

MONTECITO FIRE PROTECTION DISTRICT
AGENDA FOR THE REGULAR MEETING
OF THE BOARD OF DIRECTORS

Montecito Fire Protection District Headquarters
595 San Ysidro Road
Santa Barbara, California

February 23, 2015 at 2:00 p.m.

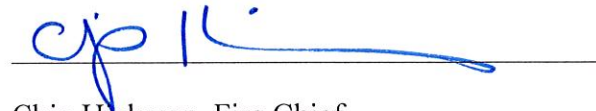
Agenda Items May Be Taken Out Of The Order Shown

1. Public comment: Any person may address the Board at this time on any non-agenda matter that is within the subject matter jurisdiction of the Montecito Fire Protection District. (30 minutes total time is allotted for this discussion.)
2. Introduction of recently promoted and newly hired personnel: Engineer Jordan Zeitsoff; Captain Scott Chapman, Captain Drue Holthe, Battalion Chief Alan Widling, and Division Chief Kevin Taylor.
3. TIME CERTAIN: 2:15p.m.: Update from representatives of PARS on the District's OPEB investment strategies, and consider changes or modifications.
4. Consider hiring human resource specialist to review hiring policies and evaluate ways to enhance diversity in the workforce at Montecito Fire.
5. Discuss land acquisition options for a third station in the east end of the District.
6. Report from the Finance Committee (copy of Agenda for Finance Committee Meeting attached).
 - a. Review CalPERS Annual Valuation Report as of June 30, 2013 for Miscellaneous and Safety Plans.
 - b. Consider Committee's recommendation to approve January 2015 financial statements.
 - c. Consider Committee's recommendation to approve revised Salary and Benefit schedule for fiscal year 2014-15.
 - d. Consider Committee's budget policy recommendations for fiscal year 2015-16.
7. Approval of Minutes of January 21, 2015 Special Meeting.
8. Fire Chief's report.
9. Board of Director's report.
10. Suggestions from Directors for items other than regular agenda items to be included for

Adjournment

This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of the posting is February 18, 2015.

MONTECITO FIRE PROTECTION DISTRICT



Chip Hickman, Fire Chief

Note: In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District office at 969-7762. Notification at least 48 hours prior to the meeting will enable the District to make reasonable arrangements.

Materials related to an item on this agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Montecito Fire Protection District's office located at 595 San Ysidro Road during normal business hours.

Agenda

Item #3

MONTECITO FIRE PROTECTION DISTRICT
PARS OPEB Trust Program

Monthly Account Report for the Period
12/1/2014 to 12/31/2014

Stephen Hickman
Fire Chief
Montecito Fire Protection District
595 San Ysidro Rd.
Santa Barbara, CA 93108

Account Summary

Source	Beginning Balance as of 12/1/2014	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 12/31/2014
Employer Contribution	\$4,266,945.51	\$0.00	-\$35,807.12	\$1,031.46	\$0.00	\$0.00	\$4,230,106.93
Totals	\$4,266,945.51	\$0.00	-\$35,807.12	\$1,031.46	\$0.00	\$0.00	\$4,230,106.93

Investment Selection

Balanced HighMark PLUS

Investment Objective

The dual goals of the Balanced Strategy are growth of principal and income. While dividend and interest income are an important component of the objective's total return, it is expected that capital appreciation will comprise a larger portion of the total return. The portfolio will be allocated between equity and fixed income investments.

Investment Return

1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
			3-Years	5-Years	10-Years	
-0.84%	1.62%	4.70%	9.93%	7.99%	N/A	1/19/2010
<u>-35,807</u>	<u>67,747</u>					
4,266,946	4,166,126					

Investment Return = Earnings/Initial Investment (Beg. Balance)

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value
Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.
Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Agenda

Item #5

Potential Sites Analysis

Table 9: Summary of Site Selection Criteria Compatibility

Site	Site Selection Criteria Satisfied?												Suitable for Further Analysis ?		
	Essential						Desirable							Other	
	1	2	3	4	5	6	7	8	9	10	11	12			
Palmer Jackson East (A)	Yes	Yes	Yes	Partially	Yes	Yes	Yes	Yes	Yes	Partially	Yes	Yes	Yes	Yes	
Archdiocese of Los Angeles (B)	Yes	Yes	Partially	Partially	Yes	Yes	No	Yes	Yes	No	Yes	No	Yes	Yes	
Palmer Jackson West (C)	Yes	Yes	Yes	Partially	Yes	Yes	Yes	Yes	Yes	Partially	Yes	Yes	Yes	Yes	
Kimball-Griffith #1 (D)	Yes	Yes	Yes	Partially	Yes	No	No	Partially	Yes	No	Yes	No	Yes	Yes	
Kimball-Griffith #2 (E)	Yes	Yes	Yes	Partially	Partially	No	No	Partially	Yes	No	Yes	No	Yes	Yes	
Feather Hill (F)	Yes	Yes	No	No	Partially	Yes	Yes	Yes	No	No	No	No	No	No	
Stonehouse (G)	Yes	Yes	Yes	Partially	Partially	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes	
Birnam Wood (H)	Yes	Yes	Yes	Yes	Yes	Partially	Yes	Yes	Partially	No	No	No	Yes	Yes	
Upper Sheffield (I)	Yes	Yes	No	No	Partially	Partially	Yes	Yes	No	No	No	No	No	No	
Klein (J)	Yes	Yes	Yes	Partially	Partially	Partially	Partially	Partially	Partially	No	Yes	Yes	Yes	Yes	
Montecito Valley Ranch (K)	Yes	Yes	Yes	Yes	Partially	No	No	Partially	No	No	Yes	No	Yes	Yes	
Cleese (L)	Yes	Yes	Yes	Partially	Yes	Partially	Partially	Yes	No	No	No	Yes	Yes	Yes	
Sinser-de Dominic (M)	Yes	Yes	No	Partially	Yes	Partially	Partially	Yes	No	No	Yes	Yes	Yes	No	
Valley Club (N)	Yes	Yes	Yes	Partially	Yes	Partially	Partially	Partially	Partially	No	Partially	No	Partially	Yes	

1-Response Time	3-Size & Configuration	5-Arterial Access	7-Environmental Constraints	9-Impact on Neighbors	11-Undeveloped
2-Growth Projections	4-Traffic Issues	6-Major Disasters	8-Land Use Issues	10-Owner's Willingness to Sell	12-Site Acquisition/Development Costs

Note: See Table 7 for detailed descriptions of Site Selection Criteria.

Agenda

Item #6

MONTECITO FIRE PROTECTION DISTRICT

Finance Committee Meeting Agenda

February 12, 2015 at 3:00 p.m.

Montecito Fire Protection District Headquarters
595 San Ysidro Road
Santa Barbara, CA 93108

Agenda Items May Be Taken Out of the Order Shown

1. Public comment: Any person may address the Finance Committee at this time on any non-agenda matter that is within the subject matter jurisdiction of the Montecito Fire Protection District; 30 minutes total time is allotted for this discussion.
2. Review and make recommendation for approval of January 2015 financial statements.
3. Review PARS OPEB Trust Program statement for December 2014.
4. Review and discuss an accelerated contribution schedule for the PARS OPEB Trust Program.
5. Review proposed budget policy recommendations: OPEB payment schedule and tax revenue growth assumption. (Staff report included in January packet)
6. Review and make recommendation for adoption of revised Salary and Benefit schedule for fiscal year 2014-15.
7. Discuss the development of a long-term budget.
8. Fire Chief's Report.
9. Requests for items to be included for the next Finance Committee Meeting.
10. Adjournment.

The next meeting is scheduled for Thursday, March 12, 2015 at 2:00 p.m.

This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of the posting is February 9, 2015.

MONTECITO FIRE PROTECTION DISTRICT



Chip Hickman, Fire Chief

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ATTACHMENT

#A



STAFF REPORT

Prepared for: Montecito Fire Protection Board of Directors
Prepared by: Araceli Gil, District Accountant
Date: February 17, 2015
Topic: CalPERS Annual Valuation Reports as of June 30, 2013

Summary

Every year, CalPERS performs an actuarial valuation of each pension plan to determine contribution rates for the upcoming fiscal year. There is a two-year lag between the Valuation Date and the Contribution Fiscal Year, therefore the June 30, 2013 report provides the contribution rates for the 2015-16 fiscal year.

Montecito Fire Protection District (the District) has four pension plans: Miscellaneous, Safety, PEPRAs Miscellaneous, and PEPRAs Safety Fire. Only Miscellaneous and Safety plans received valuation reports for June 30, 2013 because the District didn't have any members in the PEPRAs plans until 2014.

The Finance Committee Members reviewed the 40-page reports for both plans, therefore attached to this Staff Report are select pages considered to have the most important information for Board Members. The full reports are available for review by all Board Members.

Background or History

There are recent changes, approved by the CalPERS Board of Administration, that affect the June 30, 2013 valuation report, primarily changes to the amortization and rate smoothing policies and the risk pooling structure.

The new amortization and smoothing policy will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period, with a 5-year ramp up/down. Initially, the contribution rates will increase, but long-term contribution rates will be lower and all plans should be fully funded in 30 years.

