

**AGENCY PROFILE**

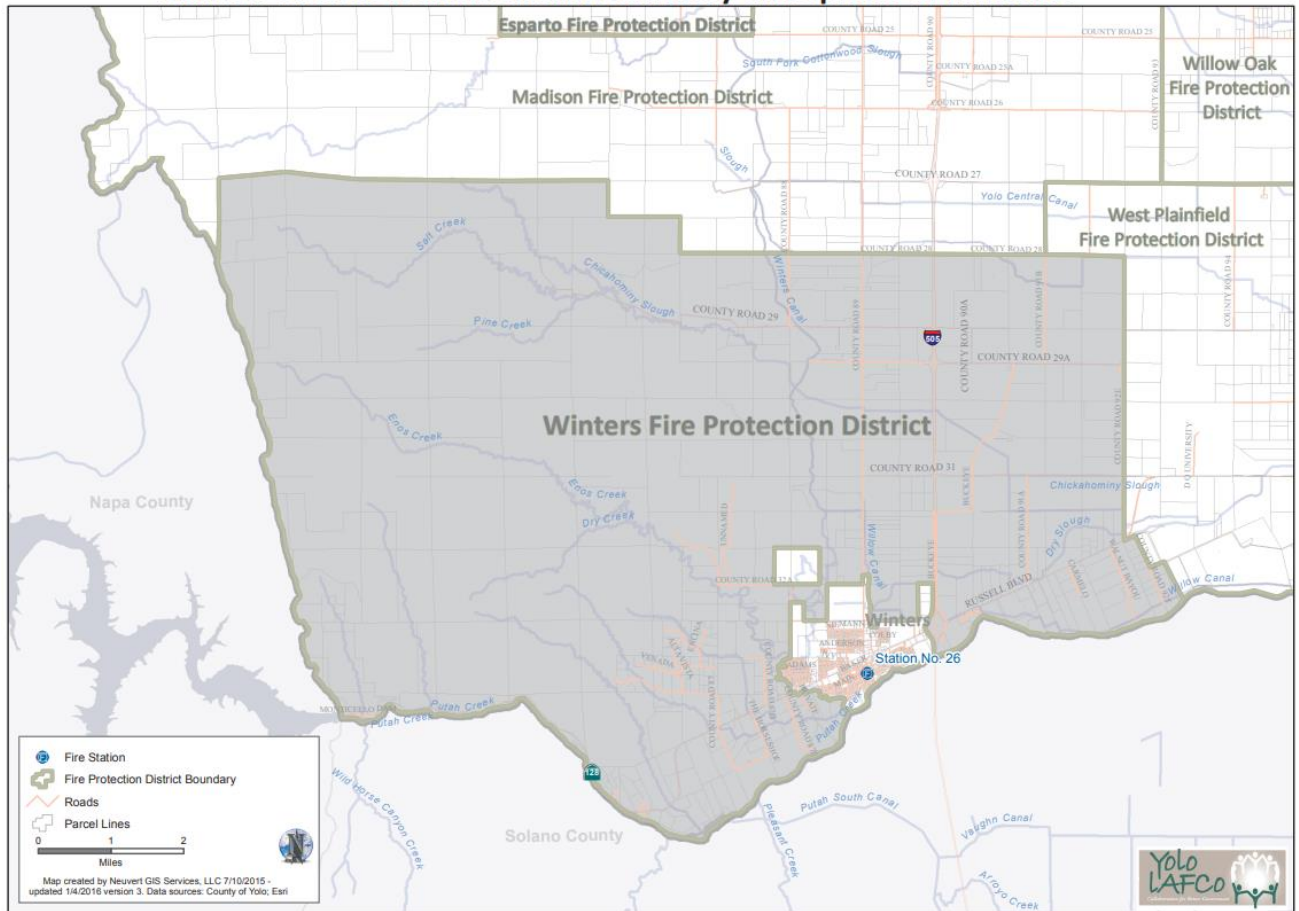
The Winters Fire Protection District (FPD) was formed in 1930 and is authorized to provide fire protection and emergency response services. It was formed as a dependent district to Yolo County, which delegated its decision making to a local Fire Commission with five members, each appointed by the Board of Supervisors to serve four-year terms.

In 1981, the City of Winters began contracting with the Winters FPD for services. However, in 2011 services reversed, and the Winters FPD instead contracted with the City for services, ceding its employees and ownership of its facilities/equipment to the City.

The District is 50,528 acres in size and serves the unincorporated community of El Rio Villa and the rural area surrounding Winters. The District contains 406 residential and 2 commercial addresses and its population is estimated to be 1,015 residents<sup>1</sup>.

The Winters FPD boundary and sphere of influence (SOI) is shown below. The SOI is coterminous with the district boundary.

**Winters Fire Protection District Boundary and Sphere of Influence\***



Adopted by Yolo LAFCo June 23, 2016

<sup>1</sup> Population estimate is based on the number of residential addresses assigned in 2021 in the FPD territory with a Yolo County average of 2.5 persons per household.

