



SOUTH PLACER FIRE DISTRICT

QUESTIONS & ANSWERS

Why did the District close stations and remove a fire truck from service in Division 2? How were these changes determined?

SPFD is funded by a small portion of parcel owners' overall property taxes, a stagnant annual \$70 special tax paid by each property owner in Division 2 (which includes Granite Bay, unincorporated Loomis, and the southern areas of Penryn and Newcastle), and a special tax and benefit assessment on Division 1 (consisting mostly of the Town of Loomis) parcels averaging \$374 per parcel. The District also receives recurring revenue from the Ambulance transport division, Cellular Tower leases, Fire Prevention and Mitigation charges, and reimbursement/cost recovery for emergency incidents. The District is not funded by Placer County or the State.



Inflation, rising public safety concerns, wildfire risk, and increased state-mandated safety standards have caused the District's operational costs to increase faster than revenues for several years without any significant increases to revenue to help offset these additional expenses. As a result of increased costs, and a failed Benefit Assessment earlier this year, the District needed to identify appropriate ways to cut operational costs. After reviewing all available data presented at both of the August Board meetings, it was determined that the most efficient way to cut costs with limited impacts on the community was to close two stations and reallocate personnel to other District stations. The cost-cutting measures also included temporarily decommissioning our specialized fire truck. These actions were recommended by Staff and unanimously approved by the Board.

Other than a portion of property taxes and special taxes paid by each property owner, does the District get any other funding from anywhere else, and if so, how is it used?

In addition to the small portion of parcel owners' overall property taxes, a stagnant annual \$70 special tax paid by each property owner in Division 2 (which includes Granite Bay, unincorporated Loomis, and the southern areas of Penryn and Newcastle), and a special tax and benefit assessment on Division 1 (consisting mostly of the Town of Loomis) parcels averaging \$374 per parcel. The District also receives recurring revenue for the Ambulance transport division, Cellular Tower leases, Fire



Prevention and Mitigation charges, and reimbursement/cost recovery for emergency incidents. Recently the District received two federal grants to replace aging life-saving cardiac monitors and replace a 1985 water tender that will increase its ability to address wildland fires and fires in areas with limited water supplies. These grants are valued at more than \$700,000. The District must match only 10% of the grant amount (\$70,000) to replace these vital pieces of equipment.

What kinds of cost increases has the District experienced, and why?

The District has been and will continue to be impacted by the real cost of inflation. In the last four years, operational costs have risen, in some cases, more than 50%. Specific cost increases have included:

- Workers comp insurance – 60%
- Health insurance – 38%
- Payroll taxes – 23%
- Retirement costs – 66%
- Overtime – 45%
- Salaries – 12%

Do calls for service impact your operational costs?

Calls for service do impact our operational costs. Because SPFD provides Emergency Medical Services (EMS) and fire suppression to the community, as calls for service have increased, so have costs. The District's current, year-to-date calls for service count is 3003, an 8.5% increase over last year. Personnel and overtime costs are directly impacted by calls for service, particularly when staff resources are more limited due to hiring challenges.

Why was this Benefit Assessment needed?

The cost of providing fire protection and emergency response services continues to rise each year due to increasing emergency calls, enhanced firefighter training requirements, the growing wildfire risk to the community, and substantial increases in operational costs, including fuel, utilities, equipment, insurance, and personnel.

The District is not funded by Placer County or the State and, instead, is primarily funded through a small portion of parcel owners' overall property taxes, miscellaneous fees, a special tax and benefit assessment on Division 1 parcels (generally the Town of Loomis) averaging \$374 per parcel, and a static \$70 special tax on Division 2 parcels (which includes Granite Bay as well as areas of unincorporated Loomis, and the southern areas of Penryn and Newcastle) that has remained unchanged since 1981. The Division 2 tax does not include an inflation index. The lack of a cost-of-living adjustment and the District's current revenue combined are not adequate to continue providing services at the same level without an increase in funding. After careful evaluation, the District determined that an increase in revenue was essential to align funding with operational needs.



How was the assessment determined?

The total annual costs of the needed additional firefighter staffing, apparatus and equipment replacements, repairs to aging facilities (i.e., structural, plumbing, and electrical repairs), and other services that were to be funded by the assessment would have been allocated to each property based on the estimated special benefit received by that property. The benefit allocation method was based on the relative special benefit to a property in relation to a single-family home, the type of property, and the fire threat. The total proposed assessment amount for each property was shown on the ballot each property owner received.