The change in the risk pooling structure addresses issues and changes created by the Public Employees' Pension Reform Act of 2013 (PEPRA), effective January 1, 2013. PEPRA created new retirement formulas for employees hired after January 1, 2013. This means that existing miscellaneous and safety pools will see a decline in members and payroll assumptions, leading to an inevitable underfunding of the plans.

In an effort to combat the issues caused by PEPRA, CalPERS changed made two major changes: 1) contributions directed towards the unfunded liability of a plan will be collected as a dollar amount, rather than a percentage of payroll as it has been in the past, and 2) the total unfunded liability amount for each pool has been allocated to each plan (or agency) in that pool, therefore any payments made by an employer, will go towards paying down that agency’s own specific unfunded liability.

The cover letters for each of the reports provides a more detailed explanation of the changes and provides the new “Employer Normal Cost Rate” to be used for payroll-based contributions and the required “Employer Payment of Unfunded Liability” for the District’s plans.

Discussion

Miscellaneous Plan:

The Employer Normal Cost Rate for 2015-16 is 14.110%, and the Employer Payment of Unfunded Liability is \$69,258. On page 7 of the miscellaneous report, the “Actuarially Determined Employer Contributions” table provides a comparison breakdown of the factors used to calculate the required contributions for 2014-15 and 2015-16. The Total Employer Contribution Rate for 2015-16 is 20.803% (inclusive of the normal cost rate plus the unfunded liability payment), compared to the prior year rate of 19.161%. This is a net increase of 1.64%. In 2013-14, the employer contribution rate was 18.148%, and in 2012-13 was 17.698%.

The plan has an Accrued Liability (AL) of \$6,683,609 and Market Value of Assets (MVA) of \$5,298,386, which equates to an Unfunded Liability (UL) of \$1,385,223. The plan is funded at 79.3% (pg. 8 of the miscellaneous plan report). Capitol PFG favors a target of 80% and the District’s miscellaneous plan is close to achieving that funded ratio.

Safety Plan:

The Employer Normal Cost Rate for 2015-16 is 18.191% and the Employer Payment of Unfunded Liability is \$501,292. On page 7 of the safety report, the “Actuarially Determined Employer Contributions” table provides a comparison breakdown of the factors used to calculate the required contributions for 2014-15 and 2015-16. The Total Employer Contribution Rate for 2015-16 is 26.597%, (inclusive of the normal cost rate plus the unfunded liability payment), compared to the prior year rate of 23.948%. In 2013-14, the employer contribution rate was 23.397%, and in 2012-13 was 22.744%.

The plan has an Accrued Liability (AL) of \$58,614,969 and Market Value of Assets (MVA) of \$47,236,817, which equates to an Unfunded Liability (UL) of \$11,378,152. The plan is funded at 80.6% (pg. 8 of the safety plan report). The safety plan meets Capitol PFG’s target of 80%.

Unfunded Liability Dollar Payment:

Each of the plans’ reports includes the dollar payment due for fiscal year 2015-16. The payment can be paid monthly, or in an annual lump sum prepayment option (pg. 7 of reports)

	Monthly Payment	Total Payment (if paid monthly)	Annual Lump Sum Amount	Savings (if prepaid)
Miscellaneous Plan	5,772	69,264	66,798	\$ 2,466
Safety Plan	41,774	501,288	483,489	17,799
	47,546	570,552	550,287	\$ 20,265

Conclusion

The increase in CalPERS pension contribution requirements is normal and falls in line with projected contributions from last year's Valuation Reports. The increase in required contributions for FY 2015-16 will continue to be funded through the General Fund budget.

Additionally, Staff would like to take advantage of the "Annual Lump Sum Prepayment Option" presented on page 7 of each of the reports. Total savings for both plans could result in savings of over \$20,000 for the District.

Finally, changes by the CalPERS Board of Administration have created an allocation of unfunded liabilities to each individual plan, which allows employers to make additional lump sum payments to reduce that plan's unfunded liability at an accelerated rate. The District's Miscellaneous and Safety plans are hovering around a 80% funding status as of June 30, 2013, therefore in following Capitol PFG's guidelines, Staff recommends that no additional payments be made towards the CalPERS pension funds at this time. Instead, a continued effort towards paying down the PARS OPEB unfunded liabilities is recommended.



October 2014

**SAFETY PLAN OF THE MONTECITO FIRE PROTECTION DISTRICT
 (CalPERS ID: 1337420437)
 Annual Valuation Report as of June 30, 2013**

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2013 actuarial valuation report of your pension plan. Because this plan is in a risk pool and the CalPERS Board approved structural changes to risk pooling on May 21, 2014 you will notice some changes between your last actuarial report and this one. An overview of the changes to pooling is provided below and we urge you to carefully review the information provided in this report.

Because this plan is in a risk pool, the following valuation report has been separated into two Sections:

- Section 1 contains specific information for your plan, including the development of your pooled employer contributions and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to your plan, as of June 30, 2013.

Section 2 can be found on the CalPERS website at (www.calpers.ca.gov) then select in order "Employers", "Actuarial, Risk Pooling & GASB 27 Information", "Risk Pooling", "Risk Pool Annual Valuation Reports", then select the appropriate pool report.

Your 2013 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your CalPERS staff actuary, whose signature appears in the Actuarial Certification Section on page 1, is available to discuss your report with you after October 31, 2014.

Future Contribution Rates

Fiscal Year	Employer Normal Cost Rate	+	Employer Payment of Unfunded Liability
2015-16	18.191%		\$ 501,292
2016-17 (projected)	19.1%		\$ 610,631

The exhibit above displays the Minimum Employer Contributions, before any cost sharing, for 2015-16 along with estimates of the contributions for 2016-17. The estimated contributions for 2016-17 are based on a projection of the most recent information we have available, including an estimated 18.0 percent investment return for fiscal 2013-14, the impact of the new amortization methods adopted by the CalPERS Board in April 2013 that will impact employer rates for the first time in 2015-16 and new actuarial assumptions adopted by the CalPERS Board in February 2014 that will impact rates for the first time in 2016-17. These new demographic assumptions include a 20-year projected improvement in mortality.

A projection of employer contributions beyond 2016-17 can be found in the Risk Analysis Section of this report, "Analysis of Future Investment Return Scenarios", under a variety of investment return scenarios. Please disregard any projections provided to you in the past. Member contributions, other than cost sharing (whether paid by the employer or the employee), are in addition to the above amounts. The employer contributions in this report do not reflect any cost sharing arrangements you may have with your employees.

The estimate for 2016-17 also assumes that there are no future contract amendments and no liability gains or losses (such as larger than expected pay increases, more retirements than expected, etc.) This is a very important assumption because these gains and losses do occur and can have a significant effect on your contributions. Even for the largest plans or pools, such gains and losses can impact the employer's contribution rate by one or two percent of payroll or even more in some less common circumstances. These gains and losses cannot be predicted in advance so the projected employer contributions are estimates. Your actual employer contributions for 2016-17 will be provided in next year's valuation report.

Changes since the Prior Year's Valuation

On April 17, 2013, the CalPERS Board of Administration approved a recommendation to change the CalPERS amortization and rate smoothing policies. Beginning with the June 30, 2013 valuations that set the 2015-16 rates, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The impact of this new actuarial methodology is reflected in the "*Analysis of Future Investment Return Scenarios*" subsection of the "*Risk Analysis*" section of your report.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. In addition to creating new retirement formulas for newly hired members PEPRA also effectively closed all existing active risk pools to new employees. As such it is no longer appropriate to assume that the payroll of the risk pools for the classic formulas will continue to grow at 3 percent annually. Funding the promised pension benefits as a percentage of payroll would lead to the underfunding of the plans. In addition the current allocation of the existing unfunded liabilities based on payroll would create equity issues for employers within the risk pools. Furthermore the declining payroll of the classic formula risk pools will lead to unacceptable levels of employer rate volatility.

In order to address these issues the CalPERS Board of Administration approved at their May 21, 2014 meeting structural changes to the risk pools. All pooled plans will be combined into two active pools, one for all miscellaneous groups and one for all safety groups, effective with the 2013 valuations. By combining the pools this way the payroll of the risk pools and the employers within the pools can once again be expected to increase at the assumed 3 percent annual growth. However two important changes are being made which will affect employers.

1. Beginning with FY 2015-16 CalPERS will collect employer contributions toward your unfunded liability and side fund as dollar amounts instead of the prior method of a contribution rate. This change will address the funding issue that would still arise from the declining population of classic formula members. Although employers will be invoiced at the beginning of the fiscal year for their unfunded liability and side fund

payments the plan's normal cost contribution will continue to be collected as a percentage of payroll.

2. The pool's unfunded liability will be allocated to each individual plan based on the plan's total liability rather than by plan individual payroll. This will allow employers to track their own unfunded liability and pay it down faster if they choose. The change in the allocation of unfunded liabilities will result in some employers paying more towards their unfunded liability and some paying less.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. The impact of the PEPRA changes are included in the rates and the benefit provision listings of the June 30, 2013 valuation for the 2015-16 rates. For more information on PEPRA, please refer to the CalPERS website.