**MUNICIPAL SERVICE REVIEW**

**POTENTIALLY SIGNIFICANT MSR DETERMINATIONS**

The MSR determinations checked below are potentially significant, as indicated by “yes” or “maybe” answers to the key policy questions in the checklist and corresponding discussion on the following pages. If most or all of the determinations are not significant, as indicated by “no” answers, the Commission may find that a MSR update is not warranted.

- |  |   |
|--|---|
| <input type="checkbox"/> Growth and Population                                   | <input type="checkbox"/> Shared Services                        |
| <input type="checkbox"/> Disadvantaged Unincorporated Communities                | <input type="checkbox"/> Accountability                         |
| <input type="checkbox"/> Capacity, Adequacy & Infrastructure to Provide Services | <input checked="" type="checkbox"/> Broadband Access            |
| <input checked="" type="checkbox"/> Financial Ability                            | <input type="checkbox"/> Status of Previous MSR Recommendations |

**LAFCO MUNICIPAL SERVICE REVIEW:**

- On the basis of this initial evaluation, the required determinations are not significant and staff recommends that an MSR is NOT NECESSARY. The subject agency will be reviewed again in five years per Government Code Section 56425(g).
- The subject agency has potentially significant determinations and staff recommends that a comprehensive MSR IS NECESSARY and has been conducted via this checklist.

<b>1. GROWTH AND POPULATION</b>			
Growth and population projections for the affected area.	<b>YES</b>	<b>MAYBE</b>	<b>NO</b>
a) <i>Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Do changes in service demand suggest a change in the agency’s services?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

a-b) *Will development and/or population projections over the next 5-10 years impact the subject agency’s service needs and demands? Do changes in service demand suggest a change in the agency’s services?*

No. The population for Winters FPD is currently estimated to be 1,015 and there are no significant growth areas designated by the County. As the City of Winters annexes territory, it is detached from the Winters FPD.

Winters FPD is dispatched by the Yolo Emergency Communications Agency (YECA). Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 215 in FY 18/19, 223 in FY 19/20 and 301 in FY 20/21, a 40% increase over three years. However, this increase in demand does not suggest a change in agency service provider.

**Growth and Population MSR Determination**

The population for Winters FPD is currently estimated to be 1,015 and there are no significant growth areas designated by the County. As the City of Winters annexes territory, it is detached from the Winters FPD. Winters FPD is dispatched by the Yolo Emergency Communications Agency (YECA). Over the last three fiscal years, total calls that resulted in dispatched apparatus/responders were 215 in FY 18/19, 223 in FY 19/20 and 301 in FY 20/21, a 40% increase over three years. However, this increase in demand does not suggest a change in agency service provider or District boundaries.

**2. DISADVANTAGED UNINCORPORATED COMMUNITIES**

The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

	YES	MAYBE	NO
a) <i>If the subject agency provides services related to sewers, municipal and industrial water, or structural fire protection, are there any "inhabited unincorporated communities" (per adopted Commission policy) within or adjacent to the subject agency's sphere of influence that are considered "disadvantaged" (80% or less of the statewide median household income) that do not already have access to public water, sewer and structural fire protection?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>If "yes" to a), it is feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community? If "no" to a), this question is marked "no" because it is either not needed or not applicable.</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

- a) *If the subject agency provides services related to sewers, municipal and industrial water, or structural fire protection, are there any "inhabited unincorporated communities" (per adopted Commission policy) within or adjacent to the subject agency's sphere of influence that are considered "disadvantaged" (80% or less of the statewide median household income) that do not already have access to public water, sewer and structural fire protection?*

No. The Winters FPD territory does not appear to contain any disadvantaged unincorporated communities<sup>2</sup>. El Rio Villa is likely a disadvantaged community (but may not be showing in the data due to census block size), but it receives City fire protection services on par with all the FPD territory. All "inhabited unincorporated communities" countywide receive structural fire protection services.

- b) *If "yes" to a), it is feasible for the agency to be reorganized such that it can extend service to the disadvantaged unincorporated community? If "no" to a), this question is marked "no" because it is either not needed or not applicable.*

Not applicable.

**Disadvantaged Unincorporated Communities MSR Determination**

All "inhabited unincorporated communities" countywide receive structural fire protection services. El Rio Villa is likely a disadvantaged community, but it receives the same City fire protection services as with all the FPD territory.

<sup>2</sup> CALAFCO Disadvantaged Unincorporated Communities for State, RSG Inc. GIS Layer, dated December 10, 2021

**3. CAPACITY AND ADEQUACY OF PUBLIC FACILITIES AND SERVICES**

Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

	YES	MAYBE	NO
a) <i>Are there any deficiencies in the <b>infrastructure, equipment, and capacity of agency facilities</b> to meet <u>existing</u> service needs for which the agency does not have a plan in place to resolve (including deficiencies created by new state regulations)?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Are there any deficiencies in the <b>adequacy of services</b> to meet <u>existing</u> service needs for which the agency does not have a plan in place to resolve? Also note how services are provided (i.e., number of staff and/or contracts).</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) <i>Are there any issues regarding the agency's capacity and ability to meet the service demand of reasonably foreseeable <u>future</u> growth?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) <i>Is the agency needing to consider climate adaptation in its assessment of infrastructure/service needs?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) <i>Are there any service needs or deficiencies for disadvantaged unincorporated communities related to sewers, municipal and industrial water, and structural fire protection within or contiguous to the agency's sphere of influence?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

a-e)No. Winters FPD has not provided direct services since 2011 and contracts with the City of Winters for fire protection and emergency response services. The current agreement for services became effective on January 1, 2011 and expires in forty years on December 31, 2050.

