an annual contribution from the County, but this practice was not continued the past two years. At the present rate, the District can expect reserves to be completely exhausted in the next two to three years, and it will also not have reserves left to replace fire apparatus in later years.

The following is a table reflecting expenditures and revenue.

**Table 1—Latrobe FPD History of Revenue and Expenditures**

| Fiscal Year | Revenue   | Expenditures | Surplus/Shortfall | Explanatory Notes                           |
|-------------|-----------|--------------|-------------------|---|
| 2009-10*    | \$573,777 | \$476,891    | +\$96,886         | County Funds: \$156,120<br>Grant: \$266,000 |
| 2010-11*    | \$288,449 | \$201,843    | +\$86,606         | County Funds: \$108,145                     |
| 2011-12*    | \$311,915 | \$247,833    | +\$64,082         | County Funds: \$118,345                     |
| 2012-13*    | \$163,211 | \$237,796    | -\$74,585         | County Funds: \$ 0                          |
| 2013-14**   | \$161,069 | \$286,363    | -\$125,294        | County Funds: \$ 0                          |

\*Data from the annual audit.

\*\*Estimate based on end of year fiscal reports.

Approval of the increase in property tax revenue, as part of the condition of annexing to the EDHCWD, is important to continue at least the present level of fire service in the Latrobe area.

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The attached Plan for Service outlines in greater detail the added revenue; support from the fully staffed headquarters team at the El Dorado Hills FD for fire prevention, training, and equipment maintenance; and 24/365 availability of an incident commander to respond to significant emergency events. The Latrobe FPD request, in its resolution of annexation, indicates that these benefits provide “appropriate levels of emergency fire and medical response to all areas of the resulting District, eliminate redundant management personnel, increase operations and efficiencies and maximize available resources.”

#### **2.1.4 Operational and Fiscal Condition of the El Dorado Hills FD**

The El Dorado Hills FD serves a resident population of about 44,000 with nearly 14,720 dwelling units. Daily fire service is provided with two paramedic positions on one ambulance under a West Slope EMS JPA, 1 truck company, and 3 fire engines. This is a substantial career fire department operation with 16 full-time paid firefighters on duty daily. This daily staffing includes two JPA-funded employees who are assigned to the Medic Unit. There is also an adequately-staffed fire prevention and training function, operational technical support, and a Battalion Chief on duty on each shift to provide supervision and serve as incident commander.

The Preliminary Adopted Budget for FY 2014-15 for the El Dorado Hills FD is \$18,879,981. Of this, \$4,196,000 is for a fire station demolition and construction. Reserves will be approximately \$21,000,000. Citygate finds the El Dorado Hills FD’s finances to be outstanding and reflects the ability of the El Dorado Hills FD to merge successfully with the Latrobe FPD without any expected negative impact on the El Dorado Hills FD. There are, in fact, advantages to the El Dorado Hills FD, as explained later in this report.

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## **SECTION 3—FISCAL AND OPERATIONAL EVALUATION OF THE PROPOSED FIRE SERVICES MERGER**

The Latrobe FPD resolution of its proposal to merge with the EDHCWD reflects both fiscal and operational reasons for proceeding. This section of the report addresses both of these issues.

### ***3.1 ADEQUACY OF THE PROPOSED LATROBE FPD BUDGET AND OPERATIONS AS PART OF A MERGER***

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#### **3.1.1 Overall Assessment**

It is clear from “Table 1: Latrobe FPD History of Revenue and Expenditures” that the Latrobe FPD, with its current sources of revenue, cannot continue providing its present level of service without exhausting its reserves in the next two to three years, and it will not have the reserves available to purchase or lease replacement fire apparatus as necessary.

In merging with the El Dorado Hills FD, the proposed budget reflects not only the added revenue approved by the County Board of Supervisors, but also provides an enhanced level of service. While the FY 2014-15 Budget for the Latrobe FPD portion of the proposed merged operation reflects an annual deficit of \$63,361, this allows the Latrobe FPD area to maintain its current staffing level seven days a week along with added training expenses, and the assignment of a full-time El Dorado Hills FD Administrative Captain. This position will coordinate the fire prevention services and training in the Latrobe area, but also will more fully integrate the two fire agencies through training and on-site supervision. This integration will be an improvement for both fire agencies by making the use of fire personnel at an emergency function with greater coordination across the larger single district. The Administrative Captain can also serve as a fire apparatus Driver Operator if a Latrobe Driver Operator is not available to respond on a call for service during normal working hours.