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of returns. The adopted asset allocation is expected to have a long-term blended return that continues to support a discount rate assumption of 7.5 percent. The Board also approved several changes to the demographic assumptions that more closely align with actual experience. The most significant of these is mortality improvement to acknowledge the greater life expectancies we are seeing in our membership and expected continued improvements. The new actuarial assumptions will be used to set the FY 2016-17 contribution rates for public agency employers. The increase in liability due to new actuarial assumptions will be calculated in the 2014 actuarial valuation and will be amortized over a 20-year period with a 5-year ramp-up/ramp-down in accordance with Board policy.

Besides the above noted changes, there may also be changes specific to your plan such as contract amendments and funding changes.

Further descriptions of general changes are included in the "*Highlights and Executive Summary*" section and in Appendix A, "*Statement of Actuarial Data, Methods and Assumptions*" of your section 2 report. We understand that you might have a number of questions about these results. While we are very interested in discussing these results with your agency, in the interest of allowing us to give every public agency their result, we ask that, you wait until after October 31 to contact us with actuarial related questions.

If you have other questions, please call our customer contact center at (888) CalPERS or (888-**225-7377**).

Sincerely,



ALAN MILLIGAN
Chief Actuary

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ACTUARIAL VALUATION

as of June 30, 2013

**for the
SAFETY PLAN
of the
MONTECITO FIRE PROTECTION DISTRICT
(CalPERS ID: 1337420437)**

**REQUIRED CONTRIBUTIONS
FOR FISCAL YEAR
July 1, 2015 - June 30, 2016**

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Introduction

This report presents the results of the June 30, 2013 actuarial valuation of the SAFETY PLAN of the MONTECITO FIRE PROTECTION DISTRICT of the California Public Employees' Retirement System (CalPERS). This actuarial valuation was used to set the 2015-16 required employer contribution rates.

On April 17, 2013, the CalPERS Board of Administration approved a recommendation to change the CalPERS amortization and rate smoothing policies. Beginning with the June 30, 2013 valuations that set the 2015-16 rates, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The impact of this new actuarial methodology is reflected in the "*Analysis of Future Investment Return Scenarios*" subsection of the "*Risk Analysis*" section of your report.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. In addition to creating new retirement formulas for newly hired members PEPRA also effectively closed all existing active risk pools to new employees. As such it is no longer appropriate to assume that the payroll of the risk pools for the classic formulas will continue to grow at 3 percent annually. Funding the promised pension benefits as a percentage of payroll would lead to the underfunding of the plans. In addition the current allocation of the existing unfunded liabilities based on payroll would create equity issues for employers within the risk pools. Furthermore the declining payroll of the classic formula risk pools will lead to unacceptable levels of employer rate volatility.

In order to address these issues the CalPERS Board of Administration approved at their May 21, 2014 meeting structural changes to the risk pools. All pooled plans will be combined into two active pools, one for all miscellaneous groups and one for all safety groups, effective with the 2013 valuations. By combining the pools this way the payroll of the risk pools and the employers within the pools can once again be expected to increase at the assumed 3 percent annual growth. However two important changes are being made which will affect employers.

1. Beginning with FY 2015-16 CalPERS will collect employer contributions toward your unfunded liability and side fund as dollar amounts instead of the prior method of a contribution rate. This change will address the funding issue that would still arise from the declining population of classic formula members. Although employers will be invoiced at the beginning of the fiscal year for their unfunded liability and side fund payments the plan's normal cost contribution will continue to be collected as a percentage of payroll.
2. The pool's unfunded liability will be allocated to each individual plan based on the plan's total liability rather than by the plan's individual payroll. This will allow employers to track their own unfunded liability and pay it down faster if they choose. The change in the allocation of unfunded liabilities will result in some employers paying more towards their unfunded liability and some paying less.

The impact of most of the PEPRA changes will first show up in the rates and the benefit provision listings of the June 30, 2013 valuation that sets the contribution rates for the 2015-16 fiscal year. For more detailed information on changes due to PEPRA, please refer to the CalPERS website.

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of returns (see Appendix). The adopted asset allocation is expected to have a long-term blended return that continues to support a discount rate assumption of 7.5 percent. The Board also approved several changes to the demographic assumptions that more closely align with actual experience. The most significant of these is mortality improvement to acknowledge the greater life expectancies we are seeing in our membership and expected continued improvements. The new actuarial assumptions will be used to set the FY 2016-17 contribution rates for public agency employers. The increase in liability due to new actuarial assumptions will be calculated in the 2014 actuarial valuation and will be amortized over a 20-year period with a 5-year ramp-up/ramp-down in accordance with Board policy.

Required Employer Contribution

Actuarially Determined Employer Contributions:	Fiscal Year	Fiscal Year
	2014-15 ¹	2015-16
Employer Contributions (in Projected Dollars)		
Plan's Employer Normal Cost	\$ 852,429	\$ 931,992
Plan's Payment on Amortization Bases	327,989	501,292 ²
Surcharge for Class 1 Benefits ³		
a) FAC 1	48,781	53,437
b) PRSA	93,806	99,479
Phase out of Normal Cost Difference ⁴	0	0
Amortization of Side Fund	0	0
Total Employer Contribution	\$ 1,323,005	\$ 1,586,200
Projected Payroll for the Contribution Fiscal Year	\$ 5,524,492	\$ 5,963,987
Required Employer Contributions (Percentage of Payroll)		
Plan's Net Employer Normal Cost	15.430%	15.627%
Plan's Payment on Amortization Bases	5.937%	8.406% ²
Surcharge for Class 1 Benefits ³		
a) FAC 1	0.883%	0.896%
b) PRSA	1.698%	1.668%
Phase out of Normal Cost Difference ⁴	0.000%	0.000%
Amortization of Side Fund	0.000%	0.000%
Total Employer Contribution Rate	23.948%	26.597%

Required Employer Contribution for FY 2015-16	
Employer Contribution Rate⁵	18.191%
Plus Monthly Employer Dollar UAL Payment⁶	\$ 41,774
Annual Lump Sum Prepayment Option	\$ 483,489

For FY 2015-16 the total minimum required employer contribution is the **sum** of the Plan's Employer Contribution Rate (expressed as a percentage of payroll) **plus** the Employer Unfunded Accrued Liability (UAL) Contribution Amount (in dollars). Whereas in prior years it was possible to prepay total employer contributions for the fiscal year, beginning with FY 2015-16 and beyond, only the UAL portion of the employer contribution can be prepaid.

¹ The results shown for FY 2014-15 reflect the prior year valuation and do not reflect any lump sum payment, side fund payoff or rate adjustment made after annual valuation report is completed.

² For FY 2015-16 the Plan's Payment on Amortization Bases reflects the sum of all UAL amortization bases including the Plan's Side Fund (where applicable).

³ Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

⁴ Risk pooling was implemented for most plans as of June 30, 2003. The normal cost difference was scheduled to be phased out over a five year period. The phase out of normal cost difference is 100 percent for the first year of pooling, and is incrementally reduced by 20 percent of the original normal cost difference for each subsequent year.

⁵ The minimum employer contribution under PEPR is the greater of the required employer contribution or the total employer normal cost.

⁶ The Plan's Payment on Amortization Bases Contribution amount for FY 2015-16 will be billed as a level dollar amount monthly over the course of the year. Late payments will accrue interest at an annual rate of 7.5 percent. Lump sum payments may be made through my|CalPERS. Plan Normal Cost contributions will be made as part of the payroll reporting process. As a percentage of payroll your UAL contribution is 8.406 percent.

Plan's Funded Status

	June 30, 2012	June 30, 2013
1. Present Value of Projected Benefits (PVB)	\$ 66,884,831	\$ 69,106,750
2. Entry Age Normal Accrued Liability	56,478,079	58,614,969
3. Plan's Market Value of Assets (MVA)	42,808,597	47,236,817
4. Unfunded Liability [(2) - (3)]	13,669,482	11,378,152
5. Funded Ratio [(3) / (2)]	75.8%	80.6%

Projected Contributions

The contribution rate and amount shown below is an estimate for the employer contribution for fiscal year 2016-17. The estimated contribution is based on a projection of the most recent information we have available, including an estimate of the investment return for fiscal year 2013-14, namely 18.0 percent. It also reflects implementation of the direct rate smoothing method and the impact of new actuarial assumptions.

Projected Employer Contribution Rate:	19.1%
Projected Plan UAL Contribution	\$ 610,631

The estimate also assumes that there are no liability gains or losses among the plans in your risk pool, that your plan has no new amendments in the next year, and that your plan's and your risk pool's payrolls both increase exactly 3.0 percent in the 2013-14 fiscal year. Therefore, the projected employer contribution for 2016-17 is strictly an estimate. Your actual rate for 2016-17 will be provided in next year's valuation report. A more detailed analysis of your projected employer contributions over the next five years can be found in the "Risk Analysis" section of this report.

Funding History

The Funding History below shows the actuarial accrued liability, the plan's share of the pool's market value of assets, plan's share of the pool's unfunded liability, funded ratio and the annual covered payroll.