How was the Benefit Assessment process handled and/or communicated to the community?

The initial Benefit Assessment was handled through a Proposition 218 election and was mailed out to the community in April 2022. Per the law, the ballots must be public for at least 45 days and were to be returned no later than the close of the meeting on the day ballots were collected, June 8, 2022. The measure would have increased the District's funding, allowed additional fire protection and emergency response services within the District, and helped offset increasing operational costs.

Information was shared through social media, the district website, and eight in-person public Town Hall meetings held around the District to explain the need and the possible consequences if the ballot did not pass. District staff and Board members presented a wide range of possible consequences for failed benefit assessment, including:

- Reduction in staff
- Increased response times
- Unavailable resources
- Closure of stations
- Merger/consolidation with an outside district or agency

More than 9,000 ballots were mailed to registered property owners in Division 2.



On June 8, 2022, the Board held a meeting, as required by law, for the public to ask questions, submit ballots, obtain a replacement ballot, change their vote, and direct any concerns toward the Board. When the Board closed the meeting, the ballots were secured and counted on June 9, 2022, in an open public meeting. Ballots returned and processed totaled 3,010, with 46.90% in favor and 53.10% against. The results were announced at the next board meeting on July 13, 2022.



What would additional revenue generated by the Benefit Assessment have paid for, and what would the cost have been to property owners?

With costs increasing and revenue not keeping pace, the District would have used revenue generated by the assessment to help:

- Maintain staffing levels at all stations in the District
- Retain trained and experienced firefighters
- Remain an independent district
- Provide sustainable service

The base additional cost to property owners would have been \$214/year per the Engineers' report published by SCI, the consultant overseeing the Proposition 218 election process, plus an annual Cost of Living Adjustment (COLA) tied to the San Francisco Bay area all consumers price index but capped at no more than 3% annually.

The closures were only announced two days prior to them taking place. Why wasn't this decision announced sooner?

The closures were discussed and approved during Board meetings in August and September. From there, the District worked diligently to put the pieces in place to make the needed changes. Plans were finalized the week of the closure, at which point public notifications were made.

How will the decisions to close stations and reallocate personnel impact the District's emergency response times?

SPFD projects minimal impact on response times as a result of these changes. As always, please call 911 to report emergencies. Part of the process of determining the best response model was to evaluate the frequency, severity, risk, and response time from all District owned facilities. Modeling these risks revealed the best overall option was to relocate personnel from Station 15 (4650 East Roseville Parkway) to previously closed Station 16 (5300 Olive Ranch Road) and close Station 19 (7070 Auburn Folsom Road) resulting in a total of just two closed stations. The District will continue to evaluate travel time, call frequency and severity, and other risk factors affecting the community and adjust resources accordingly and within its current budget constraints.

Did the District consider reducing firefighter's salaries and/or benefits instead of closing stations?

SPFD Firefighters are already compensated nearly 30% less than surrounding communities, and that disparity continues to grow. Eighty-two% (82%) of the District's budget is allocated to salaries and wages, down from almost 90% last fiscal year.

Because of this, the District is currently losing well-qualified, well-trained personnel to neighboring communities who offer higher compensation packages. The time and cost to hire, train, and support



new firefighters - only to lose them a few years later - impacts the District financially and operationally. It takes more than 18 months from hiring to achieve competency in firefighting.

Were other options considered to prevent station closures and specialized truck removal?

The District discussed several options with internal and external stakeholders and worked to develop a plan to provide the largest operational cost cuts, with the least impact on the community. The District advised the public of all possible options if the assessment didn't pass, up to and including station closures.

The District continues to aim to be a solvent, sustainable, independent fire district. While these closures are saddening, they are a necessary choice to maintain fiscal solvency while still providing an appropriate level of service to the community.



In September, the Board approved a balanced budget that addresses long-term costs while working to improve community services through every means necessary.

How much will these operational changes save the District?

This is a complicated question, as the closures impact numerous aspects of District operations, including wages, benefits, retirement costs, apparatus fuel and maintenance, workers' compensation rates, insurance liabilities, and station operations. Initial projections show savings of approximately \$1.25 - 1.75 million annually.

What will happen to the two stations? Will they be sold, and will that money be allocated back to services?

There are no immediate plans for the two closed stations other than to ensure they are well-kept and maintained. Any plans will be discussed at future board meetings, held the second Wednesday of every month at 7:00 pm at 6900 Eureka Road.

What will it take to reopen the closed stations and bring the specialized Truck back into service?