#### **3.1.2 Adequacy of Projected FY 2014-15 Budget for the Latrobe FPD After Merger with the El Dorado Hills FD**

A Preliminary Budget to provide services within the Latrobe FPD was adopted by the El Dorado Hills County Water District Board of Directors on June 19, 2014, with a hearing scheduled for September 18, 2014 to adopt a final budget. Both the revenue and expenditure portions are presented as a twelve-month budget, although the actual annexation will not occur until near mid-year, at which time the El Dorado Hills County Water District Board will assume responsibility for the budget. Adjustments in the adopted budget will need to be made by the EDHCWD for the current fiscal year to reflect the actual number of months for which the El Dorado Hills FD will have full fire service responsibility for Latrobe. Exhibit B of this report lists this preliminary annual budget.



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On an annualized basis, the budget reflects using \$63,361 in Latrobe reserves while receiving the higher 17 percent property tax increment authorized by the County Board of Supervisors to balance an expenditure budget of \$472,260. This expenditure compares to the prior year Latrobe budget of \$256,570. There are three key questions this report needs to address.

1. What expenditures create the budgeted increase?
2. Are the amounts budgeted adequate to meet the level of services being proposed for the Latrobe area?
3. Does the increase represent an improvement in services within the Latrobe area?

These questions are addressed below:

***What expenditures create the budgeted increase?***

The Latrobe FPD has been operating with a one-third part-time fire chief and a one-third part-time clerk. The Latrobe FPD staffs a fire engine with two part-time personnel for 10 hours per day Monday through Sunday. Volunteer firefighters are the first response personnel for calls after these 10-hour weekday shifts, but are also needed to respond to the calls in support of the apparatus brought by the paid personnel.

For the FY 2014-15 budget, the increase in Latrobe FPD expense for added personnel and training costs are an estimated \$265,864. This increase is represented by:

- ◆ A paid part-time Latrobe Area Coordinator to assist in the transition. This position also will remain during a portion of the transition for records and transfer of business services.
- ◆ An El Dorado Hills FD Administrative Captain that will now be assigned full-time to Latrobe on a 40-hour shift Monday through Sunday. This position will coordinate the fire prevention services and training in the Latrobe area, and also more fully integrate the two fire agencies. This integration will be an improvement for both fire agencies by making the use of fire personnel at an emergency function with greater coordination. The Administrative Captain can also serve as Driver Operator if a Latrobe Driver Operator is not available to respond on a call for service during normal working hours.
- ◆ The fire station, which will be staffed 10 hours per day seven days per week. Expected staffing will be three, but with a minimum of two firefighters on each shift.
- ◆ An additional \$2,500 in funds that have been added for training in the Latrobe Budget.

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The Latrobe area will receive the following at no additional cost in the proposed budget:

- ◆ An Incident Commander (Battalion Chief), who will be available 24/7/365 to respond to major emergencies in the Latrobe area (was provided via contract prior to annexation).
- ◆ Fire Prevention activities, which will be handled by the El Dorado Hills FD Fire Prevention staff.
- ◆ All administrative functions, including audits, which will be handled by the El Dorado Hills FD staff. Very little additional work is anticipated to absorb the Latrobe activities because of the comparatively small size of the Latrobe work force and the size of its expenditures, all which are about 2.5 percent of the total El Dorado Hills FD budget for FY 2014-15.

*Are the amounts budgeted adequate to meet the level of services being proposed for the Latrobe area?*

Citygate reviewed the proposed Latrobe area budget by line item and interviewed El Dorado Hills FD staff to obtain additional detail on the basis for the budgeted amounts. Budgeting, of course, is always “an estimate” because some budgeted items result in unexpectedly larger expenses while other items are “under expended.”

**Finding #1:** Based on our experience in developing and managing fire department budgets, the preliminary adopted budget for the Latrobe area is consistent with the amounts, in total, that Citygate believes are reasonable.

While labor costs are fairly easy to estimate (although a large fire incident can upset any budgeted estimate), the key question is whether the maintenance and operations portion of the budget is adequate. Typically, maintenance and operations expenses, along with an annual reserve set aside for apparatus replacement, average about 12-15 percent of the overall labor costs of a fire department that is staffed similar to the Latrobe operation. The Latrobe maintenance and operations portion of the budget is 15.8 percent.

**Finding #2:** Based on both an analysis of the line item budgeted amounts, and Citygate’s experience with other fire departments, the amount of funds budgeted for the Latrobe fire activities is what would normally be expected to adequately fund the annual non-personnel operations.

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*Does the increase represent an improvement in services within the Latrobe area?*

Increasing staff at the fire station with paid personnel an additional 2 days per week and the addition of a full-time Administrative Captain will provide significant staffing, training, and fire prevention improvements for the Latrobe area. As revenue increases in the Latrobe area, additional staffing can be provided based on several established triggers including: area growth, call volume, call type, response time, budget, and the AB-8 adjustment outlined in the resolution of annexation.

