

B. Cachagua Fire Protection District

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Email: cfcchief@cachaguafire.com
Website: www.cachaguafire.com (Cachagua Volunteer Firefighters)
Fire Chief: Gregg I. Curry

SUMMARY

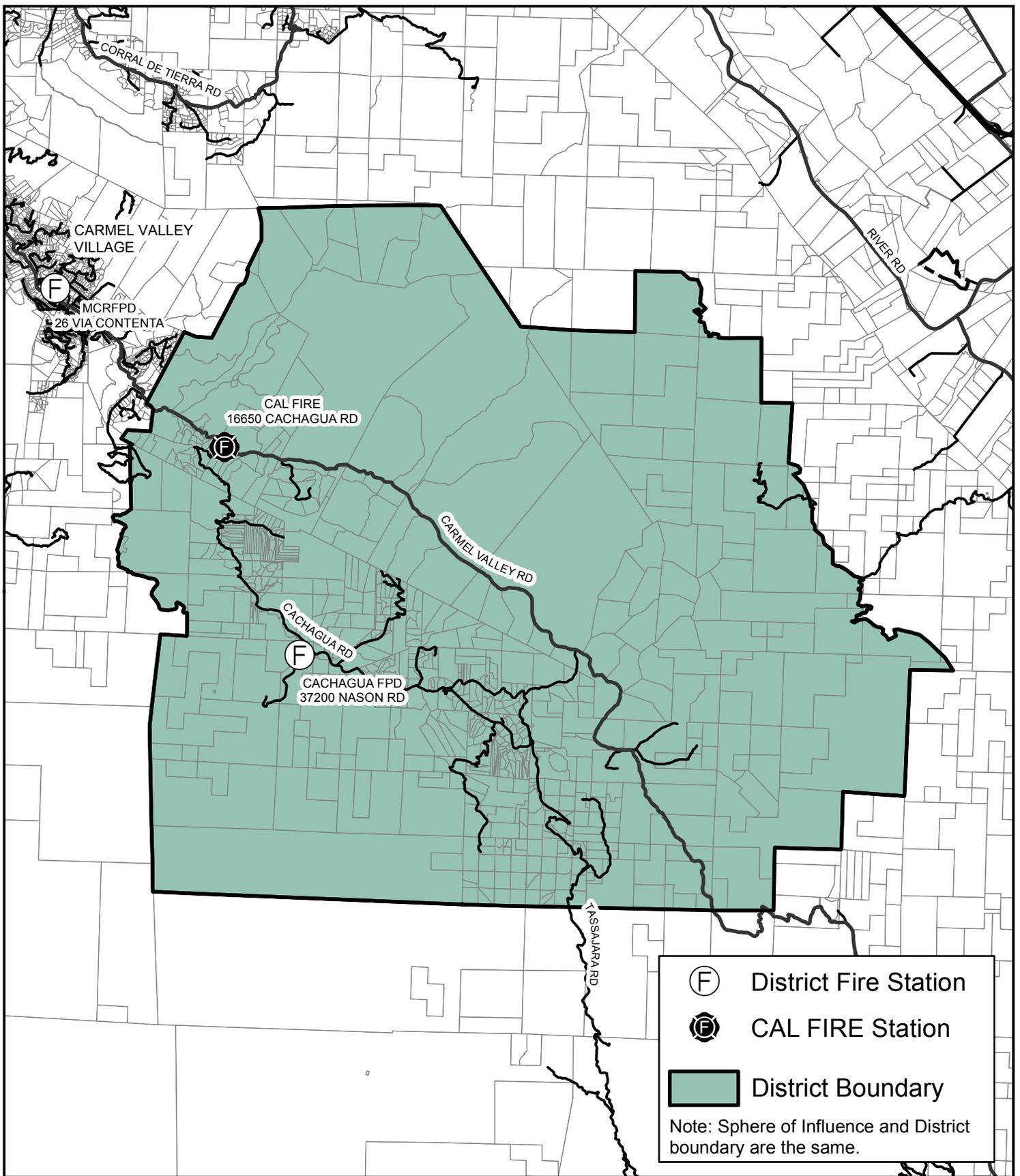
The Cachagua Fire Protection District serves the rugged area between the Carmel and Salinas Valleys. This District was formed to provide public funding for an established volunteer fire company. The District protects approximately 1,000 residents over an area of over 100 square miles. The District's extensive size and mountainous terrain slow response time and result in an ISO Public Protection Classification of 9 within 5 road miles of a fire station where there is a credible source of water. The entire District is within either a State or Federal Responsibility Area. The volunteers maintain a strong working relationship with surrounding fire protection districts, CAL FIRE, and the U. S. Forest Service, and receive significant financial support through reimbursements for providing mutual aid in fighting wildland fires.