Staff and Coverage, training, fire station, apparatus and equipment are all provided by a city fire department which must adhere to higher performance standards. Both National Fire Protection Association (NFPA) 1720 and 1710 are standards concerning personnel deployment and response times to fires and medical emergencies: NFPA 1720 is designed primarily for communities with volunteer firefighters. NFPA 1710 is designed primarily for communities with career, or paid, firefighters.

However, the City of Winters Fire Chief indicates his department has a critical need for increasing daily staffing levels with the current call volume, prevention, and code enforcement services. Winters Fire Department struggles to maintain adequate daily staffing of two firefighters on duty each day. A 40% increase for calls for service alone in the District over three years is significant. Just because the Winters FPD contracts with the City, it does not negate the fact the City has very similar struggles as the other FPDs who are mostly staffed with volunteers with a few paid personnel.

**Capacity and Adequacy of Public Facilities and Services MSR Determination**

Winters FPD has not provided direct services since 2011 and contracts with the City of Winters for fire protection and emergency response services. City fire departments must adhere to higher performance standards (NFPA 1710) than rural departments (NFPA 1720). The current agreement for services became effective on January 1, 2011 and expires in forty years on December 31, 2050. The Winters FPD receives annual performance reports from the City.

However, the City of Winters Fire Chief indicates his department has a critical need for increasing daily staffing levels with the current call volume, prevention, and code enforcement services. Winters Fire Department struggles to maintain adequate daily staffing of two firefighters on duty each day. Just because

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the Winters FPD contracts with the City, it does not negate the fact the City has very similar struggles as the other FPDs who are mostly staffed with volunteers with a few paid personnel.

**4. FINANCIAL ABILITY**

Financial ability of agencies to provide services.

	YES	MAYBE	NO
a) <i>Is the subject agency in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues? Does revenue growth <u>not</u> keep pace with increased costs?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Can the subject agency improve its use of generally accepted accounting principles including: summaries of all fund balances, summaries of revenues and expenditures, general status of reserves, and any un-funded obligations (i.e. pension/retiree benefits)? Does the agency need accounting and/or financial policies that guide the agency in how financial transactions are recorded and presented?</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) <i>Does the agency staff need to review financial data on a regular basis and are discrepancies identified, investigated and corrective action taken in a timely manner? The review may include reconciliations of various accounts, comparing budgets-to-actual, analyzing budget variances, comparing revenue and expense balances to the prior year, etc. If the agency uses Yolo County's financial system and the County Treasury, does the agency review monthly the transactions in the County system to transactions the agency submitted to the County for processing?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) <i>Does the agency board need to receive regular financial reports (quarterly or mid-year at a minimum) that provide a clear and complete picture of the agency's assets and liabilities, fully disclosing both positive and negative financial information to the public and financial institutions?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) <i>Is there an issue with the organization's revenue sources being reliable? For example, is a large percentage of revenue coming from grants or one-time/short-term sources?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) <i>Is the organization's revenue insufficient to fund an adequate level of service, necessary infrastructure maintenance, replacement and/or any needed expansion? Is the fee inconsistent with the schedules of similar local agencies? Does the rate/fee schedule include a specific amount identified for capital asset replacement (tied to a capital improvement plan with implementation policies)?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) <i>Is the organization needing additional reserves to protect against unexpected events or upcoming significant costs (excluding capital asset replacement, see 4f)? Has the agency identified and quantified what the possible significant risks and costs of infrastructure or equipment needed? Does the agency have a reserve policy?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) <i>Does the agency have any debt, and if so, is the organization's debt at an unmanageable level? Does the agency need a clear debt management policy, if applicable?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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**Financial Background**