While the added services cost could still exceed the additional property tax revenue, and generate a likely annual deficit of \$50,000 to \$70,000 per year, the annexation benefits both fire agencies, as explained below:

- ◆ El Dorado Hills FD will see an improvement in Latrobe area staffing, training, and command. This translates to a smaller burden and less uncertainty that exists currently with their overall mutual aid responsibility to the Latrobe area as needed. If annexation does not occur and if the Latrobe FPD fire services decrease in later years through budget shortfalls, the workload on the El Dorado Hills FD will increase its mutual aid response into Latrobe.
- ◆ The integration of the two departments will provide a more effective fire response team to the co-joined area, which will benefit both agencies.

### **3.1.3 Concluding Assessment**

Citygate has found that the proposed budget to serve the Latrobe area can reasonably be expected to meet the needs of providing the proposed level of services. There is a clear improvement in services for the Latrobe area, largely supported by the additional property tax increment approved by the County Board of Supervisors. Both the Latrobe FPD and the El Dorado Hills FD will benefit from the annexation in ways discussed in this report, which justifies the proposed revenue and expenditure plan for the Latrobe area.

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## EXHIBIT A—PLAN FOR SERVICE

### El Dorado Hills Fire Department / Latrobe Fire Protection District Annexation

January 21, 2014

*The following material has been inserted from prior public documents produced by the El Dorado Hills Fire Department. While Citygate Associates, LLC reviewed this material, Citygate did not produce it.*

#### **Background**

The El Dorado Hills County Water District known as the El Dorado Hills Fire Department (EDHFD) is governed by a five member Board of Directors elected at large from within the district boundaries. EDHFD currently staffs four full time stations. Minimum staffing consists of three (3) three-person engine companies, one (1) four-person truck company, and one (1) Shift Battalion Chief. EDHFD also staffs a two-person medic unit as part of the El Dorado County Emergency Services Authority (JPA) located at Station 85 giving us a total of 48 line staff.

Administratively, the El Dorado Hills Fire Department has three Chief Officers, which include one Fire Chief, one Division Chief (Training/Prevention), and one Battalion Chief (Administrative Support/Specialist) all located at Station 85. The current work schedule for the Chief Officers ensures that a Chief Officer is available for support in addition to the Shift Battalion Chief Monday through Friday from 07:30 to 17:00 hours. These Administrative Chief Officers are responsible for Training, Fire Prevention, and Administrative Support; they also provide back-up district coverage for large-scale emergency scene management.

The El Dorado Hills Fire Department is also currently working under a work share agreement with Rescue Fire Protection District, which gives EDH the support of an additional Chief Officer (Rescue Fire Chief) in trade for the El Dorado Hills Fire Department Battalion Chief coverage and Fire Prevention and Training Program coordination.

Administrative/Clerical Support is provided by one Operations Specialist, one Fire Prevention Specialist, one Fire Prevention Assistant, and three Administrative Assistants. Accounting and Financial Management is provided by one Chief Financial Officer.

The excellent level of paid staffing is augmented by a robust Volunteer Firefighter and Apprentice program of 45 active personnel that are trained and capable of back-up staffing or augmented emergency response. This combination of paid and volunteer emergency response staffing allows EDH to provide unparalleled service to the community. Additionally the District's fiduciary practices of maintaining a one year operational reserve in the bank provides a stable financial platform for continued emergency services regardless of economic anomalies.

The El Dorado Hills Fire Department has a very diverse response district ranging from extremely rural non-hydrant areas to dense semi-urban areas with hydrants. The district also includes a river, a lake with marina, multiple wildland urban interface threats, a large Business Park with multiple hazards, an EID Waste Water Treatment Plant, and a Town Center with multiple

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merchants including a movie theater and a hotel which bring significant transient challenges. All of this is connected with several major highways.

Over the years EDH has developed performance standards, policies, procedures, personnel and equipment to meet these diverse challenges. It is anticipated that the District's wide breadth of Administrative, Line and Volunteer experience will allow it to blend the newly combined district into one cohesive Fire Department. It is also important to note that over the last few years, the Latrobe Fire Protection District and the El Dorado Hills Fire Department have worked well together on many aspects of Training, District Response and Fire Prevention. The relationship between our Districts and the extensive history together would make the integration of the two districts relatively seamless.

Once annexation is complete, current EDHFD performance standards, policies and procedures will be sufficient to operate safely and enable the combined department to provide an increased level of service to the Latrobe area residents.