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Plan's Share of Pool's Unfunded Liability	Funded Ratio	Annual Covered Payroll
06/30/2011	\$ 50,943,352	\$ 40,895,066	\$ 10,048,286	80.3%	\$ 5,073,854
06/30/2012	56,478,079	42,808,597	13,669,482	75.8%	5,055,693
06/30/2013	58,614,969	47,236,817	11,378,152	80.6%	5,457,893

Plan's Total Normal Cost Rate

The Public Employees' Pension Reform Act of 2013 requires that new employees pay at least 50 percent of the total annual normal cost and that current employees approach the same goal through collective bargaining. Please refer to the CalPERS website for more details.

Shown below are the total annual normal cost rates for your plan.

	Fiscal Year 2014-15	Fiscal Year 2015-16
Plan's Net Total Normal Cost Rate for 3% @ 55	24.410%	24.607%
Surcharge for Class 1 Benefits		
a) FAC 1	0.883%	0.896%
b) PRSA	<u>1.698%</u>	<u>1.668%</u>
Plan's Total Normal Cost Rate	26.991%	27.171%

Projected Employer Contributions

The estimated rate for 2016-17 is based on a projection of the most recent information we have available, including an estimated 18.0 percent investment return for fiscal 2013-14, the impact of the new smoothing methods adopted by the CalPERS Board in April 2013 that will impact employer rates for the first time in 2015-16 and new actuarial assumptions adopted by the CalPERS Board in February 2014. These new demographic assumptions include a 20-year projected improvement in mortality. A complete listing of the new demographic assumptions to be implemented with the June 30, 2014 annual actuarial valuation and incorporated in the projected rates for FY 2016-17 and beyond can be found on the CalPERS website at: <http://www.calpers.ca.gov/eip-docs/about/pubs/employer/actuarial-assumptions.xls>

The table below shows projected employer contribution rates (before cost sharing) for the next five Fiscal Years, **assuming CalPERS earns 18.0% for fiscal year 2013-14 and 7.50 percent every fiscal year thereafter**, and assuming that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur between now and the beginning of the fiscal year 2016-17.

	New Rate	Projected Future Employer Contribution Rates				
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Normal Cost %:	18.191%	19.1%	19.1%	19.1%	19.1%	19.1%
UAL \$	\$ 501,292	\$ 610,631	\$ 726,080	\$ 847,907	\$ 976,389	\$ 1,001,314

Analysis of Future Investment Return Scenarios

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of returns. The adopted asset allocation is expected to have a long- term blended return that continues to support a discount rate assumption of 7.5 percent. The newly adopted asset allocation has a lower expected investment volatility that will result in better risk characteristics than an equivalent margin for adverse deviation. The current asset allocation has an expected standard deviation of 12.45 percent while the newly adopted asset allocation has a lower expected standard deviation of 11.76 percent.

The investment return for fiscal year 2013-14 was announced July 14, 2014. The investment return in fiscal year 2013-14 is 18.42 percent before administrative expenses. This year, there will be no adjustment for real estate and private equities. For purposes of projecting future employer rates, we are assuming a 18.0 percent investment return for fiscal year 2013-14.

The investment return realized during a fiscal year first affects the contribution rate for the fiscal year 2 years later. Specifically, the investment return for 2013-14 will first be reflected in the June 30, 2014 actuarial valuation that will be used to set the 2016-17 employer contribution rates, the 2014-15 investment return will first be reflected in the June 30, 2015 actuarial valuation that will be used to set the 2017-18 employer contribution rates and so forth.

Based on a 18.0 percent investment return for fiscal year 2013-14, the April 17, 2013 CalPERS Board-approved amortization and rate smoothing method change, the February 18, 2014 new demographic assumptions including 20-year mortality improvement using Scale BB and assuming that all other actuarial assumptions will be realized, and that no further changes to assumptions, contributions, benefits, or funding will occur between now and the beginning of the fiscal year 2016-17, the effect on the 2016-17 Employer Rate is as follows:

	Estimated 2016-17 Employer Contribution	Estimated Increase in Employer Contribution between 2015-16 and 2016-17
Normal Cost %:	19.1%	0.9%
UAL \$	\$ 610,631	\$ 109,339

As part of this report, a sensitivity analysis was performed to determine the effects of various investment returns during fiscal years 2014-15, 2015-16 and 2016-17 on the 2017-18, 2018-19 and 2019-20 employer rates. Once again, the projected rate increases assume that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur.

Five different investment return scenarios were selected.

- The first scenario is what one would expect if the markets were to give us a 5th percentile return from July 1, 2014 through June 30, 2017. The 5th percentile return corresponds to a -3.8 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.
- The second scenario is what one would expect if the markets were to give us a 25th percentile return from July 1, 2014 through June 30, 2017. The 25th percentile return corresponds to a 2.8 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.
- The third scenario assumed the return for 2014-15, 2015-16, 2016-17 would be our assumed 7.5 percent investment return which represents about a 49th percentile event.
- The fourth scenario is what one would expect if the markets were to give us a 75th percentile return from July 1, 2014 through June 30, 2017. The 75th percentile return corresponds to a 12.0 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.
- Finally, the last scenario is what one would expect if the markets were to give us a 95th percentile return from July 1, 2014 through June 30, 2017. The 95th percentile return corresponds to a 18.9 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.

The table below shows the estimated projected contribution rates and the estimated increases for your plan under the five different scenarios.

2014-17 Investment Return Scenario	Estimated Employer UAL Contribution			Estimated Total Change in Employer UAL Contribution between 2016-17 and 2019-20
	2017-18	2018-19	2019-20	
-3.8% (5th percentile)	\$ 826,814	\$ 1,151,489	\$ 1,586,689	\$ 976,058
2.8% (25th percentile)	\$ 767,982	\$ 976,950	\$ 1,241,423	\$ 630,792
7.5%	\$ 726,080	\$ 847,907	\$ 976,389	\$ 365,758
12.0%(75th percentile)	\$ 685,958	\$ 720,653	\$ 707,111	\$ 96,480
18.9%(95th percentile)	\$ 624,431	\$ 0	\$ 0	\$ (610,631)

In addition to the UAL Contribution amounts shown above the estimated employer normal cost of 19.1% of payroll will also be payable in each of the fiscal years shown above. The projected plan normal cost is expected to remain relatively stable over this time period.

Analysis of Discount Rate Sensitivity

The following analysis looks at the 2015-16 employer contributions under two different discount rate scenarios. Shown below are the employer contributions assuming discount rates that are 1 percent lower and 1 percent higher than the current valuation discount rate. This analysis gives an indication of the potential required employer contribution rates if the PERF were to realize investment returns of 6.50 percent or 8.50 percent over the long-term.

This type of analysis gives the reader a sense of the long-term risk to the employer contributions.

2015-16 Employer Contribution			
As of June 30, 2013	6.50% Discount Rate (-1%)	7.50% Discount Rate (assumed rate)	8.50% Discount Rate (+1%)
Plan's Employer Normal Cost	25.0%	18.2%	13.0%
Accrued Liability	\$ 66,735,433	\$ 58,614,969	\$ 51,903,346
Unfunded Accrued Liability	\$ 19,498,616	\$ 11,378,152	\$ 4,666,529



October 2014

**MISCELLANEOUS PLAN OF THE MONTECITO FIRE PROTECTION DISTRICT
 (CalPERS ID: 1337420437)
 Annual Valuation Report as of June 30, 2013**

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2013 actuarial valuation report of your pension plan. Because this plan is in a risk pool and the CalPERS Board approved structural changes to risk pooling on May 21, 2014 you will notice some changes between your last actuarial report and this one. An overview of the changes to pooling is provided below and we urge you to carefully review the information provided in this report.

Because this plan is in a risk pool, the following valuation report has been separated into two Sections:

- Section 1 contains specific information for your plan, including the development of your pooled employer contributions and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to your plan, as of June 30, 2013.

Section 2 can be found on the CalPERS website at (www.calpers.ca.gov) then select in order "Employers", "Actuarial, Risk Pooling & GASB 27 Information", "Risk Pooling", "Risk Pool Annual Valuation Reports", then select the appropriate pool report.

Your 2013 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your CalPERS staff actuary, whose signature appears in the Actuarial Certification Section on page 1, is available to discuss your report with you after October 31, 2014.

Future Contribution Rates

Fiscal Year	Employer Normal Cost Rate	+	Employer Payment of Unfunded Liability
2015-16	14.110%		\$ 69,258
2016-17 (projected)	15.1%		\$ 81,676

The exhibit above displays the Minimum Employer Contributions, before any cost sharing, for 2015-16 along with estimates of the contributions for 2016-17. The estimated contributions for 2016-17 are based on a projection of the most recent information we have available, including an estimated 18.0 percent investment return for fiscal 2013-14, the impact of the new amortization methods adopted by the CalPERS Board in April 2013 that will impact employer rates for the first time in 2015-16 and new actuarial assumptions adopted by the CalPERS Board in February 2014 that will impact rates for the first time in 2016-17. These new demographic assumptions include a 20-year projected improvement in mortality.

A projection of employer contributions beyond 2016-17 can be found in the Risk Analysis Section of this report, "Analysis of Future Investment Return Scenarios", under a variety of investment return scenarios. Please disregard any projections provided to you in the past. Member contributions, other than cost sharing (whether paid by the employer or the employee), are in addition to the above amounts. The employer contributions in this report do not reflect any cost sharing arrangements you may have with your employees.