**WINTERS FIRE PROTECTION DISTRICT  
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES**

	2017	2018	2019	2020	2021
<b>Revenue</b>					
Property taxes, in-lieu taxes, HOPTR	\$ 297,474	\$ 313,495	\$ 345,527	\$ 350,106	\$ 375,948
Interest	3,970	6,918	16,453	14,744	1,177
<b>Total Revenue</b>	<b>301,444</b>	<b>320,413</b>	<b>361,980</b>	<b>364,850</b>	<b>377,125</b>
<b>Expenditures</b>					
CalPERS pension liability	48,609	75,952	91,902	98,362	109,962
CalPERS retiree health insurance	3,628	3,628	3,621	3,624	3,621
Service and supplies	1,564	850	850	4,998	900
Contract payments	241,672	232,321	265,406	262,640	267,906
<b>Total Expenditures</b>	<b>295,473</b>	<b>312,751</b>	<b>361,779</b>	<b>369,624</b>	<b>382,389</b>
<b>Net income (loss)</b>	<b>5,971</b>	<b>7,662</b>	<b>201</b>	<b>(4,774)</b>	<b>(5,264)</b>
<b>Beginning Fund Balance</b>	<b>498,209</b>	<b>504,180</b>	<b>511,842</b>	<b>512,043</b>	<b>507,269</b>
Ending Fund Balances	\$ 504,180	\$ 511,842	\$ 512,043	\$ 507,269	\$ 502,005
<b>Fund Balances</b>					
Restricted - Development impact fees	\$ 81,986	\$ 83,121	\$ 85,002	\$ 86,793	\$ 87,702
Assigned - Capital asset replacement	118,442	120,082	122,798	125,386	126,700
Assigned - General reserve	264,393	264,393	264,393	264,393	264,393
Unassigned	39,359	43,246	38,350	28,697	21,410
<b>Total Fund Balances</b>	<b>\$ 504,180</b>	<b>\$ 510,842</b>	<b>\$ 510,543</b>	<b>\$ 505,269</b>	<b>\$ 500,205</b>
<b>Y-T-Y Change in total Fund Balances</b>					
Amount Increase (Decrease)	\$ 5,971	\$ 7,662	\$ 201	\$ (4,774)	\$ (5,264)
Percentage Increase (Decrease)	1.20%	1.52%	0.04%	-0.93%	-1.04%
<b>Property Tax Analysis</b>					
a. Assessed Value (AV)	\$ 249,441,657	\$ 260,934,256	\$ 277,807,708	\$ 293,698,599	\$ 307,045,962
b. Y-T-Y Percentage change in AV	6.89%	4.61%	6.47%	5.72%	4.54%
c. Current secured, unsecured and HOPTR	\$ 292,679	\$ 304,495	\$ 329,762	\$ 346,438	\$ 361,540
d. District share of general 1% levy (c/a)	11.7334%	11.6694%	11.8702%	11.7957%	11.7748%

**Discussion:**

- a) *Is the subject agency in an unstable financial position, i.e. does the 5-year trend analysis indicate any issues? Does revenue growth not keep pace with increased costs?*

No. Winters Fire Protection District contracts for services with the City of Winters. The District's remits 97.5% of the revenue, net of the District's prior CalPERS unfunded pension liability, retiree health insurance obligation, and other minor administrative expenditures. Over the short-term, future increases of these unfunded accrued liability expenditures may negatively impact the amount available for contract payments to the City of Winters until the liability is paid off in 2033.

**Revenue**

The District's revenue consists of property taxes and interest earned on surplus funds. Like most other rural fire districts, Winters FPD relies primarily on a share of the general 1% property tax levy for the majority of its revenue. In fiscal year 2021 property taxes of \$375,948 comprised 99% of total revenues.

The District's share of property taxes within its boundaries is approximately 11.8%, while the average for all FPDs in the County is 6.2%. Total revenue has increased on average 6% over the past 5 years.

**Expenditures**

Winters FPD expenditures consists of annual CalPERS unfunded accrued liability lump sum payments, retiree health insurance, minimal services and supplies and contract payments to the City of Winters. All the expenditures, except for the annual CalPERS lump sum payments, have remained flat over the past five years. The CalPERS unfunded liability payments have increased on average 24% per year, however the annual rate of increase has substantially declined over the past two years. Over the short-term, future increases of these unfunded accrued liability expenditures may negatively impact the amount available for contract payments to the City of Winters until the liability is paid off in 2033 (per CalPERS actuarial report). Total expenditures have increased on average 6% per year.

Winters FPD has contracted for services with the City of Winters since January 1, 2011. The calculation for the required annual payment to the City is set forth in the contract. A high-level review of the District's financial transactions and annual payment calculations made by the City, indicate that the calculations and subsequent payments do not appear to be in accordance with the contract terms. The calculations do not include the required split of CalPERS payments over \$36,000 between the City and District based on ratio of service calls. In addition, the contract does not specifically state whether the split is calculated based on only payments related to pension or to both pension and retiree health insurance. The calculations are also performed during the fiscal year and do not include a true-up calculation after the fiscal year is closed. It appears the Winters FPD may owe the City of Winters roughly \$60,000. The information detail required by the contract formula is onerous and difficult to administer easily and clearly. LAFCo recommends the contract be amended to simplify how the cost is calculated.

*Does the subject agency need to use generally accepted accounting principles including: summaries of all fund balances, summaries of revenues and expenditures, general status of reserves, and any un-funded obligations (i.e. pension/retiree benefits)? Does the agency have accounting and/or financial policies that guide the agency in how financial transactions are recorded and presented?*

Yes. The district maintains all funds in the County Treasury and uses the County's financial system to maintain its accounting records. Since the district is a dependent district, it is subject to the same accounting and financial policies of the County. Accounting and budget data, including all cash receipts and disbursements, are reviewed by County finance staff before they are posted.