## **Proposed Staffing & Current LFPD Personnel**

### **1. Latrobe Area Staffing Upon Annexation (Hours/Personnel)**

- a. The Latrobe Community would be staffed 08:00 to 18:00 seven days per week, with after hour response from Volunteers, Apprentices, and the closest staffed resource, most likely Station 87.
- b. A crew of three (3) people standard, two (2)-person minimum, one (1) Supervisor/Captain, with up to two (2) Firefighters, one of which is Driver Operator Certified.
  - i. The Supervisor position would consist of one part time Supervisor/Captain (also known as the Latrobe Area Coordinator) 3 days per week (30 hours/week) and one Line Captain 4 days per week (40 hours/week).
  - ii. In the event that special circumstances prohibit a Driver Operator from staffing a Latrobe Area Station, the Supervisor/Captain would fill the role of Driver Operator.
- c. The Firefighter positions could be staffed with current Latrobe Paid Staff, Latrobe Volunteers, and qualified EDH Apprentices or Volunteers.
- d. It is the intent to staff with ALS personnel whenever possible. Latrobe Area Volunteers or Apprentices holding a Paramedic License would be encouraged to achieve accreditation within El Dorado County. EDHFD would support this effort.
- e. EDHFD personnel must have orientation and sign off to work in Latrobe.
- f. Latrobe Fire Protection District (LFPD) personnel must have an orientation and sign off to work in EDHFD.

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- i. Note: All personnel will be required to meet all rules, regulations, and job requirements of the job classification they wish to work under.
  - ii. Latrobe Part Time Supervisor/Captain - Latrobe Area Coordinator would not be qualified to work as a Captain in any of the current EDHFD fire stations until meeting all qualifications currently required for the rank of Captain under EDHFD requirements which include State Fire Officer Certification, and successfully passing a competitive testing process.
- g. Chief Officer Coverage would be 24/7/365 by the Shift Battalion Chief or the assigned Duty Chief responding typically from Station 85. Back-up Chief coverage also provided 24/7/365 from Chief Officer(s) located typically at Station 85 during normal operating hours or residence after hours. All Chief Officers have a 20-minute maximum response time back to area (most Chief Officers live locally).

## **2. Current Latrobe Personnel – Paid Staff**

- a. The existing LFPD Paid Staff will maintain their current pay and positions as part time employees to staff the Latrobe Area. This also applies to the part time Captain/Latrobe Area Coordinator position. Per our employment practices and policies, there would also be a path for these personnel to pursue a career position should they choose to. All personnel would be required to pass current EDHFD employment requirements.

## **3. Current Latrobe Fire Protection District Fire Chief**

- a. It is anticipated that prior to, and immediately after annexation, there will be a significant amount of administrative work to be done. We would encourage the current LFPD Chief to assist the organization with the transition process. This position is currently non-paid and would continue to be non-paid throughout this transition.

## **4. Latrobe Part Time Secretary**

- a. The combined district will utilize the part time Latrobe Secretary to deal with transitional issues involving finances, correspondence, records management, and other administrative issues. This person will work closely with the Fire Chief, the Battalion Chief(s), the Administrative Chief, and the Chief Financial Officer to coordinate a smooth transition of district financial and records issues. The continued need for this position will be evaluated on an ongoing basis and the position may be discontinued when appropriate. There also exists the potential for a career Administrative Assistant position as these positions become available within the new district. For any position, qualifications and a competitive hiring process must be met.

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## 5. Current Latrobe Volunteers

- a. EDHFD utilizes Volunteers for response to incidents. It is anticipated that LFPD is similar in those needs with some additional rural requirements. EDHFD will work with the Latrobe Volunteer Personnel that wish to transition to the combined district in an attempt to accommodate needs.
- b. A waiver of the polygraph requirement will be granted for LFPD Long Term Volunteer Personnel wishing to transition to the new district. The standard background check would still be required.

## 6. Current Latrobe Volunteer Captain

- a. This position would be maintained for response capabilities and Volunteer leadership. This position will be reclassified to a Lieutenant since in the current EDHFD rank structure, a rank of Captain designates a paid Company Officer position and Lieutenant designates a Volunteer Company Officer position.

## 7. Hourly Paid Personnel Living Within District – Call Back

- a. Hourly paid, non-benefited personnel would not be able to volunteer for work that is related to the work they get paid for. In other words, they can assist with community events, attend meetings etc., but if they are performing safety work, they must be paid for their time. If called in for an emergency, they would be paid per the “Call Back Compensation Policy” at a two-hour minimum call back. If they work longer than two hours, they would be paid for the time they worked. These off-duty paid personnel would only be called if current staffing levels were incapable of mitigating the incident or if additional staffing were required.

## 8. Transition Process for all LFPD Personnel to EDHFD

- a. All employees that wish to transition to EDHFD will be required to meet the current employment requirement of EDHFD per the “Pre-Employment Testing and Medical Standards Policy” found in Personnel Policies Section I, Sub Section B, Number 5.
- b. The exception to this would be a waiver of the polygraph exam only for the “Long Term” Volunteers referred to in Paragraph 5-b above.
- c. The requirements for Volunteer Firefighter are as follows:
  - i. Must be 18 years old
  - ii. Possess a valid CA Driver’s License
  - iii. Possess a valid CPR Certificate
  - iv. Possess a current EMT-Basic Certification
    1. LFPD Personnel may be grandfathered in and given time and resources to obtain their EMT-B
  - v. Live within 20 minutes of their assigned station



