



North Sonoma Coast Fire Protection District

PO Box 386, The Sea Ranch CA 95497

northsonomacoastfpd.org

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November 16, 2016

VIA ELECTRONIC TRANSMISSION

littlehoover@lhc.ca.gov

The Honorable Pedro Nava, Chairman
Milton Mark Commission on California State
Government Organization and Economy
925 L Street, Suite 805
Sacramento, California 95814

Attn: Jim Wasserman

Jim.Wasserman@lhc.ca.gov

Re: The Role of Special Districts; Decreasing Revenue to Fire Protection Districts

Dear Chairman Nava and Members of the Little Hoover Commission:

The North Sonoma Coast Fire Protection District (“North Sonoma Coast”) was formed in April of this year after an extensive proceeding before the Local Agency Formation Commission of Sonoma County (“LAFCO”). Like any reorganization, our formation was conditioned on the requirement of a property tax allocation agreement which reserved the right of North Sonoma Coast to question whether the Educational Revenue Augmentation Fund (“ERAF”) deduction to its share of the property taxes was calculated correctly. The calculated ERAF deduction was 47.2% of the District’s property tax or \$995,681 out of 2,109,831.

The District has reviewed the August 8, 2016 letter of the North Tahoe Fire Protection District which was presented at your August 25, 2016 meeting and concurs with its concern with ERAF reductions to what is virtually the sole source of fire protection district revenue – property tax.

The position of North Sonoma Coast is that its ERAF deduction exceeds the requirement of applicable law and serves as a chilling effect on reorganizations if they are to occur in Sonoma County because of its high amount – 47.2% of North Sonoma Coast’s share of the 1%.

North Sonoma Coast contains significant State Responsibility Areas and extensive forested lands administered by the United States Forest Service. North Sonoma Coast is aware of the issue of the SRA fee but believes that because the matter has been assigned to the courts for resolution that the matter will be resolved in that portion of government.

In contrast, The North Sonoma Coast FPD believes that there is significant reform needed with respect to ERAF, especially as it is applied to North Sonoma Coast and in Sonoma County. Stated simply, it is hard to conceive how consolidation of fire districts will proceed unless there is an equitable formula that provides sufficient funds for efficient delivery of fire suppression, prevention and emergency medical services. We believe the example of the North Sonoma Coast Fire Protection District indicates the glaring need for reform.

Almost 100% of the North Sonoma Coast FPD revenue comes from property taxes as indicated previously and a 47.2% reduction in property taxes amounts to a reduction to the District of \$995,681 in this fiscal year. In contrast, for the other fire districts in Sonoma County which have gone through reorganization, the highest amount of an ERAF reduction appears to be 17.5% for the Windsor Fire Protection District.

The North Sonoma Coast FPD recognizes the critical function of ERAF as enacted twenty four years ago to provide adequate stable funding to educational entities throughout the State but it should not be enforced in a manner that prohibits the efficient initial delivery of an essential public service such as prevention and suppression of fires.

The North Sonoma Coast FPD respectfully requests review by the Commission of this critical issue.

Very truly yours,

Don F. McMahan

Don F. McMahan, Chairman
North Sonoma Coast Fire Protection District

Very truly yours,

Bonnie Plakos

Bonnie Plakos, District Chief
North Sonoma Coast Fire Protection District

cc: Honorable Mike McGuire, Senator
2nd Senatorial District
senator.mcguire@senate.ca.gov

Honorable Efren Carrillo, Chair
Board of Supervisors
County of Sonoma
Efren.Carrillo@sonoma-county.org