The District's annual revenues vary depending on the level of annual mutual aid reimbursements. In Fiscal Year 2008-09, when the Cachagua firefighters assisted in fighting the Basin Complex Fire, the revenues to the District peaked at over \$1.4 million, or approximately \$1,464 per resident. Fiscal Year 2010-11 was the first year in at least nine when the District received no reimbursements for mutual aid. Revenue dropped to \$83,503, or \$85 per resident in that year. While mutual aid reimbursements are primarily used to pay out-of-pocket expenses, they have also allowed the District to accumulate a fund balance of over \$265,000, which can be used to weather short term funding lows. The District receives no portion of the County's 1% base property tax due to its formation after the 1978 voter approval of Proposition 13. The most recent audit accepted by the District was for the 2006-07 fiscal year. The Cachagua FPD provided LAFCO with a preliminary draft audit for the year ending in June 2009. The District is working to complete a backlog of audits which will provide a current picture of District finances.

The District's boundary and Sphere of Influence are the same and there are no proposals for expansion.

BACKGROUND

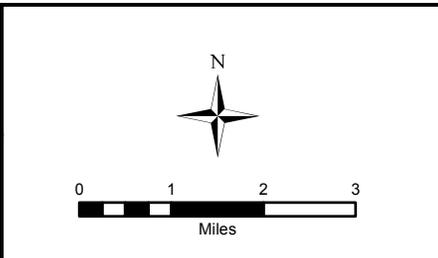
The Cachagua Volunteer Fire Company was organized in 1976 in the rural and mountainous area on the eastern edge of Carmel Valley. The Cachagua Fire Protection District was formed in 1993 at the request of community residents who wanted to create an agency that could levy, with the approval of the electorate, an assessment to support operation of the volunteers.



(F) District Fire Station
 (F) CAL FIRE Station
 District Boundary
 Note: Sphere of Influence and District boundary are the same.

LAFCO of Monterey County
 LOCAL AGENCY FORMATION COMMISSION

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FIRE PROTECTION DISTRICTS

CACHAGUA FIRE PROTECTION DISTRICT

 2012 Municipal Services Review
 Map Produced on 10/11/2011

The volunteers and the District serve approximately 108 square miles with an estimated 2010 population of 978. The District is unlikely to experience a large population increase in the near future. The District maintains a single station near the Cachagua General Store on Nason Road near Cachagua Road. The District also uses the CAL FIRE Tularcitos Station at 16650 Cachagua Road, and barn for storage near the intersection of Tassajara Road and East Carmel Valley Road.

OPERATIONS

Cachagua's firefighting force is composed of 22 active volunteers, including a chief, battalion chief, division chief, and five captains. Thirteen of these volunteers have served for ten or more years, and the average age of all volunteers is 41. The Volunteer Fire Company recently added five firefighters with less than two years of service and the average age of these volunteers is 21. All District volunteers are trained as emergency medical technicians. Approximately half of the volunteers have employment or other responsibilities that take them out of the District during the day.

The District is currently developing a five-year plan to facilitate long range planning. The volunteer firefighters work actively to stay connected to the rural Cachagua community. They barbeque tri-tip at the annual Cachagua Country Fair, and maintain an accessible up-to-date listing of their activities on Facebook.

The District's terrain, all of which is either in a State or Federal Responsibility Area, is prone to wildfires. In 2008, the Basin Complex fire burned over 160,000 acres and became the third largest wildfire in California history. It forced evacuations within Cachagua while the Volunteers fought the fire alongside CAL FIRE and other Federal, State, and local firefighters, through the State's mutual aid system.