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## 9. Specialty Non-Safety Volunteers

- a. EDHFD allows for these types of positions and classifies them as a “Volunteer in Support”. A Volunteer in Support may perform specific jobs within the limits of their abilities; for example, driving equipment they are qualified on, performing non-fire suppression tasks for the community and Fire Department and assisting with multiple community events.
- b. Two non-safety response positions will be allowed that are currently utilized in the LFPD:
  - i. Water Tender Operator – Must have current Class B License and meet minimum training requirements for Water Tender operation.
  - ii. EMS Support – Must possess EMT-B and CPR-C and meet minimum EMS training standards.
    1. Due to the rural nature and lengthy response times, it is understood that there is a benefit to the Latrobe residents for the Latrobe EMS qualified Volunteers to be able to respond directly to calls for service. This would be accommodated under current Latrobe Policy for Code 3 Medical Aids.

## 10. LFPD Volunteer Length of Service Award

- a. LFPD Volunteers currently in good standing and enrolled in this program would be maintained in the program. This would not be offered to personnel that are not in the program currently or personnel entering the Volunteer program in the future unless the combined Firefighters Association votes to join all members into a Length of Service Award Program.

## 11. Advancement Opportunities for LFPD Personnel Transitioning to EDHFD

- a. For many years, the El Dorado Hills Fire Department has offered an excellent career path with multiple opportunities starting with Explorers and moving up the chain to Volunteers, Apprentices, and Med Techs. Those individuals that are affiliated with EDHFD in these positions are given preference points as career opportunities become available. EDHFD has hired a significant number of our personnel from our “grow your own” programs including the current Fire Chief. All personnel (Paid or Volunteer) must meet the job classification requirements and pass a testing process in order to take advantage of advancement opportunities.

## 12. Financial Compensation for Volunteers

- a. EDHFD reimburses for uniforms, required safety clothing, CDL Class B, and any other cost of maintenance for keeping a Volunteer up to standard. While there is currently a per-call stipend for a volunteer response, that money goes to the



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Firefighters Association for funding community events. It is anticipated that Latrobe Volunteers would be folded into this stipend program.

### **13. Future Staffing of Latrobe Area**

It is the intent of the El Dorado Hills Fire Department (EDHFD) and the EDHFD Board of Directors to fully staff the Latrobe area with a three (3) person engine company (Captain, Engineer, Firefighter/Paramedic) 24/7/365 as soon as practical. Increased staffing levels and hours would be dictated by several established triggers including: area growth, call volume, call type, response time, budget, and the AB-8 adjustment outlined in the resolution of annexation.

Response time triggers would be developed by completing a comprehensive Standards of Cover (SOC) and Community Risk Assessment (CRA) evaluation for the Latrobe area based upon Industry Standards in conjunction with input from the Center for Public Safety Excellence and International Best Practices.

Once this criterion is identified and agreed to, the EDHFD, EDH Professional Firefighters Local 3604, Latrobe Area Advisory Council and EDHFD Board of Directors would evaluate the recommended staffing triggers on an ongoing basis and make staffing changes accordingly. It would be the goal of EDHFD to meet all of the recommended SOC staff levels in Latrobe by 2019 but development of the area and other economic issues would be the deciding factors.

### **Transition Plan**

#### **1. “Paid” Latrobe Part Time Supervisor/Captain - Latrobe Area Coordinator**

- a. The part time (3-day per week) Captain will work closely with EDHFD Staff to ensure Fire Department operations are meeting the Latrobe community expectations. This position would help coordinate and facilitate the smooth transition of all LFPD personnel into the new organization and ensure that EDHFD personnel are trained and familiarized with the additional challenges of the Latrobe community. To accomplish this, the part time Captain will work closely with the 40 hour Captain and Administration to ensure that the LFPD personnel are receiving the proper training and experience to allow them to be successful within the mission of the newly formed organization. This person will also work directly with Administration to ensure staffing and operational requirements are met within the Latrobe area. This position would be appointed by the current LFPD Board of Directors prior to annexation.
- b. This person would also work closely with EDHFD staff to transition training, equipment maintenance, scheduling, records management and day-to-day operations to the appropriate division within the newly combined organization.

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2. EDHFD will develop a “Transition Team” to assist with the details of combining the two organizations. The goal will be to make this as seamless as possible. The team will consist of members from both agencies.

## **Stations, Equipment & Personnel “Branding”**

### **1. Stations and Equipment**

- a. Fire apparatus will have the addition of a small sign stating, “Service provided by the El Dorado Hills Fire Department” under the existing LFPD logo.
- b. Stations can be rebranded to identify both the new department and still represent the community. For example;
  1. El Dorado Hills Fire Department – Latrobe Station 91
- c. An EDHFD Representative will work with the “Latrobe Area Advisory Council” to determine the design and placement of branding.