In short, additional revenue. The failed Benefit Assessment would have netted the District approximately \$2.5 million. Those dollars would have been used to maintain the existing operations (every apparatus staffed with three firefighters) and reopen Station 16 (which had been closed). That number is still viable but must contain a cost-of-living inflator as the District is already starting to see the value of that \$2.5 million eroding due to inflation, which is why the public was approached in the



first place. The original special tax of \$70 never had an inflator and has lost purchasing power since its enactment in 1981.

What did the specialized truck do, and how will those services be handled while decommissioned?

Truck 17's primary function is search and rescue, ventilation, salvage and overhaul, and extrication. What does this mean:

- **Search and Rescue** – Upon arrival, the main function of the Truck is to search out occupants of a structure and bring them to safety. They accomplish this task by working in conjunction with Engine companies and searching the occupancy while the Engine crew engages in fighting the fire. This is the riskiest job in the fire service as they are working in a pitch black, super-heated environment, searching by feel to find occupants in a building they have likely never been in before. They do this away from the safety of a hose line that provides the safety of fire extinguishment.
- **Ventilation** – Another task is to create an environment that supports life. Construction has improved and created “tighter,” more efficient homes. These homes heat faster and retain that heat for much longer. The job of the Truck company is to work with the engine company and create a tenable, livable environment for both the occupants and firefighters. They accomplish this by opening windows or cutting holes in the roof so that heat can escape and remove smoke to better see the area of origin of the fire and any trapped occupants.
- **Salvage and Overhaul** -- Fires are destructive by nature; the act of firefighting, flowing 1000 gallons of water a minute into a building, only makes the damage worse. Another job of the Truck, after rescue and ventilating, is preserving property to ensure valuable family heirlooms, pictures, and personal belongings can be saved. Some personal items will never survive a fire, especially if they are located in the room the fire started; however, if the Truck crew can quickly access the building and ensure no lives are in jeopardy, they can begin to work on saving property. They do this by removing items from the home, covering them in tarps to shield them from water damage, or redirecting water away from those valuable items.
- **Extrication** – Truck companies are dedicated to extrication operations on vehicle accident scenes. This means their only function is to remove trapped victims from vehicles. We are working to acquire extrication equipment for all engines in the District, but this is a temporary stop-gap and will never be as good as having a dedicated unit performing the task they train on day in and day out.

Will there be a significant gap in service with the removal of the specialized fire truck?

While the District will do everything it can to provide emergency response efforts to the community, the removal of the Truck from service will require those tasks noted above to come from other agencies, including the cities of Roseville, Rocklin, Folsom, Sacramento Metro Fire District, and Placer County



Fire. These agencies will have longer travel times to address these issues. A fire doubles in size every minute, meaning an additional 2–3-minute travel time for a truck outside the District can result in exponential damage.

Will there be impacts and/or cost increases to homeowners' insurance premiums for residents who live near closed sites?

Homeowners may want to consult their insurance providers for exact impacts.

Will the District consider reinstating the volunteer program?

All volunteers must undergo the same rigorous and arduous training as paid professional firefighters in California. They must also maintain proficiency in all aspects of the job and be as skilled as professional firefighters. This takes tremendous time and investment from both the District and the volunteers.

Will the District consider consolidation and/or merging with other nearby fire districts?

This was one option presented at the eight (8) public meetings before the benefit assessment. Ultimately, it is up to the community and the Board to determine the best Fire Protection model for the community. A merger/consolidation could impact the local control of the District.

When will SPFD send ballots out for another Benefit Assessment?

The Board will discuss options over the next few months to determine the future of District funding. These discussions happen at the Board meetings held every second Wednesday of the month, at 7:00 pm, at 6900 Eureka Road – Fire Station 17.

What can the community do to help?

The best thing the community can do to help is to educate themselves about South Placer Fire District, the communities it serves, the services it provides, and how it is funded. Information includes:

- Funded by property taxes and special assessments
- Serves a population of nearly 42,000 in the communities of Granite Bay, Loomis, and the southern areas of Penryn and Newcastle
- Responsible for 55 square miles, including 14,300 parcels
- Responds to more than 3500 calls per year, including structure, wildland, vehicle, and other types of fires
- Provides Advanced life support (ALS) medical care for vehicle crashes, rescue emergencies, public service calls, and hazardous material response (at the first responder level)
- Provides fire prevention, community education, emergency preparedness, and other services related to protecting lives and properties
- It is governed by an elected, independent, seven-member Board