However, balances and note disclosures required by Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27", and by GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", are not recorded in the District's accounting records and the required note disclosures describing the plan and other plan information are not included in the County's Annual Comprehensive Financial Report (ACFR). These balances, if material, and known by the District's commissioners may change funding priority decisions

- c) *Does the agency staff need to review financial data on a regular basis and are discrepancies identified, investigated and corrective action taken in a timely manner? The review may include reconciliations of various accounts, comparing budgets-to-actual, analyzing budget variances, comparing revenue and expense balances to the prior year, etc. If the agency uses Yolo County's financial system and the County Treasury, does the agency review monthly the transactions in the County system to transactions the agency submitted to the County for processing?*

No. The City of Winters staff reviews the District's financial reports provided by the County.

- d) *Does the agency board need to receive regular financial reports (quarterly or mid-year at a minimum) that provide a clear and complete picture of the agency's assets and liabilities, fully disclosing both positive and negative financial information to the public and financial institutions?*

Yes. According to the Chair of the fire commission, the FPD receives annual financial reports. Quarterly or at least biannually is recommended.

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- e) *Is there an issue with the organization's revenue sources being reliable? For example, is a large percentage of revenue coming from grants or one-time/short-term sources?*

No. Revenues are reliable. Almost all the revenue is from property taxes which are collected and distributed by the County.

- f) *Is the organization's revenue insufficient to fund an adequate level of service, necessary infrastructure maintenance, replacement and/or any needed expansion? Is the fee inconsistent with the schedules of similar local agencies? Does the rate/fee schedule include a specific amount identified for capital asset replacement (tied to a capital improvement plan with implementation policies)?*

No. This is not applicable to Winters FPD since the District contracts services from the City of Winters and essentially acts as a pass-through entity.

- g) *Is the organization needing additional reserves to protect against unexpected events or upcoming significant costs (excluding capital asset replacement, see 4f)? Does the agency need to identify and quantify what the possible significant risks and costs of infrastructure or equipment failure? Does the agency need a reserve policy?*

No. The District's does not have a written reserve policy. The District does not maintain any equipment or facilities. However, the District's unrestricted fund balance of \$412,503 (excluding restricted development impact fees balance) exceeds the minimum recommend balance of \$229,000 by \$183,503. The agreement between the City and FPD currently requires a \$200,000 minimum fund balance, however, LAFCo questions the purpose of this provision. The minimum recommended fund balance is the total of 2 components as follows:

- General reserve. This is the total of 50% of current secured taxes and 50% of special assessments to maintain liquidity from July through December each year when no tax/assessment revenue is received.
- Unassigned fund balance. GFOA recommendation of 15% of operating expenditures to mitigate revenue shortages and/or unanticipated expenditures.

The June 30,2021 actual and estimated recommended fund balance amounts are as follows:

	<b>6/30/2021 Actual Balance</b>	<b>6/30/2021 Recommended Balance</b>	<b>Excess/ (Shortage)</b>
Apparatus Replacement			
Development impact fees	87,702	87,702	-
	<u>87,702</u>	<u>87,702</u>	<u>-</u>
General reserve	264,393	172,000	92,393
Assigned - Capital asset replacement	126,700	-	126,700
Unassigned	21,410	57,000	(35,590)
Total Recommended Fund Balance	<u>\$ 500,205</u>	<u>\$ 316,702</u>	<u>\$ 183,503</u>

- h) *Does the agency have any debt, and if so, is the organization's debt at an unmanageable level? Does the agency need a clear capital financing and debt management policy, if applicable?*

Maybe. The district participates in the California Public Employees Retirement System (CalPERS) to provide retirement benefits to prior District retirees under a miscellaneous and safety plans. The County has elected not to calculate and record the District's pension liability, deferred outflows, deferred inflows, or pension expense required by Government Accounting Standards Board Statement No. 68 as this information has previously deemed immaterial to the County's Comprehensive Annual Financial Report taken as a whole. As a result, these numbers are not available to include in this report.

However, as of the June 30, 2020 actuarial valuation prepared by CalPERS, the miscellaneous plan had only 1 retired participant and the safety plan had 8 retired participants. The miscellaneous plan is 76% funded and the safety plan is 70% funded. According to *CalPERS 2019 Annual Review of Funding Levels and Risks* the big risk is continuing employer rate increases. Required employer contributions



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will increase over the next few years while the cost of recent rate changes and investment losses are being phased in. The required payments will gradually be eliminated when the liability bases are fully paid off in 2033.

**Financial Ability MSR Determination**

Winters Fire Protection District contracts for services with the City of Winters and is essentially a pass-through entity. Once annual CalPERS unfunded liability and retiree health insurance payments are made by the district, the rest of the revenues are essentially passed through to the City. Like most other rural fire districts, Winters FPD relies primarily on a share of the general 1% property tax levy for the majority of its revenue. In fiscal year 2020/21 property taxes of \$375,948 comprised 99% of total revenues. The District's share of property taxes within its boundaries is approximately 11.8%, while the average for all FPDs in the County is 6.2%. Total revenue has increased on average 6% over the past 5 years. The CalPERS unfunded liability payments have increased on average 24% per year, however the annual rate of increase has substantially declined over the past two years. Over the short-term, future increases of these unfunded accrued liability expenditures may negatively impact the amount available for contract payments to the City of Winters until the liability is paid off in 2033.