### **2. Personnel**

- a. Personnel will have (3) three months from official annexation date to acquire the approved El Dorado Hills Fire Department Uniform and patches. The expense for this will be incurred by the newly combined Fire Department.

### **3. Latrobe Firesafe Council**

- a. The Latrobe Area currently has a Firesafe Council. After annexation this group will combine with the El Dorado Hills (Lakehills) Firesafe Council. This combined organization will be responsible for all the areas encompassed by the new boundaries. All current Volunteers and projects will continue to be supported.

## **Latrobe Community Representation after Annexation**

### **1. Advisory Council**

- a. The Latrobe area will maintain community representation in the form of an Advisory Council made up of Latrobe Community Members and/or current LFPD Board Members. This Advisory Council will remain in effect for a minimum of one (1) year after annexation, but can continue in an advisory role for as long as desired. This Council will take issues and suggestions to the Fire Department Board of Directors for action. This Advisory Council does not preclude any member of the public from bringing an issue before the Fire Department Board at any regularly scheduled Board Meeting. The Latrobe Area Advisory Council will work closely with the Fire Department Board of Directors in an advisory role to include, but not limited to, the following topics:

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1. Service Levels to the Latrobe Community
  2. Response Times
  3. Equipment
  4. Staffing & Personnel
  5. Performance Criteria
  6. Community Activities/Events
  7. Policies (that pertain to the Latrobe Area)
  8. Budget

Note: the next open election in November of 2014 will open three Board vacancies. All residents within the newly formed district will be eligible to run for the Fire Department Board seats.

- b. **Supporting Data & Documentation:** Currently the EDHFD Board of Directors receives quarterly reports for Fire Department performance in a number of quantitative measures. This information is made available to the public and would be available to the Latrobe Advisory Council or any other community member by either attending a Board meeting or checking the EDHFD website at [www.edhfd.com](http://www.edhfd.com).

## **Role of Current Latrobe Firefighters Association**

### **1. Immediately After Transition**

- a. It is anticipated that the Latrobe Firefighters Association would continue to support the Latrobe Community and Fire Department with events and activities as it has in the past. Any existing funds associated with the Latrobe Firefighters Association would continue to be utilized within the Latrobe area to support traditional community events.

### **2. Future**

- a. El Dorado Hills also has a very active Firefighters Association, which is currently responsible for a multitude of community events and support of the Fire Department. Over time, the goal would be for these two groups to combine and form a more powerful group supporting the new organization and new community boundaries as a whole.

## **El Dorado County Representation for the Latrobe Area**

1. Upon annexation, the districts would become one. The Fire Chief, the Administrative Staff and the Fire District Board of Directors would represent the new district interests within the County as a whole. These would include, but are not limited to:
  - a. County Fire Chiefs Association
  - b. County Training Officers Association
  - c. County Fire Prevention Officers Association
  - d. El Dorado County Board of Supervisors Meetings
  - e. El Dorado County JPA Meetings (Ambulance Service)

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## **Operations, Training, Fire Prevention**

1. Operations, Training and Fire Prevention are the foundation of any Fire Department. EDHFD would utilize its extensive experience in each of these divisions to enhance the level of service currently being provided to the Latrobe Firefighters and residents. By unifying these efforts, the entire district of the new organization realizes a benefit through increased efficiencies, cost savings, and response capabilities. This equates to greater firefighter and community safety.

## **Facilities and Locations**

### **1. Ryan Ranch Road - 3 Bay Station**

- a. Currently used for apparatus storage, training, volunteer response and community meetings.
- b. Pending the continuation of the current low cost lease agreements with the property owner, this use is anticipated to continue.

### **2. Latrobe & South Shingle Road – 3 Bay Station**

- a. Currently used for apparatus storage and day staffing.
- b. Pending the continuation of the current low cost lease agreements with the property owner, this use would continue. Initially this station would also continue to be the “staffed” station referred to in the staffing plan.

### **3. Five Acre Lot Located at Hefrin and Dodson Roads**

- a. Due to the 24/7/365 staffed Station 87 location in the EDHFD Business Park, this Hefrin/Dodson location may be more appropriate for a staffed station in Latrobe than the current location at Latrobe and South Shingle. This new location could improve response time to residents in the more populated center of Latrobe. If the Standards of Cover and Community Risk Assessment support this location, and as growth and budget increase, it would be our intent to improve that location for 24/7/365 operation. Initial staffing would follow the current plan of 7 days a week 08:00 to 18:00 hours with after hour staffing possibly being provided by Volunteer or Apprentice positions. As staffing requirements increased to full time, this could be the location where that would occur. Station 91 would remain functional for Volunteer Response.

## **Vehicle and Equipment Maintenance**

1. EDHFD currently employs a full time Operations Specialist that schedules maintenance, and tracks and maintains records of all “rolling stock”. The responsibility for LFPD assets would be transitioned over to this position within the new district. The Operations Specialist

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is also responsible for tracking and determining depreciation and replacement timing on apparatus.