The Cachagua FPD annual budget frequently projects expenditures exceeding projected revenues. The budget is adopted with the expectation that, in most years, this deficit will be made up by reimbursement payments for mutual aid provided by District "strike teams" providing assistance to other fire protection agencies. The State Controller's records show that the District received over \$1.3 million in these "charges for current services" during the 2008-09 fiscal year, or 93% of all revenues received that year. While the 2008-09 fiscal year was an extreme year for wildfires, the average percentage of the District's revenues that was from mutual aid reimbursements for the five years prior to Fiscal Year 2008-09 was 47%.

The District provides mutual aid within District boundaries for fighting wildfires that are the responsibility of Federal or State firefighters. Mutual aid is also provided outside District boundaries when the District's assistance is requested. While mutual aid reimbursements are received by all fire protection districts and departments, they are particularly important to Cachagua's finances because of its small budget. The District's location within State and Federal Responsibility Areas also increases the opportunities to provide mutual aid.

The District receives mutual aid reimbursements through two internal divisions: the Fire Suppression Division and the Heavy Equipment Division. Most funds received for fire suppression are spent for wages to Cachagua firefighters, although the District also receives

reimbursements for the use of its apparatus and for other District expenses. Funds for heavy equipment are used to pay for the use of equipment through a memorandum of agreement with private contractors. This includes the use of bulldozers, excavators, and transport vehicles needed for fighting wildfires. The Cachagua FPD reports that a percentage of the heavy equipment reimbursements to contractors is used to support District operations.

In Fiscal Year 2010-11, the District received no funds from the provision of mutual aid for the first year in the past nine. Primarily for this reason, the District ended the year with revenues of \$83,503 and a deficit of \$13,742. Mutual aid reimbursements from past years have allowed the District to accumulate funds in a reserve which at the end of Fiscal Year 2009-10 stood at \$263,074. This allows the District to absorb deficit years when mutual aid reimbursements are low. The District also has no long-term debt.

The District's adopted Fiscal Year 2011-12 budget includes a revenue projection of \$92,850. The largest portion of these revenues (\$52,000) is from a benefit assessment that was adopted by District voters. The assessment varies from \$48/year for an unimproved parcel to \$96/year for a parcel with a single family home up to a maximum charge of \$196/year for a vineyard. The next largest component of District revenues is derived from Proposition 172 funds through the County (\$33,850). Because the District was formed after the 1979 State adoption of Proposition 13, the District receives no share of the 1% property tax collected by the County.

The audit for Fiscal Year 2006-07 is the most recent audit accepted by the District Board. A letter accompanying the audit identified several deficiencies in internal control over financial reporting. These deficiencies were for not consolidating bank accounts on a monthly basis, a lack of month-end and year-end close procedures, a lack of policies and procedures for administrative functions, and noncompliance with Federal and State payroll tax requirements.

The District also has a preliminary draft audit for review and discussion, dated February 2, 2012, for the year ending June 30, 2009. The management letter accompanying this preliminary draft identified deficiencies in the District's internal control in the area of financial reporting and inadequate accounting records. These deficiencies were identified as "material weaknesses." The management letter also identified other deficiencies including the lack of written policies and procedures for its administrative functions.

In the last few years the District has worked to remedy the noted deficiencies. A Policy Manual was adopted by the District which includes administrative and financial policies and procedures. The District is currently completing a backlog of audits and the District's Fiscal Year 2011-12 budget includes monies for completing audits for the three previous fiscal years. Following the completion of the FY 09-10 audit the District will begin preparing audits every two years.

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In reviewing the District's finances, LAFCO relied on the 2006-07 audit, copies of adopted budgets, and the basic financial information provided by the District to the State Controller as required by law. The report's financial information is derived from these sources and conversations with the District.

The District Board of Directors is composed of three directors elected to four-year terms through at-large elections. The Board meets at the Cachagua Firehouse at 7:00 pm on the second Monday of each month. While the District does not maintain a website, information on Cachagua firefighting activities can be found on a website maintained by the Cachagua Volunteers. This website, however, contains no information on Cachagua Fire District directors, upcoming meetings, or past meetings. In addition to their website, the Cachagua Volunteers also maintain a Facebook page with daily postings.

SPHERE OF INFLUENCE & BOUNDARIES

The Sphere of Influence and District boundaries are the same and have been virtually unchanged since District formation. No changes are anticipated. A map of the District's Sphere of Influence and boundaries can be seen at the beginning of this profile.