A high-level review of the District's financial transactions and annual payment calculations made by the City, indicate that the calculations and subsequent payments do not appear in accordance with the contract terms. It appears the Winters FPD may owe the City of Winters roughly \$60,000. The information detail required by the contract formula is onerous and difficult to administer easily and clearly. LAFCo recommends the contract be amended to simplify how the cost is calculated. In addition, the Winters FPD's fund balance appears higher than needed for an agency that does not maintain any equipment or facilities. The Winters FPD should consider paying down the CalPERS unfunded liability with the excess fund balance.

**Financial Ability MSR Recommendation(s)**

- Consider adoption of a special assessment to increase revenues to provide funding for current staffing, facilities and equipment needs.
- Winters FPD and the City should consider reviewing the annual payment calculations since the inception of the contract (2011) and develop review procedures to ensure that Winters FPD pays the proper amount to the City.
- Winters FPD should receive financial reports on a quarterly or biannual basis.
- Winters FPD and the City should review the contract terms to consider simplifying the financial obligations of each agency, including examining the purpose of the District maintaining a relatively high fund balance and to develop reserve policies to document reserve balances. Winters FPD's role as a pass-through entity should be streamlined to the greatest extent feasible.
- Consider paying off the CalPERS unfunded accrued liabilities with the excess fund balance.
- Yolo County should include the GASB 68 and GASB 75 balances and note disclosures for Winters FPD in the County's ACFR.

**5. SHARED SERVICES AND FACILITIES**

Status of, and opportunities for, shared facilities.

	YES	MAYBE	NO
a) <i>Are there any opportunities for the organization to share services or facilities with neighboring, overlapping or other organizations that are not currently being utilized?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

- a) *Are there any opportunities for the organization to share services or facilities with neighboring, overlapping or other organizations that are not currently being utilized?*

No. Winters FPD shares services and contracts with the City of Winters for fire protection and emergency response services.

**Shared Services MSR Determination**

Winters FPD shares services by contracting with the City of Winters for fire protection and emergency response services.

<b>6. ACCOUNTABILITY, STRUCTURE AND EFFICIENCIES</b>			
Accountability for community service needs, including governmental structure and operational efficiencies.			
	<b>YES</b>	<b>MAYBE</b>	<b>NO</b>
a) <i>Are there any recommended changes to the organization's governmental structure or operations that will increase accountability and efficiency (i.e. overlapping boundaries that confuse the public, service inefficiencies, and/or higher costs/rates)?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) <i>Are there any issues with filling board vacancies and maintaining board members? Is there a lack of board member training regarding the organization's program requirements and financial management?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) <i>Are there any issues with staff capacity and/or turnover? Is there a lack of staff member training regarding the organization's program requirements and financial management?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) <i>Does the agency need adequate policies (as applicable) relating to personnel/payroll, general and administrative, board member and meetings, and segregating financial and accounting duties among staff and/or board to minimize risk of error or misconduct (see suggested policies list)?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) <i>Are any agency officials and designated staff <u>not</u> current in making their Statement of Economic Interests (Form 700) disclosures?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) <i>Does the agency need to secure independent audits of financial reports that meet California State Controller requirements? Are the same auditors used for more than six years? Are audit results <u>not</u> reviewed in an open meeting?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) <i>If the agency is not audited annually, does the agency need to have a qualified external person review agency finances each year (at a minimum), comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) <i>Does the organization need to improve its public transparency via a website (see <a href="https://www.yololafo.org/yolo-local-government-website-transparency-scorecards">https://www.yololafo.org/yolo-local-government-website-transparency-scorecards</a>)?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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**Discussion:**

- a) *Are there any recommended changes to the organization’s governmental structure or operations that will increase accountability and efficiency (i.e. overlapping boundaries that confuse the public, service inefficiencies, and/or higher costs/rates)?*

No. The overarching LAFCo governance strategy with the contract FPDs is to have one district for each city provider, which is already the case with Winters FPD. Therefore, there are no recommended changes to the organization’s governmental structure or operations that will increase accountability and efficiency.

- b) *Are there any issues with filling board vacancies and maintaining board members? Is there a lack of board member training regarding the organization’s program requirements and financial management?*

No. All of the fire commission seats are filled there does not appear to be an issue with maintaining commissioners.

<b>Name / Title</b>	<b>Start</b>	<b>End</b>
Gloria Lopez /	11/19/2019	12/31/2023
Dennis Mariani /	11/19/2019	12/31/2023
Tony Turkovich /	11/23/2021	12/31/2025
Bob Bell /	11/23/2021	12/31/2025
Vicki Jacobs /	12/07/2021	12/31/2025

- c) *Are there any issues with staff capacity and/or turnover? Is there a lack of staff member training regarding the organization’s program requirements and financial management?*

No. City staff perform all FPD services and functions.

- d) *Does the agency need adequate policies (as applicable) relating to personnel/payroll, general and administrative, board member and meetings, and segregating financial and accounting duties among staff and/or board to minimize risk of error or misconduct?*

No. The City maintains polices to manage all FPD services and functions.