2. It is anticipated that all equipment currently in use within LFPD would continue being used in the same manner.
3. As equipment breaks down or is out of service for maintenance, the EDHFD maintains a sufficient amount of “back-up” stock to support these occurrences.

### **Administrative Support**

1. The new district would be responsible for all administrative support including, but not limited to, the following:
  - a. Finance – Including Billing, Budgeting, Forecasting
  - b. Fire Prevention – Including Plan Checks, Inspections, Permitting
  - c. Training – Fire, EMS, State Mandates
  - d. IT Support
  - e. Secretarial
  - f. Chief Officer Support and Coverage
  - g. Human Resources
  - h. Personnel and Records Management
  - i. Equipment Tracking and Maintenance

## EXHIBIT B—LATROBE BUDGET FISCAL YEAR 2014-15

### Revenue

| Source                                       | 2014-2015         | 2013-2014         |                   |
|--|-------------------|-------------------|-------------------|
|  | Estimated         | Budget            | Difference        |
| 0350 - From Reserves (Undesignated)*         | 63,361.34         | 118,570.00        | (52,084.67)       |
| 0100 - Property Taxes - Current Secured      | 360,112.00        | 105,000.00        | 255,112.00        |
| 0110 - Property Taxes - Current Unsecured    | 2,236.00          | 1,800.00          | 436.00            |
| 0120 - Property Taxes - Prior Secured        | 9,033.00          | 0.00              | 9,033.00          |
| 0130 - Property Taxes - Prior Unsecured      | 0.00              | 0.00              | 0.00              |
| 0140 - Supplemental Property Taxes - Current | 0.00              | 0.00              | 0.00              |
| 0150 - Supplemental Property Taxes - Prior   | 0.00              | 0.00              | 0.00              |
| 0175 - Special Tax (633)                     | 35,818.00         | 30,000.00         | 5,818.00          |
| 0360 - Penalty and Costs                     | 200.00            | 200.00            | 0.00              |
| 0400 - Interest                              | 300.00            | 300.00            | 0.00              |
| 0820 - Home Owners Property Tax Relief       | 1,200.00          | 0.00              | 1,200.00          |
| 0880 - Other: Strike Team                    | 0.00              | 500.00            | (500.00)          |
| 1403 - Development Fees                      | 0.00              | 0.00              | 0.00              |
| 1940 - Misc.: Revenue                        | 0.00              | 0.00              | 0.00              |
| 4750 - Sale of Fixed Assets                  | 0.00              | 0.00              | 0.00              |
| <b>Grand Total Revenue</b>                   | <b>472,260.34</b> | <b>256,370.00</b> | <b>219,014.33</b> |

### Expenditures

|                                | 2014-2015   | 2013-2014   |            |
|--------------------------------|-------------|-------------|------------|
|                                | Fiscal Year | Fiscal Year | Difference |
| <b>Salaries &amp; Benefits</b> |             |             |            |
| 3000 Regular Employees         | 120,689.01  | 0.00        | 120,689.01 |
| 3001 Extra Help                | 139,800.00  | 115,000.00  | 24,800.00  |
| 3002 Overtime                  | 15,772.80   | 0.00        | 15,772.80  |
| 3004 Other Compensation        | 0.00        | 1,200.00    | -1,200.00  |
| 3020 Retirement*               | 58,209.02   | 7,500.00    | 59,519.32  |
| 3021 Social Security*          | 9,645.51    | 5,500.00    | 1,742.00   |
| 3022 Medicare*                 | 4,005.80    | 1,320.00    | 2,403.00   |
| 3040 Health Insurance          | 24,091.20   | 0.00        | 24,091.20  |
| 3041 Unemployment Insurance    | 896.00      | 700.00      | 196.00     |
| 3042 Long-term Disability      | 240.00      | 0.00        | 240.00     |