**Cachagua Fire Protection District
Formation, Revenues, Attributes, Types of Service, and Resources**

District Formation and Duties	
Formation Date	1993
Legal Authority	Fire Protection District Law of 1961, Health & Safety Code, section 13800 et seq.
Board of Directors	Three Directors elected to four-year terms through at-large elections. If the number of candidates equals the number of eligible seats, or if there are no candidates, the Board of Supervisors shall make these appointments pursuant to Elections Code section 10515.
Agency Duties	Fire Protection / Emergency Medical Services

District Revenues				
	2008-2009		2009-2010	
	Amount	% of Total	Amount	% of Total
Property Assessments	\$48,924	3.4%	\$27,136	10.0%
Interest Income	\$1,684	0.1%	\$160	0.1%
Intergovernmental: State	0	0.0%	\$31,292	11.6%
Intergovernmental: Other Gov't Agencies	\$14,525	1.0%	\$49,116	18.2%
Intergovernmental: Charges for Current Services	\$1,330,998	93.0%	\$155,679	57.6%
Other Revenue	\$35,256	2.5%	\$7,085	2.6%
Revenue Total	\$1,431,387	100.0%	\$270,468	100.0%

Source: California State Controller, Special Districts Annual Report for the Fiscal Years Ending June 30, 2009 and 2010, Table 10: Non-Enterprise – General & Special Revenue Funds by Special District in Alphabetical Order/Activity Order.

**Cachagua Fire Protection District
Formation, Revenues, Attributes, Types of Service, and Resources**

Attributes	
District Area (estimated square miles)	108.1
Population (2010 estimated)	978
Assessed Valuation (FY 10-11)	\$208,092,872
Number of Stations	1
Dispatch	CAL FIRE
ISO Public Protection Classification:	
Within 5 miles of a Station and with a Credible Source of Water	9
Without a Credible Source of Water	10
Regular Financial Audits	Annual
Annual Revenue Per Capita (estimated FY 09-10)	\$277
Average Portion of County 1% Property Tax Received	0¢/\$1
Ending General and Special Fund Balance (June 2010)	\$267,220
Change in General Fund Balance (from June 2009 to June 2010)	N/A
Total Fund Balance/Annual Revenue Total (FY 09-10)	99%

Source: District area estimated utilizing County of Monterey GIS Data; Population estimated utilizing 2010 U. S. Census Data, Assessed Valuation and Portion of County Property Tax Received are from County of Monterey Auditor-Controller's Office; Fund Balance Information from information provided to the State Controller by the District; Other information from District.

NOTE: While the District prepares annual audits, the preparation of these audits has been delayed. No audit has been accepted by the District since Fiscal Year 2006-07. The District has provided LAFCO with a preliminary draft audit for the year ending in June 2009.

Types of Services	
Fire	X
Technical Rescue	X
Basic Life Support (EMT)	X
Advanced Life Support (Paramedic)	-
Ambulance	-

**Cachagua Fire Protection District
Formation, Revenues, Attributes, Types of Service, and Resources**

Station		
Address	Acquired/Built	Condition
37200 Nason Road, Carmel Valley	Unknown	Poor

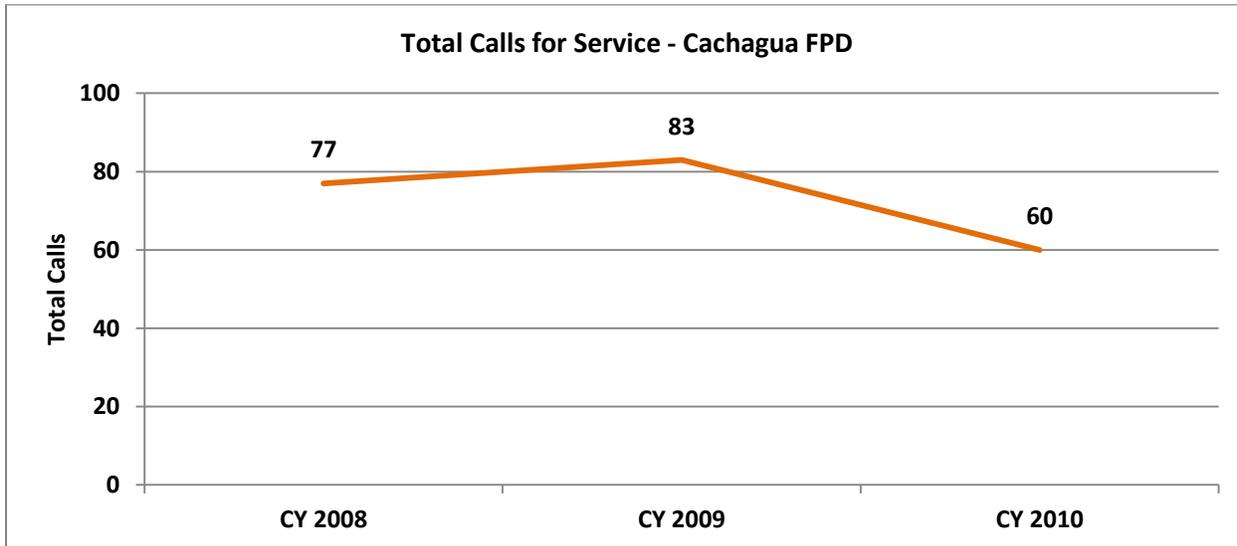
In addition the District stores fire apparatus at the CAL FIRE Station (16650 Cachagua Road, Carmel Valley) and at the Eaton Ranch Barn (36105 Tassajara Road, Carmel Valley).

