This brief is being provided to inform the board, staff, and public of the details of an agenda item that requires no action from the board. The President of the Board will provide board members, staff, and the public the opportunity to ask questions about this topic when this agenda item is announced.

**Date:** July 19, 2021

**Originator:** Cary Curtis/Rich McLaughlin

**Agenda Topic Title**:  **Report Out – Meeting with Jennifer Stevenson, Executive Director of LAFCo**

**Purpose of Brief:**  Met with LAFCo to discuss impacts to the GMCSD Fire Tax with a formation of a new Regional Fire District.

**Supporting Documents Included: No**

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1. **Agenda Topic Brief or Update:**

On June 24, 2021, Cary and Rich met virtually with Jennifer Stevenson to discuss how the GMCSD Fire Tax might be impacted with the formation of a new Fire District.

We learned the following:

* Can we keep our current Fire Tax in place?

With the formation of a New Fire District, GMCSD will relinquish their responsibility to provide structural fire protection and emergency service response to the Nakoma community and all fire related assets will be transferred to the new Fire District. Since the District’s Fire Tax monies collected are earmarked for contracted fire services and for fire infrastructure improvements, it might be difficult to retain the existing fire tax as it stands today. To ensure the district has the funds needed for fire infrastructure improvements, potentially a new tax measure would need to be presented to community members who are registered voters in the county.

* What happens to our Fire Reserves?

Our fire reserve monies which are dedicated to specific purposes, (Fire facility, Hazardous Fuel Treatment fire break maintenance, annexation), are fire assets and could be subject to the requirement to transfer all assets to the new Fire District. This decision would be made by LAFCo and potentially the Board of Supervisors. To protect the intent for the use of our fire reserve funds, a suggestion was made that we consider investing the funds into projects that reserves have been earmarked for.

* If the formation of a new Fire District becomes reality, and the district’s fire tax is rescinded, how will the Nakoma Community fund their contribution to fire services, particularly since the district receives zero tax sharing from the county?

The proposal to fund the new Fire District is to bring to vote a parcel tax that would be assessed across all properties within the boundaries of the new fire district. The tax rate would be based on specified characteristics of the property, such as, commercial, agricultural, residential and others.

* A separate question was asked of Jennifer Stevenson related to LAFCo’s oversight for contracted fire protection services and could GMCSD contract with another fire agency for services. The answer is that LAFCo does not have jurisdiction over districts who contact out for fire services, therefore, GMCSD could contract with another fire agency, even if GMCSD is outside of that agency’s service or sphere of influence boundaries.

1. **Anticipated Impacts to the District -** (*Consider financial impact, change in procedures, customer, and staff communication*):

There could be impacts to the Fire funds the district has accrued and potentially a new ballot measure to fund fire infrastructure improvements in the community. The cost of a potential ballot measure would be the responsibility of GMCSD.

1. **Anticipated Impacts to the Customer –** *Standby, Residential, Commercial***:**

If a new Fire District is formed, it is possible that property owners in the Nakoma community could see a decrease in the amount each owner pays for fire services.

**Next Steps for this Topic**:

* Analyze how the district’s fire tax is allocated for infrastructure improvements.
* Research moving the specific projects forward that have been earmarked in Reserve funds.
* Investigate building a fire facility and moving the district offices into the Nakoma community.