- e) *Are any agency officials and designated staff not current in making their Statement of Economic Interests (Form 700) disclosures?*

No. The Winters FPD has been exempted from needing to file Statement of Economic Interests (Form 700) disclosures.

- f) *Does the agency need to secure independent audits of financial reports that meet California State Controller requirements? Are the same auditors used for more than six years? Are audit results not reviewed in an open meeting?*

No. The dependent FPD’s (including Winters FPD) are included in the annual audit of the County’s Annual Comprehensive Financial Report (ACFR). The Winters FPD is reported as a blended component unit and accounted for as a special revenue fund. According to the State Controller’s Office, the County’s audited CAFR meets general audit requirements and the CAFR satisfies the requirements of Government Code 26909<sup>3</sup>.

- g) *If the agency is not audited annually, does the agency need to have a qualified external person review agency finances each year (at a minimum), comparing budgets to actuals, comparing actuals to prior years, analyzing significant differences or changes, and determining if the reports appear reasonable?*

No. Winters FPD is audited annually and day to day operations are managed by the City which has financial staff to review agency finances.

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<sup>3</sup> Per email dated July 6, 2021 from Sandeep Singh, Manager, Local Government Policy Section Office of State Controller, Local Government Programs and Services Division

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h) *Does the organization need to improve its public transparency via a website (see <https://www.yololafco.org/yolo-local-government-website-transparency-scorecards>)?*

Maybe. Dependent districts are not legally required to maintain a website. However, Winters FPD maintains a website and received a 28% transparency score in 2021. Please see the report posted on the LAFCo website for where improvements are recommended.

**Accountability, Structure and Efficiencies MSR Determination**

Winters FPD is managed by the City of Winters and there are no recommended changes to the organization’s governmental structure or operations that will increase accountability and efficiency. All the fire commission seats are filled there does not appear to be an issue with maintaining commissioners. The Winters FPD has been exempted from needing to file Statement of Economic Interests (Form 700) disclosures. The dependent FPD’s including Winters FPD are included in the annual audit of the County’s Annual Comprehensive Financial Report (ACFR). Winters FPD is audited annually and day to day operations are managed by the City which has financial staff to review agency finances. Although dependent districts are not legally required to maintain a website, Winters FPD maintains a website and received a 28% transparency score in 2021.

**Accountability, Structure and Efficiencies MSR Recommendation(s)**

- Dependent districts are not legally required to maintain a website. However, Winters FPD maintains a website and received a 28% transparency score in 2021. Please see the report at <https://www.yololafco.org/yolo-local-government-website-transparency-scorecards> for where improvements are needed.

**7. BROADBAND ACCESS**

Any other matter related to effective or efficient service delivery, as required by commission policy.

Per Yolo LAFCo Project Policy 6.2 “it is the intent of Yolo LAFCo to comprehensively review broadband access in MSR’s of local agencies that either serve communities and/or provide emergency services where broadband connection is critical (i.e. cities, CSDs, CSAs, FPDs and RDs).”

	YES	MAYBE	NO
a) <i>Is there a lack of high-performance broadband (25/3 Mbps) available in the community?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) <i>Is there a lack of low-income subscription rates and/or digital literacy programs available?</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Discussion:**

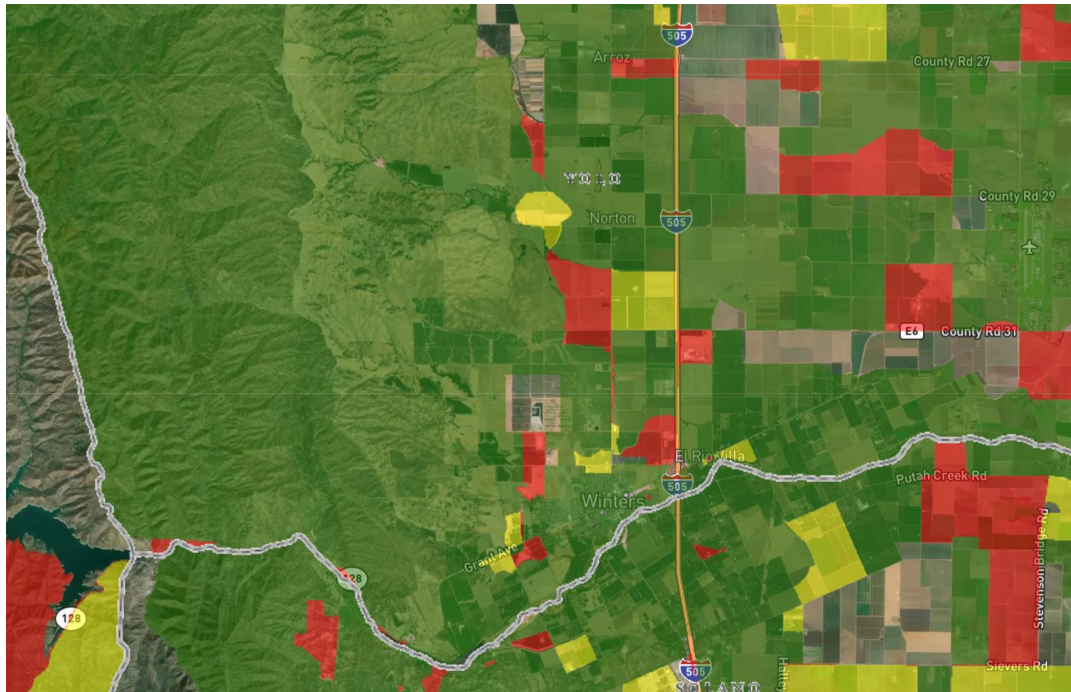
a) *Is there a lack of high-performance broadband (25/3 Mbps) available in the community?*

