



## SUMMARY REPORT

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**Agenda Date:** 10/6/2020

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**To:** Board of Supervisors

**Department or Agency Name(s):** County Administrator's Office

**Staff Name and Phone Number:** Terri Wright: 565-3775

**Vote Requirement:** 4/5th

**Supervisory District(s):** Second and Fourth Districts

**Title:**

Fire Protection Services Agreement with City of Healdsburg and Fire Service Funds Budget Adjustments

**Recommended Action:**

- A) Authorize the County Administrator to enter into a one-year agreement with the City of Healdsburg to provide fire protection services for the Fitch Mountain and Dry Creek service areas, for the period of July 1, 2020 through June 30, 2021, for an amount not to exceed \$169,539.
  - B) Approve a Budget Resolution to the FY 2020-21 Budget to increase appropriations by \$35,137 necessary to cover the Healdsburg and North Bay Fire Wilmar contract and to also complete a Residual Equity Transfer for the Dry Creek and Wilmar Community Facilities Districts. (4/5<sup>th</sup> Vote Required)
- (Second and Fourth Districts)

**Executive Summary:**

This item requests authority to enter into agreements with the City of Healdsburg to provide fire protection services in the Fitch Mountain and Dry Creek, service areas. The County of Sonoma has contracted with the City of Healdsburg since the 1990s to provide fire protection services for the County Service Area (CSA) 40 located in the Fitch Mountain and Dry Creek areas.

The approval of the Budget Resolution will increase appropriations by \$35,137 necessary to cover the contract with Healdsburg and the North Bay Fire Wilmar contract and authorizes the Auditor-Controller-Treasurer-Tax-Collector (ACTTC) to execute a Residual Equity Transfer, which will move the fund balance associated with Dry Creek and Wilmar Community Facilities Districts (CFD) back into their originating fund locations.

**Discussion:**

County Service Area (CSA) 40 maintains annual contracts with the City of Healdsburg to provide fire protection services to areas adjacent to the City of Healdsburg that are under the responsibility of CSA 40. Under this agreement, the City of Healdsburg will provide full service fire protection including fire response, rescue, emergency medical, and other fire department-related services. This agreement will continue the partnership between CSA 40 and the Healdsburg Fire Department. Historically, the agreement has been executed on an annual basis, which is of value to the County given the consolidation efforts currently being undertaken by the County. The agreement has increased a total of \$1,845 or 1.10% compared to last year's contract.

The County also contracts with North Bay Fire to administer the CSA 40 volunteer fire program, including the funding associated with the Wilmar CFD. The Board approved an amendment with North Bay Fire on February

19, 2019 to provide \$132,900 in funds to support the Wilmar CFD program for FY 2019-20 and FY 2020-21.

The second item requested for approval is a budget resolution that will increase appropriations in the Dry Creek CFD fund by \$18,237 to allow sufficient appropriations to cover the contract with Healdsburg and \$16,900 for the North Bay Fire Wilmar contract. Staff inadvertently under-budgeted for these two contracts in the FY 2020-21 Recommended Budget.

The budget resolution associated with the second action also approves a Residual Equity Transfer that will authorize ACTTC to move the funds associated with the Dry Creek and Wilmar CFDs back into their originating funds. The former Fire and Emergency Services Department had established sub-funds within CSA 40 for each of the CFDs and would annually transfer revenue from the originating CFD funds in order to cover any contractual and/or expenditure needs. Since the County Administrator's Office took over the management of the CSA 40 and CFD programming, staff does not see the need for this pass-through system to continue.

All contracts and expenses associated with the Dry Creek and Wilmar CFDs are now being paid directly from the CFD fund accounts and staff is seeking to return any fund balance that had accumulated in the CSA 40 sub-funds to be returned to the originating CFD fund through the execution of the Residual Equity Transfer (RET). The table below summarizes the transactions associated with the RET. The amount represents estimates, as ACTTC will transfer the actual cash balances.

CSA 40 Sub Fund	CFD Fund	Estimated Amount
13115 - CSA 40 Dry Creek	13315 - CFD #5 Dry Creek	\$163,000
13130 - CSA 40 Wilmar	13305 - CFD # 4 Wilmar	\$240,000

**Prior Board Actions:**

August 20, 2019 - The Board authorized the contracts with Healdsburg and North Bay Fire

**FISCAL SUMMARY**

Expenditures	FY 20-21 Adopted	FY21-22 Projected	FY 22-23 Projected
Budgeted Expenses	\$267,302		
Additional Appropriation Requested	\$35,137		
<b>Total Expenditures</b>	<b>\$302,439</b>		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$302,439		
Use of Fund Balance			
Contingencies			
<b>Total Sources</b>	<b>\$302,439</b>		

**Narrative Explanation of Fiscal Impacts:**

The Residual Equity Transfer does not increase appropriations and moves funds from one fund to another as described in the table included in the discussion section. The appropriation increases requested cover contractual obligations that will be covered by the fund balances in the Dry Creek and Wilmar CFD funds. The details of the appropriation increases are represented in the following table:

	FY 20-21 Budget	Increase Request	Total
Healdsburg	\$151,302	\$18,237	\$169,539
Wilmar	\$116,000	\$16,900	\$132,900
Total	\$267,302	\$35,137	\$302,439

**Staffing Impacts:**

Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

**Narrative Explanation of Staffing Impacts (If Required):****Attachments:**

FY 2020-21 Contract with Healdsburg  
Budget Resolution

**Related Items "On File" with the Clerk of the Board:**