The estimate for 2016-17 also assumes that there are no future contract amendments and no liability gains or losses (such as larger than expected pay increases, more retirements than expected, etc.) This is a very important assumption because these gains and losses do occur and can have a significant effect on your contributions. Even for the largest plans or pools, such gains and losses can impact the employer's contribution rate by one or two percent of payroll or even more in some less common circumstances. These gains and losses cannot be predicted in advance so the projected employer contributions are estimates. Your actual employer contributions for 2016-17 will be provided in next year's valuation report.

Changes since the Prior Year's Valuation

On April 17, 2013, the CalPERS Board of Administration approved a recommendation to change the CalPERS amortization and rate smoothing policies. Beginning with the June 30, 2013 valuations that set the 2015-16 rates, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The impact of this new actuarial methodology is reflected in the "*Analysis of Future Investment Return Scenarios*" subsection of the "*Risk Analysis*" section of your report.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. In addition to creating new retirement formulas for newly hired members PEPRA also effectively closed all existing active risk pools to new employees. As such it is no longer appropriate to assume that the payroll of the risk pools for the classic formulas will continue to grow at 3 percent annually. Funding the promised pension benefits as a percentage of payroll would lead to the underfunding of the plans. In addition the current allocation of the existing unfunded liabilities based on payroll would create equity issues for employers within the risk pools. Furthermore the declining payroll of the classic formula risk pools will lead to unacceptable levels of employer rate volatility.

In order to address these issues the CalPERS Board of Administration approved at their May 21, 2014 meeting structural changes to the risk pools. All pooled plans will be combined into two active pools, one for all miscellaneous groups and one for all safety groups, effective with the 2013 valuations. By combining the pools this way the payroll of the risk pools and the employers within the pools can once again be expected to increase at the assumed 3 percent annual growth. However two important changes are being made which will affect employers.

1. Beginning with FY 2015-16 CalPERS will collect employer contributions toward your unfunded liability and side fund as dollar amounts instead of the prior method of a contribution rate. This change will address the funding issue that would still arise from the declining population of classic formula members. Although employers will be invoiced at the beginning of the fiscal year for their unfunded liability and side fund

payments the plan's normal cost contribution will continue to be collected as a percentage of payroll.

2. The pool's unfunded liability will be allocated to each individual plan based on the plan's total liability rather than by plan individual payroll. This will allow employers to track their own unfunded liability and pay it down faster if they choose. The change in the allocation of unfunded liabilities will result in some employers paying more towards their unfunded liability and some paying less.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. The impact of the PEPRA changes are included in the rates and the benefit provision listings of the June 30, 2013 valuation for the 2015-16 rates. For more information on PEPRA, please refer to the CalPERS website.

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of returns. The adopted asset allocation is expected to have a long-term blended return that continues to support a discount rate assumption of 7.5 percent. The Board also approved several changes to the demographic assumptions that more closely align with actual experience. The most significant of these is mortality improvement to acknowledge the greater life expectancies we are seeing in our membership and expected continued improvements. The new actuarial assumptions will be used to set the FY 2016-17 contribution rates for public agency employers. The increase in liability due to new actuarial assumptions will be calculated in the 2014 actuarial valuation and will be amortized over a 20-year period with a 5-year ramp-up/ramp-down in accordance with Board policy.

Besides the above noted changes, there may also be changes specific to your plan such as contract amendments and funding changes.

Further descriptions of general changes are included in the "*Highlights and Executive Summary*" section and in Appendix A, "*Statement of Actuarial Data, Methods and Assumptions*" of your section 2 report. We understand that you might have a number of questions about these results. While we are very interested in discussing these results with your agency, in the interest of allowing us to give every public agency their result, we ask that, you wait until after October 31 to contact us with actuarial related questions.

If you have other questions, please call our customer contact center at (888) CalPERS or (888-**225-7377**).

Sincerely,



ALAN MILLIGAN
Chief Actuary

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ACTUARIAL VALUATION

as of June 30, 2013

**for the
MISCELLANEOUS PLAN
of the
MONTECITO FIRE PROTECTION DISTRICT
(CalPERS ID: 1337420437)**

**REQUIRED CONTRIBUTIONS
FOR FISCAL YEAR
July 1, 2015 - June 30, 2016**

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Introduction

This report presents the results of the June 30, 2013 actuarial valuation of the MISCELLANEOUS PLAN of the MONTECITO FIRE PROTECTION DISTRICT of the California Public Employees' Retirement System (CalPERS). This actuarial valuation was used to set the 2015-16 required employer contribution rates.

On April 17, 2013, the CalPERS Board of Administration approved a recommendation to change the CalPERS amortization and rate smoothing policies. Beginning with the June 30, 2013 valuations that set the 2015-16 rates, CalPERS will employ an amortization and smoothing policy that will pay for all gains and losses over a fixed 30-year period with the increases or decreases in the rate spread directly over a 5-year period. The impact of this new actuarial methodology is reflected in the "*Analysis of Future Investment Return Scenarios*" subsection of the "*Risk Analysis*" section of your report.

On January 1, 2013, the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect. In addition to creating new retirement formulas for newly hired members PEPRA also effectively closed all existing active risk pools to new employees. As such it is no longer appropriate to assume that the payroll of the risk pools for the classic formulas will continue to grow at 3 percent annually. Funding the promised pension benefits as a percentage of payroll would lead to the underfunding of the plans. In addition the current allocation of the existing unfunded liabilities based on payroll would create equity issues for employers within the risk pools. Furthermore the declining payroll of the classic formula risk pools will lead to unacceptable levels of employer rate volatility.

In order to address these issues the CalPERS Board of Administration approved at their May 21, 2014 meeting structural changes to the risk pools. All pooled plans will be combined into two active pools, one for all miscellaneous groups and one for all safety groups, effective with the 2013 valuations. By combining the pools this way the payroll of the risk pools and the employers within the pools can once again be expected to increase at the assumed 3 percent annual growth. However two important changes are being made which will affect employers.

1. Beginning with FY 2015-16 CalPERS will collect employer contributions toward your unfunded liability and side fund as dollar amounts instead of the prior method of a contribution rate. This change will address the funding issue that would still arise from the declining population of classic formula members. Although employers will be invoiced at the beginning of the fiscal year for their unfunded liability and side fund payments the plan's normal cost contribution will continue to be collected as a percentage of payroll.
2. The pool's unfunded liability will be allocated to each individual plan based on the plan's total liability rather than by the plan's individual payroll. This will allow employers to track their own unfunded liability and pay it down faster if they choose. The change in the allocation of unfunded liabilities will result in some employers paying more towards their unfunded liability and some paying less.

The impact of most of the PEPRA changes will first show up in the rates and the benefit provision listings of the June 30, 2013 valuation that sets the contribution rates for the 2015-16 fiscal year. For more detailed information on changes due to PEPRA, please refer to the CalPERS website.

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of returns (see Appendix). The adopted asset allocation is expected to have a long-term blended return that continues to support a discount rate assumption of 7.5 percent. The Board also approved several changes to the demographic assumptions that more closely align with actual experience. The most significant of these is mortality improvement to acknowledge the greater life expectancies we are seeing in our membership and expected continued improvements. The new actuarial assumptions will be used to set the FY 2016-17 contribution rates for public agency employers. The increase in liability due to new actuarial assumptions will be calculated in the 2014 actuarial valuation and will be amortized over a 20-year period with a 5-year ramp-up/ramp-down in accordance with Board policy.

Required Employer Contribution

Actuarially Determined Employer Contributions:	Fiscal Year 2014-15¹	Fiscal Year 2015-16
Employer Contributions (in Projected Dollars)		
Plan's Employer Normal Cost	\$ 102,714	\$ 114,516
Plan's Payment on Amortization Bases	56,683	69,258 ²
Surcharge for Class 1 Benefits ³		
a) FAC 1	6,164	6,758
b) 8% EPMC	13,207	13,930
c) PRSA	10,218	10,825
Phase out of Normal Cost Difference ⁴	0	0
Amortization of Side Fund	0	0
Total Employer Contribution	\$ 188,986	\$ 215,287
Projected Payroll for the Contribution Fiscal Year	\$ 986,304	\$ 1,034,939
Required Employer Contributions (Percentage of Payroll)		
Plan's Net Employer Normal Cost	10.414%	11.065%
Plan's Payment on Amortization Bases	5.747%	6.693% ²
Surcharge for Class 1 Benefits ³		
a) FAC 1	0.625%	0.653%
b) 8% EPMC	1.339%	1.346%
c) PRSA	1.036%	1.046%
Phase out of Normal Cost Difference ⁴	0.000%	0.000%
Amortization of Side Fund	0.000%	0.000%
Total Employer Contribution Rate	19.161%	20.803%

Required Employer Contribution for FY 2015-16	
Employer Contribution Rate⁵	14.110%
Plus Monthly Employer Dollar UAL Payment⁶	\$ 5,772
Annual Lump Sum Prepayment Option	\$ 66,798
<p><i>For FY 2015-16 the total minimum required employer contribution is the sum of the Plan's Employer Contribution Rate (expressed as a percentage of payroll) plus the Employer Unfunded Accrued Liability (UAL) Contribution Amount (in dollars). Whereas in prior years it was possible to prepay total employer contributions for the fiscal year, beginning with FY 2015-16 and beyond, only the UAL portion of the employer contribution can be prepaid.</i></p>	

¹ The results shown for FY 2014-15 reflect the prior year valuation and do not reflect any lump sum payment, side fund payoff or rate adjustment made after annual valuation report is completed.