Apparatus	
Engines	2 Type I Engines
	3 Type III Engines
Ambulance/Squads/ Rescue	1 Rescue Vehicle
Utility	1 Polaris Utility Vehicle
	1 Patrol Vehicle

Total Staffing	
Full time fire suppression	0
Temporary fire suppression	0
Volunteer / Paid call firefighters	22
Non-safety regular	0

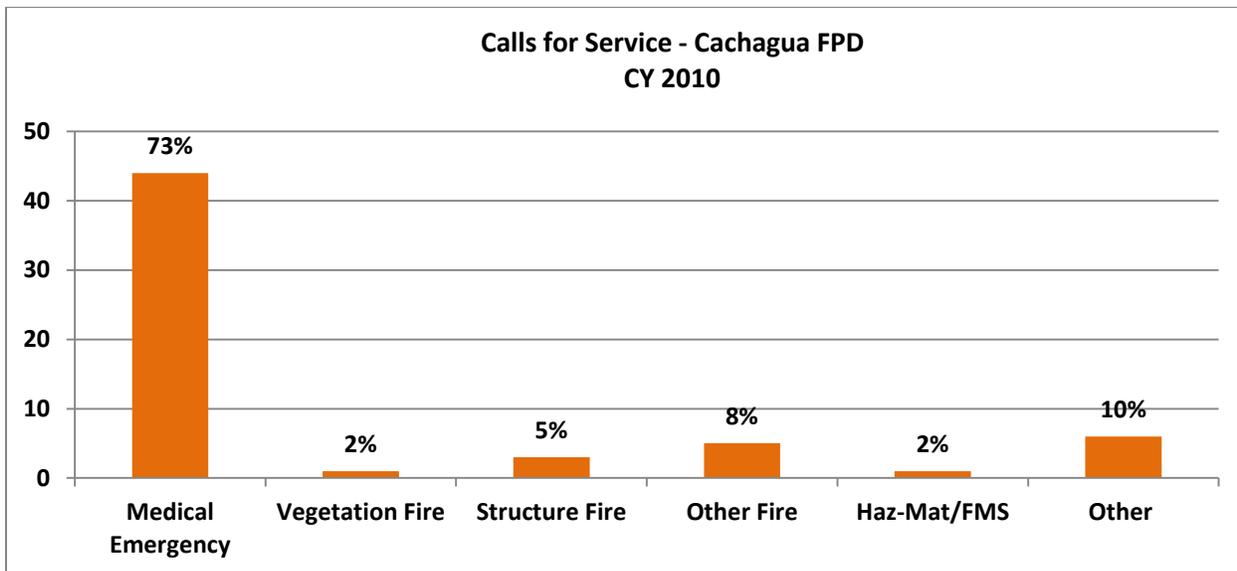
Volunteers listed are with the Cachagua Volunteer Fire Company.

Cachagua Fire Protection District
 Formation, Revenues, Attributes, Types of Service, and Resources



Source: CAL FIRE Data.

Note: This table tabulates calls referred to the District for primary response. Additional calls are referred - and responded to - for mutual and automatic aid.



Source: CAL FIRE Data.

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