Maybe. Although the Winters Fire Station has access to 1,000 Mbps (or 1 Gbps/”Gig”) speeds in the City, the rural areas surrounding the City of Winters are covered by Cal.net Inc. at 25 Mbps download speed and 5 Mbps upload speed<sup>4</sup>. Therefore, broadband speeds of 25/3 Mbps is generally available in the Winters FPD territory (although at a high cost, see 7b) below). El Rio Villa is an unincorporated community in the Winters FPD territory that is underserved. The CPUC broadband maps indicate AT&T provides service at a maximum speed of 10 Mbps download and 1 Mbps upload speeds. Yolo County

<sup>4</sup> CPUC Broadband Mapping Program data as of December 31, 2019. Speeds provided are maximum advertised speeds and not necessarily typical speeds actually experienced by the subscriber.

Housing reports there is a guest Wi-Fi and computer access in the community room<sup>5</sup> but it's unknown what speeds the Wi-Fi provides.

El Rio Villa is eligible to receive California Advanced Services Fund (CASF) Infrastructure grants. Yolo County Housing and/or Yolo County should explore grants to upgrade infrastructure with either the existing provider, AT&T, or Wave Broadband which provides broadband service in the City of Winters.



b) *Is there a lack of low-income subscription rates and/or digital literacy programs available?*

Yes. In the rural areas, Cal.net Inc. is the only service provider which offers wireless coverage, and its website does not list subscription rates, so affordability may be an issue.

According to the CPUC Broadband Mapping Program, broadband adoption is 40-60% for the Winters FPD territory. Yolo County Library staff provide one-on-one computer assistance, with even with basic functions like setting up an email account<sup>6</sup> and generally help troubleshoot technology challenges. Information and instruction about basic computer/tablet/smartphone use is offered in ESL conversation clubs, classes and in Yolo Reads Adult and Family Literacy program. The library also provides hotspots and Chromebooks for those that need these items. The library does not have a formalized technology curriculum, although there have been discussions regarding adding it as a service.

**Broadband Access MSR Determination**

Overall, broadband access in the Winters FPD does not appear to be an issue that would disrupt fire protection and emergency services. According to the CPUC Broadband Mapping Program, broadband adoption is greater than 80% (the highest category) for the Winters FPD territory.

Broadband speeds at or above 25/3 Mbps is generally available in the Winters FPD territory via wireless service, however, affordability is a significant issue. Internet service is provided by Winters Broadband at a relatively exorbitant cost. According to its website, for 25Mbps fixed wireless download speeds it costs

<sup>5</sup> Email from Jim Gillette, Yolo County Housing September 29, 2021.

<sup>6</sup> Email from Mark Fink, Yolo County Librarian on May 26, 2021

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\$225.00 per month. El Rio Villa is a disadvantaged unincorporated community that has internet service provided by AT&T but at less than 50% of the minimum standard, which should be addressed.

**Broadband Access MSR Recommendation**

- Yolo County Housing and Yolo County should explore CASF (California Advanced Services Fund) grants to upgrade infrastructure for the El Rio Villa community with either the existing provider, AT&T, or Wave Broadband, which provides broadband in the City of Winters.
- Yolo County should note that rural areas served by Cal.net Inc. as the only broadband provider potentially are being charged high rates for broadband service and additional providers should be encouraged and incentivized wherever possible to create market competition to drive costs down.

**8. STATUS OF PREVIOUS MSR RECOMMENDATIONS**

	YES	MAYBE	NO
a) <i>Are there any recommendations from the agency's previous MSR that have not been implemented?</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:**

a) *Are there any recommendations from the agency's previous MSR that have not been implemented?*

No. There were no recommendations from the 2016 MSR specific to the Winters FPD.

**Status of Previous Recommendations MSR Determination**

There were no recommendations from the 2016 MSR specific to the Winters FPD.

**SPHERE OF INFLUENCE STUDY**

On the basis of the Municipal Service Review:

- Staff has reviewed the agency's Sphere of Influence and recommends that a SOI Update is NOT NECESSARY in accordance with Government Code Section 56425(g). Therefore, NO CHANGE to the agency's SOI is recommended and SOI determinations HAVE NOT been made.
  
- Staff has reviewed the agency's Sphere of Influence and recommends that a SOI Update IS NECESSARY in accordance with Government Code Section 56425(g). Therefore, A CHANGE to the agency's SOI is recommended and SOI determinations HAVE been made and are included in this MSR/SOI study.