² For FY 2015-16 the Plan's Payment on Amortization Bases reflects the sum of all UAL amortization bases including the Plan's Side Fund (where applicable).

³ Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.

⁴ Risk pooling was implemented for most plans as of June 30, 2003. The normal cost difference was scheduled to be phased out over a five year period. The phase out of normal cost difference is 100 percent for the first year of pooling, and is incrementally reduced by 20 percent of the original normal cost difference for each subsequent year.

⁵ The minimum employer contribution under PEPR is the greater of the required employer contribution or the total employer normal cost.

⁶ The Plan's Payment on Amortization Bases Contribution amount for FY 2015-16 will be billed as a level dollar amount monthly over the course of the year. Late payments will accrue interest at an annual rate of 7.5 percent. Lump sum

Plan's Funded Status

	June 30, 2012	June 30, 2013
1. Present Value of Projected Benefits (PVB)	\$ 7,192,251	\$ 7,865,826
2. Entry Age Normal Accrued Liability	6,015,254	6,683,609
3. Plan's Market Value of Assets (MVA)	4,481,001	5,298,386
4. Unfunded Liability [(2) - (3)]	1,534,253	1,385,223
5. Funded Ratio [(3) / (2)]	74.5%	79.3%

Projected Contributions

The contribution rate and amount shown below is an estimate for the employer contribution for fiscal year 2016-17. The estimated contribution is based on a projection of the most recent information we have available, including an estimate of the investment return for fiscal year 2013-14, namely 18.0 percent. It also reflects implementation of the direct rate smoothing method and the impact of new actuarial assumptions.

Projected Employer Contribution Rate:	15.1%
Projected Plan UAL Contribution	\$ 81,676

The estimate also assumes that there are no liability gains or losses among the plans in your risk pool, that your plan has no new amendments in the next year, and that your plan's and your risk pool's payrolls both increase exactly 3.0 percent in the 2013-14 fiscal year. Therefore, the projected employer contribution for 2016-17 is strictly an estimate. Your actual rate for 2016-17 will be provided in next year's valuation report. A more detailed analysis of your projected employer contributions over the next five years can be found in the "Risk Analysis" section of this report.

Funding History

The Funding History below shows the actuarial accrued liability, the plan's share of the pool's market value of assets, plan's share of the pool's unfunded liability, funded ratio and the annual covered payroll.

Valuation Date	Accrued Liability (AL)	Share of Pool's Market Value of Assets (MVA)	Plan's Share of Pool's Unfunded Liability	Funded Ratio	Annual Covered Payroll
06/30/2011	\$ 5,452,466	\$ 4,290,152	\$ 1,162,314	78.7%	\$ 855,862
06/30/2012	6,015,254	4,481,001	1,534,253	74.5%	902,608
06/30/2013	6,683,609	5,298,386	1,385,223	79.3%	947,116

Plan's Total Normal Cost Rate

The Public Employees' Pension Reform Act of 2013 requires that new employees pay at least 50 percent of the total annual normal cost and that current employees approach the same goal through collective bargaining. Please refer to the CalPERS website for more details.

Shown below are the total annual normal cost rates for your plan.

	Fiscal Year 2014-15	Fiscal Year 2015-16
Plan's Net Total Normal Cost Rate for 3% @ 60	18.175%	18.827%
Surcharge for Class 1 Benefits		
a) FAC 1	0.625%	0.653%
b) 8% EPMC	1.339%	1.346%
c) PRSA	<u>1.036%</u>	<u>1.046%</u>
Plan's Total Normal Cost Rate	21.175%	21.872%

Projected Employer Contributions

The estimated rate for 2016-17 is based on a projection of the most recent information we have available, including an estimated 18.0 percent investment return for fiscal 2013-14, the impact of the new smoothing methods adopted by the CalPERS Board in April 2013 that will impact employer rates for the first time in 2015-16 and new actuarial assumptions adopted by the CalPERS Board in February 2014. These new demographic assumptions include a 20-year projected improvement in mortality. A complete listing of the new demographic assumptions to be implemented with the June 30, 2014 annual actuarial valuation and incorporated in the projected rates for FY 2016-17 and beyond can be found on the CalPERS website at: <http://www.calpers.ca.gov/eip-docs/about/pubs/employer/actuarial-assumptions.xls>

The table below shows projected employer contribution rates (before cost sharing) for the next five Fiscal Years, **assuming CalPERS earns 18.0% for fiscal year 2013-14 and 7.50 percent every fiscal year thereafter**, and assuming that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur between now and the beginning of the fiscal year 2016-17.

	New Rate	Projected Future Employer Contribution Rates				
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Normal Cost %:	14.110%	15.1%	15.1%	15.1%	15.1%	15.1%
UAL \$	\$ 69,258	\$ 81,676	\$ 94,776	\$ 108,590	\$ 123,147	\$ 127,532

Analysis of Future Investment Return Scenarios

In 2014 CalPERS completed a 2-year asset liability management study incorporating actuarial assumptions and strategic asset allocation. On February 19, 2014 the CalPERS Board of Administration adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of returns. The adopted asset allocation is expected to have a long- term blended return that continues to support a discount rate assumption of 7.5 percent. The newly adopted asset allocation has a lower expected investment volatility that will result in better risk characteristics than an equivalent margin for adverse deviation. The current asset allocation has an expected standard deviation of 12.45 percent while the newly adopted asset allocation has a lower expected standard deviation of 11.76 percent.

The investment return for fiscal year 2013-14 was announced July 14, 2014. The investment return in fiscal year 2013-14 is 18.42 percent before administrative expenses. This year, there will be no adjustment for real estate and private equities. For purposes of projecting future employer rates, we are assuming a 18.0 percent investment return for fiscal year 2013-14.

The investment return realized during a fiscal year first affects the contribution rate for the fiscal year 2 years later. Specifically, the investment return for 2013-14 will first be reflected in the June 30, 2014 actuarial valuation that will be used to set the 2016-17 employer contribution rates, the 2014-15 investment return will first be reflected in the June 30, 2015 actuarial valuation that will be used to set the 2017-18 employer contribution rates and so forth.

Based on a 18.0 percent investment return for fiscal year 2013-14, the April 17, 2013 CalPERS Board-approved amortization and rate smoothing method change, the February 18, 2014 new demographic assumptions including 20-year mortality improvement using Scale BB and assuming that all other actuarial assumptions will be realized, and that no further changes to assumptions, contributions, benefits, or funding will occur between now and the beginning of the fiscal year 2016-17, the effect on the 2016-17 Employer Rate is as follows:

	Estimated 2016-17 Employer Contribution	Estimated Increase in Employer Contribution between 2015-16 and 2016-17
Normal Cost %:	15.1%	1.0%
UAL \$	\$ 81,676	\$ 12,418

As part of this report, a sensitivity analysis was performed to determine the effects of various investment returns during fiscal years 2014-15, 2015-16 and 2016-17 on the 2017-18, 2018-19 and 2019-20 employer rates. Once again, the projected rate increases assume that all other actuarial assumptions will be realized and that no further changes to assumptions, contributions, benefits, or funding will occur.

Five different investment return scenarios were selected.

- The first scenario is what one would expect if the markets were to give us a 5th percentile return from July 1, 2014 through June 30, 2017. The 5th percentile return corresponds to a -3.8 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.
- The second scenario is what one would expect if the markets were to give us a 25th percentile return from July 1, 2014 through June 30, 2017. The 25th percentile return corresponds to a 2.8 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.
- The third scenario assumed the return for 2014-15, 2015-16, 2016-17 would be our assumed 7.5 percent investment return which represents about a 49th percentile event.
- The fourth scenario is what one would expect if the markets were to give us a 75th percentile return from July 1, 2014 through June 30, 2017. The 75th percentile return corresponds to a 12.0 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.
- Finally, the last scenario is what one would expect if the markets were to give us a 95th percentile return from July 1, 2014 through June 30, 2017. The 95th percentile return corresponds to a 18.9 percent return for each of the 2014-15, 2015-16 and 2016-17 fiscal years.

The table below shows the estimated projected contribution rates and the estimated increases for your plan under the five different scenarios.

2014-17 Investment Return Scenario	Estimated Employer UAL Contribution			Estimated Total Change in Employer UAL Contribution between 2016-17 and 2019-20
	2017-18	2018-19	2019-20	
-3.8% (5th percentile)	\$ 106,071	\$ 142,657	\$ 191,701	\$ 110,025
2.8% (25th percentile)	\$ 99,474	\$ 123,070	\$ 152,916	\$ 71,240
7.5%	\$ 94,776	\$ 108,590	\$ 123,147	\$ 41,471
12.0%(75th percentile)	\$ 90,278	\$ 94,311	\$ 92,905	\$ 11,229
18.9%(95th percentile)	\$ 83,380	\$ 0	\$ 0	\$ (81,676)

In addition to the UAL Contribution amounts shown above the estimated employer normal cost of 15.1% of payroll will also be payable in each of the fiscal years shown above. The projected plan normal cost is expected to remain relatively stable over this time period.