|                                    | 2014-2015         | 2013-2014         |                   |
|------------------------------------|-------------------|-------------------|-------------------|
|                                    | Fiscal Year       | Fiscal Year       | Difference        |
| 3060 Workmans' Compensation        | 27,101.00         | 12,000.00         | 15,101.00         |
| <b>Salaries &amp; Wages Total:</b> | <b>400,450.34</b> | <b>143,220.00</b> | <b>263,354.33</b> |
| <b>Services &amp; Supplies</b>     |                   |                   |                   |
| 4020 Clothing                      | 7,500.00          | 4,000.00          | 3,500.00          |
| 4040 Telephone Company             | 2,500.00          | 2,040.00          | 460.00            |
| 4043 Dispatch                      | 1,200.00          | 1,200.00          | 0.00              |
| 4060 In-service Food               | 300.00            | 300.00            | 0.00              |
| 4080 Household Expense             | 500.00            | 0.00              | 500.00            |
| 4085 Refuse Disposal               | 1,300.00          | 1,300.00          | 0.00              |
| 4100 Insurance                     | 8,000.00          | 11,000.00         | -3,000.00         |
| 4140 Equipment Maintenance         | 5,000.00          | 5,000.00          | 0.00              |
| 4141 Office Equipment Maintenance  | 1,000.00          | 1,000.00          | 0.00              |
| 4142 Radio Maintenance             | 500.00            | 500.00            | 0.00              |
| 4145 Maintenance Equipment         | 700.00            | 700.00            | 0.00              |
| 4160 Vehicle Maintenance Service   | 5,000.00          | 5,000.00          | 0.00              |
| 4161 Vehicle Maintenance Parts     | 5,000.00          | 12,000.00         | -7,000.00         |
| 4162 Vehicle Maintenance Supplies  | 500.00            | 500.00            | 0.00              |
| 4164 Vehicle Maintenance Tires     | 1,000.00          | 1,000.00          | 0.00              |
| 4180 Building Maintenance          | 1,000.00          | 1,000.00          | 0.00              |
| 4201 Medical Supplies              | 500.00            | 500.00            | 0.00              |
| 4220 Memberships                   | 750.00            | 0.00              | 750.00            |
| 4260 Office Expense                | 500.00            | 1,000.00          | -500.00           |
| 4261 Postage                       | 400.00            | 400.00            | 0.00              |
| 4264 Books/Manuals                 | 500.00            | 500.00            | 0.00              |
| 4265 Law Books                     | 0.00              | 0.00              | 0.00              |
| 4300 Professional Services         | 3,500.00          | 29,000.00         | -25,500.00        |
| 4304 Agency Administration         | 0.00              | 3,000.00          | -3,000.00         |
| 4305 Audit and Accounting*         | 3,000.00          | 4,500.00          | -4,500.00         |
| 4313 Legal Services                | 0.00              | 500.00            | -500.00           |
| 4322 Medical and Sobriety          | 300.00            | 300.00            | 0.00              |
| 4400 Publications & Legal Notices  | 250.00            | 200.00            | 50.00             |
| 4440 Rents & Leases                | 10.00             | 10.00             | 0.00              |
| 4460 Equip: Small Tools            | 400.00            | 800.00            | -400.00           |
| 4463 Equip: Radio                  | 400.00            | 2,500.00          | -2,100.00         |
| 4465 Equip: Vehicle                | 0.00              | 700.00            | -700.00           |
| 4500 Special Department Expense    | 1,200.00          | 0.00              | 1,200.00          |
| 4502 Educational Material          | 0.00              | 1,000.00          | -1,000.00         |

|                                       | 2014-2015         | 2013-2014         |                   |
|---------------------------------------|-------------------|-------------------|-------------------|
|                                       | Fiscal Year       | Fiscal Year       | Difference        |
| 4503 Staff Development                | 2,200.00          | 300.00            | 1,900.00          |
| 4507 Fire Prevention                  | 0.00              | 5,000.00          | -5,000.00         |
| 4540 Staff Development                | 300.00            | 300.00            | 0.00              |
| 4602 Mileage: Employees               | 250.00            | 100.00            | 150.00            |
| 4606 Fuel Purchases                   | 8,000.00          | 12,000.00         | -4,000.00         |
| 4620 Utilities                        | 3,600.00          | 4,200.00          | -600.00           |
| <b>Services &amp; Supplies Total:</b> | <b>67,060.00</b>  | <b>113,350.00</b> | <b>-49,290.00</b> |
| <b>Other Charges</b>                  |                   |                   |                   |
| 5060 Principal Payments               | 0.00              | 0.00              | 0.00              |
| 5100 Interest Payments                | 0.00              | 0.00              | 0.00              |
| <b>Other Charges Total:</b>           | <b>0.00</b>       | <b>0.00</b>       | <b>0.00</b>       |
| <b>Fixed Assets</b>                   |                   |                   |                   |
| 6020 Structures & Improvements        | 2,000.00          | 0.00              | 2,000.00          |
| 6040 Equipment                        | 2,750.00          | 0.00              | 2,750.00          |
| <b>Fixed Assets Total:</b>            | <b>4,750.00</b>   | <b>0.00</b>       | <b>4,750.00</b>   |
| <b>Budget Totals</b>                  |                   |                   |                   |
| Salaries & Benefits                   | 406,574.33        | 143,220.00        | 263,354.33        |
| Services & Supplies                   | 64,060.00         | 113,350.00        | -49,290.00        |
| Other Charges                         | 0.00              | 0.00              | 0.00              |
| Fixed Assets                          | 4,750.00          | 0.00              | 4,750.00          |
| <b>Grand Total Expenditures</b>       | <b>472,260.34</b> | <b>256,570.00</b> | <b>218,814.33</b> |

\*Revised July 7, 2014