Analysis of Discount Rate Sensitivity

The following analysis looks at the 2015-16 employer contributions under two different discount rate scenarios. Shown below are the employer contributions assuming discount rates that are 1 percent lower and 1 percent higher than the current valuation discount rate. This analysis gives an indication of the potential required employer contribution rates if the PERF were to realize investment returns of 6.50 percent or 8.50 percent over the long-term.

This type of analysis gives the reader a sense of the long-term risk to the employer contributions.

2015-16 Employer Contribution			
As of June 30, 2013	6.50% Discount Rate (-1%)	7.50% Discount Rate (assumed rate)	8.50% Discount Rate (+1%)
Plan's Employer Normal Cost	19.6%	14.1%	10.1%
Accrued Liability	\$ 7,503,639	\$ 6,683,609	\$ 5,988,565
Unfunded Accrued Liability	\$ 2,205,253	\$ 1,385,223	\$ 690,179

ATTACHMENT

#B

MONTECITO FIRE PROTECTION DISTRICT
CASH RECONCILIATION - ALL FUNDS
January 31, 2015

	Fund 3650 General	Fund 3651 Pension Obl.	Fund 3652 Capital Outlay	Fund 3653 Land & Bldg	All Funds
Cash Balance at 1/1/15	5,926,600.21	156.93	2,094,841.70	6,371,475.71	14,393,074.55
Income:					
Tax Revenue	-	-	-	-	-
Interest	2,214.43	7.39	1,791.84	5,449.80	9,463.46
CalOES - Little Deer, 08/01-08/24/14	88,267.76	-	-	-	88,267.76
CalOES - Eiler Fire, 08/06-08/16/14	96,835.29	-	-	-	96,835.29
CalOES - Junction Fire, 08/18-08/21/14	23,118.98	-	-	-	23,118.98
USFS - Way Fire, 08/19-08/25/14	11,203.88	-	-	-	11,203.88
EMS Mgmt LLC - First response pmt	23,604.00	-	-	-	23,604.00
Employee purchases: patches	8.00	-	-	-	8.00
Employee purchases: necklaces	44.00	-	-	-	44.00
FEMA Comm. grant residual funds	71.00	-	-	-	71.00
Sale of excess property - Squad 91	-	-	25,000.00	-	25,000.00
	<u>245,367.34</u>	<u>7.39</u>	<u>26,791.84</u>	<u>5,449.80</u>	<u>277,616.37</u>
Expenses:					
Claims Processed	(232,809.44)	-	-	-	(232,809.44)
Payroll	(1,016,971.11)	-	-	-	(1,016,971.11)
Other:					
Reimbursed expenses*	58,582.66	-	-	-	58,582.66
	<u>(1,191,197.89)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,191,197.89)</u>
Cash Balance at 1/31/15	<u>4,980,769.66</u>	<u>164.32</u>	<u>2,121,633.54</u>	<u>6,376,925.51</u>	<u>13,479,493.03</u>
Cash in Treasury per Balance Sheet	<u>5,360,175.50</u>	<u>164.32</u>	<u>2,121,633.54</u>	<u>6,376,925.51</u>	<u>13,858,898.87</u>
Difference	<u>379,405.84</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>379,405.84</u>
Reconciliation:					
Outstanding payroll claims					
Delta Dental	13,395.19	-	-	-	13,395.19
Vision Service Plan	2,737.80	-	-	-	2,737.80
CalPERS retirement contributions	78,065.45	-	-	-	78,065.45
Mass Mutual contributions	18,842.55	-	-	-	18,842.55
Payroll Taxes & Direct Deposit	259,160.36	-	-	-	259,160.36
Accounts Payable					
US Bank Corporate Card	3,672.86	-	-	-	3,672.86
Cox Communications	2,674.90	-	-	-	2,674.90
R. Galbraith	667.73	-	-	-	667.73
Callback Staffing	189.00	-	-	-	189.00
	<u>379,405.84</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>379,405.84</u>

* Summary of reimbursed expenses:

State Compensation Ins Fund - Dividend issued for policy 1/1-12/31/13, \$58,152.94
McLeod/Zeitsoff/Nelson reimb. for badges purchased, \$300
G. Ventura reimb. for Prime membership charged to corporate card, \$106.92
R. McCracken reimb. for shift calendar purchase, \$13.30
D. St. Oegger reimb. for shift calendar purchase, \$9.50

MONTECITO FIRE PROTECTION DISTRICT
WARRANTS AND CLAIMS DETAIL
January 2015

Payee	Description	Amount
<u>Fund 3650 - General</u>		
ADP Inc	ADP fees	196.88
Aflac	Employee paid insurance, December	1,501.22
Anchor Air Systems	A/C semi-annual maintenance, Sta. 1 & 2	697.48
Andrew Seybold Inc	Valley Peak Project: Final report	1,750.00
Angel L Iscovich	Controlled substance registration	731.00
A-OK Mower Shop Inc	Lawn mower repair	47.05
Bennewate, Brandon	B. Bennewate Reimb: Auto Extrication Tech.	712.62
Bennewate, Brandon	B. Bennewate Reimb: Paramedic license renewal	200.00
Burtens Fire Inc	Power cord reel for Sta. 2	392.39
Burtens Fire Inc	Pump test gauge	346.66
Burtens Fire Inc	E92 repair part: drive flange	293.69
Burtens Fire Inc	E91 fuel tank cap	171.67
Burtens Fire Inc	E93 repair part	102.14
Burtens Fire Inc	OES repair part (reimbursable)	145.84
California Special Districts Assoc	G. Sinser: CSDA Special District Leadership	600.00
Callback Staffing Solutions LLC	Scheduling online program, 2 months	189.00
Carquest Auto Parts	Vehicle stock supplies	149.80
Chaz Sportswear	Apparel customization	32.40
Chevron and Texaco Card	Gasoline charges	147.28
Cirgis Inc	Participation in CIRGIS aerial imagery (budgeted)	2,000.00
Community Radio Inc	Gibraltar space rental qtrly, January-March	911.55
Compressed Air of CA	MAKO air compressor service	183.28
Container Alliance LLC	Storage roll-off container (budgeted \$4k)	6,378.40
Cox Communications	CAD connectivity & Internet	2,674.90
Davis, Shaun	S. Davis Reimb: Fire Management 1	254.89
Dell Marketing	CAD computer for Dispatch dorm (budgeted)	1,126.91
Department of Justice	Pre-employment LiveScan screening (4)	196.00
Dewitt Pinto Petroleum	Diesel Fuel, 3 trips	1,968.12
ESRI Inc	ArcGIS mapping software licenses (budgeted)	5,000.00
ESRI Inc	Mapping software annual maintenance fee	1,500.00
Fechter & Company	Financial Audit FY 13-14	7,307.00
Galbraith, Robert	R. Galbraith Reimb: Laundry detergent for stations	88.84
Galbraith, Robert	R. Galbraith Reimb: Command 1B	172.00
Galbraith, Robert	R. Galbraith Reimb: Command 1C	172.00
Galbraith, Robert	R. Galbraith Reimb: Management 1	234.89
Gil, Araceli	A. Gil Reimb: ROSS Training	151.43
Goldman Magdalin Krikes LLP	Worker's comp legal services	140.00
GovConnection Inc	Mapping computer station (budgeted)	1,169.02
GovConnection Inc	Server project: Equipment	21,801.32
Hauser, Ben	B. Hauser Reimb: Fire Hydraulics	158.00
Hugo's Auto Detailing	Car wash service, 2 months	870.00
Impulse Internet Services	Phone services, 2 months	955.22

**MONTECITO FIRE PROTECTION DISTRICT
WARRANTS AND CLAIMS DETAIL
January 2015**

Payee	Description	Amount
Informa Corp	Computer support, October	4,290.00
Informa Corp	Computer support, November	2,250.00
Informa Corp	Server project: Pre-planning	2,850.00
Janice M Thielmann	EMT Instruction: Module III & IV	1,632.00
Liebert Cassidy Whitmore	Labor attorney fees, November	688.00
Matt Shaw Concrete Inc	Driveway concrete repair (budgeted)	4,500.00
Med Tech Resource	Medical supplies: head wedges	56.02
Mission Uniform Service Inc	Shop towels	514.73
Montecito Village Hardware	Hardware supplies for minor repairs	44.23
Montecito Water District	Water service	488.08
Nestle Pure Life Direct	Bottled water	224.86
Pauletto Electric	Repair power outlet in copy room	96.47
Peyton Scapes	Landscape maintenance	730.00
Precision Imaging	Office copier usage fee, November	427.67
Precision Imaging	Office copier usage fee, December	202.14
Safety Kleen Corp	Antifreeze pick-up, Sta. 2	115.13
Sansum Clinic	Flu shots/TB skin tests	1,523.00
Sansum Clinic	Employee medical exams	2,331.50
Santa Barbara Locksmiths Inc	Installation of deadbolts on Admin offices	842.80
Santa Barbara News Press	Public notice: Ordinance 2014-02	165.36
Satcom Global Inc	Satellite phone charges	149.71
SB County Auditor-Controller	Additional User Tax	65.38
SB County Special Districts Assoc	SB County Special Districts: MFPD, 2015	300.00
SDRMA	Worker's comp insurance premium, 1/1-3/31/15	117,982.00
Smardan Hatcher Company	E93 repair part	37.49
South Coast Emer. Vehicle Service	P91 Shelving	284.04
Southern California Edison	Electricity service, Sta. 1 & 2	1,888.09
Sprinkle Tire Inc	Tires for E92	1,595.68
Sprint	E92 Sim card for MDC, 2 months	75.98
Staples Credit Plan	Office supplies	537.70
Sterling Communications	Battery back-up UPS for Gibraltar (budgeted)	2,564.77
Suds-Duds Launderette	Turnouts cleaned	214.00
The Gas Company	Gas service	268.83
The Village Service Station	Gasoline charges, 2 months	1,975.20
Trace Analytics LLC	Mako compressed air testing kit	85.00
Unisource	Household supplies	866.77
US Bank Corporate Card	Statement Ending 11/24/14 - Total \$6,733.87	
	Speakers for 922 computer	16.88
	Postage charges and transcript fee	17.87
	Halloween candy for stations	17.98
	Helmet mounts for E391	75.85
	Breakfast for School Summit meeting	106.21
	Buffer for Sta. 2	125.67

**MONTECITO FIRE PROTECTION DISTRICT
WARRANTS AND CLAIMS DETAIL
January 2015**

Payee	Description	Amount
US Bank Corporate Card (cont'd)	Air compressor filter and battery pack	136.23
	Refreshments/lunch for FBOR training	226.17
	NFPA and Prevention manuals	237.71
	Refreshments/lunch for BC hiring process	245.13
	Microwave for 1259 EVR rental property	255.94
	A. Gregson: SWAIC registration	275.00
	Office supplies: thumb drives/SOC report binders	320.16
	A. Gregson: CCAI Conference registration	325.00
	R. Lauritson/K. Hickman: CCAI Conference	391.47
	Service on hand tools	395.53
	Gasoline charges	406.51
	Binoculars for 900 and 903 (budgeted)	499.90
	Oil/filter supplies and windshields for E91/R91	621.74
	T. Edwards/S. Davis: Hazard Zone Conf. (Indiana)	808.68
	Fitness: bumper plate, rower, AbMats (budgeted)	1,228.24
	US Bank Corporate Card	Statement Ending 12/22/14 - Total \$3,672.86
	Batteries for vehicle key fob	8.41
	J. Badaracco: FH World - Expo ticket	20.00
	Straw wattle for sand containment	26.65
	A. Gil: ROSS Training	33.02
	Office supplies and postage charges	66.64
	Prime membership fee (reimbursed by employee)	106.92
	Christmas tree	110.00
	Dispatch CAD monitor	122.79
	Retirement lunch for McElwee/McLeod	148.28
	Cupcakes for Director Jensen meeting reception	179.10
	Wildland Mgmt storage rental fee, Dec.	233.00
	R. Lauritson: SWAIC registration	275.00
	Flashlight repair parts	372.10
	Gasoline charges	429.80
	Lunch for new hire oral boards (5 days)	439.20
	Replacement IP phones (4)	521.95
	J. Badaracco: CA Fire Mechanics Academy	580.00
Verizon California	Phone service	1,267.28
Verizon Wireless	Cell phone upgrades: Hickman & Gregson	484.22
Verizon Wireless	Wireless service, December	999.69
Vortex Industries	Repairs and alignment of all doors	2,968.00
	Fund 3650 Total	<u>232,809.44</u>

**MONTECITO FIRE PROTECTION DISTRICT
PAYROLL EXPENDITURES
January 2015**

Regular Salaries	\$	441,451.75
Part-Time Salaries		6,317.72
Directors Fees		990.00
Auxiliary		1,411.00
FLSA Safety		5,816.25
FLSA Dispatch		2,968.91
Overtime		81,036.02
Fire Assignment Overtime		-
Chief Officers - Extra Duty		16,956.00
Dispatch Cadre Earnings		1,984.20
Mass Mutual 457 Contribution		7,800.00
Retiree Vacation Payouts		<u>181,782.08</u>
Gross Wages	\$	748,513.93
District Contributions to Insurance		103,391.37
District Contributions to Medicare/FICA		9,750.42
District Contributions to SUI		487.44
CalPERS Employee Contribution, District paid		42,869.02
CalPERS Employer Contribution, Employee paid		(21,631.22)
CalPERS, District Contribution		138,369.02
Health and Dependent Care FSA Contributions		(3,229.65)
Due to AFLAC		<u>(1,549.22)</u>
Total Benefits		<u>268,457.18</u>
Grand Total	\$	<u>1,016,971.11</u>

**MONTECITO FIRE PROTECTION DISTRICT
OVERTIME COMPENSATION
January 2015**

Name	Date Worked	Comp Hrs	OT Hrs	Total Amount	Sick Relief	Fire Asgmt	Emer. Callback	Training/ Class Cover	Paramedic Cont. Ed	Flex Day	Extra Staffing	Shift Vacancy	BC Coverage	Dispatch Coverage	Other	Description
Edwards, T.	01/14/15		24.0	1,884.00									1,884.00		205.68	Server/assist w/ file transfer
Ventura, G.	01/14/15		2.0	205.68								455.13				
Fuentes, E.	01/15/15		6.0	455.13												
Galbraith, R.	01/15/15		24.0	1,413.72	1,413.72											
Hickman, K.	01/15/15	8.0	16.0	1,018.08								1,018.08				
Jenkins, J.	01/15/15	16.0	-	-								1,145.40				
Klenowicz, E.	01/15/15	4.0	20.0	1,145.40								1,145.40				
Ventura, G.	01/15/15	4.5	-	-									942.00		-	Server/Board packet
Gregson, A.	01/16/15		12.0	942.00								2,862.72				
Lauritson, R.	01/16/15		24.0	2,862.72								1,693.44				
Mann, K.	01/16/15		24.0	1,693.44												
Ventura, G.	01/16/15	5.5	-	-											-	Server installation
Villarreal, J.	01/16/15		24.0	1,861.20	1,861.20											
Zeitsoff, J.	01/16/15		8.5	484.12								484.12				
Bennewate, B.	01/17/15		8.0	771.12								771.12				
Davis, S.	01/17/15		24.0	1,413.72								1,413.72				
Fuentes, E.	01/17/15		24.0	1,693.44	1,693.44											
Galbraith, R.	01/17/15		19.5	1,148.65	1,148.65									2,463.48		
Jenkins, J.	01/17/15		24.0	2,463.48								2,862.72				
Lauritson, R.	01/17/15		24.0	2,862.72								2,862.72				
Powell, K.	01/17/15		4.5	257.72	257.72											
Ventura, G.	01/17/15	6.0	6.0	617.04											617.04	Server installation
Galbraith, R.	01/18/15	24.0	-	-												
Lauritson, R.	01/18/15		24.0	2,862.72								2,862.72				
Ventura, G.	01/18/15		14.0	1,439.76										1,439.76		Server installation
Fuentes, E.	01/19/15		24.0	1,693.44								1,693.44				
Galbraith, R.	01/19/15		0.5	29.45							29.45					Late call
Purguy, P.	01/19/15		24.0	1,294.20										1,294.20		
Ventura, G.	01/19/15		2.0	205.68											205.68	Server installation
Ventura, G.	01/20/15		3.5	359.94											359.94	ELMO disaster prep
Bennewate, B.	01/21/15		4.0	192.78				192.78								
Gregson, A.	01/21/15		12.0	942.00									942.00			Comm Van trip to BHPD
Jenkins, J.	01/21/15		3.5	359.26											102.84	Server installation
Ventura, G.	01/21/15		1.0	102.84											514.20	Server installation
Ventura, G.	01/22/15		5.0	514.20												
Villarreal, J.	01/22/15		24.0	1,861.20	1,861.20											
Ederer, T.	01/23/15		24.0	1,884.00									1,884.00			
Ederer, T.	01/25/15		24.0	1,884.00									1,884.00			
Jenkins, J.	01/26/15		2.5	256.61										256.61		
Purguy, P.	01/26/15		14.0	754.95										754.95		
Blake, G.	01/27/15		24.0	1,475.64											1,475.64	
Edwards, T.	01/27/15		24.0	1,884.00									1,884.00			
Hickman, K.	01/27/15		24.0	1,527.12											1,527.12	
Zeitsoff, J.	01/27/15		24.0	1,366.92	1,366.92											
Payroll 2/2/15				53,375.13												
Grand Total				97,992.02	20,304.55	0.0%	0.0%	2.5%	0.0%	0.0%	29.45	47,647.78	16,956.00	5,729.48	4,832.80	4.9%
% of Total				100.00%	20.7%	0.0%	0.0%	2.5%	0.0%	0.0%	0.0%	48.6%	17.3%	5.8%	4.9%	

**MONTECITO FIRE PROTECTION DISTRICT
SUMMARY OF OVERTIME EXPENSE BY CATEGORY**

Fiscal Year 2013-14

Month Paid	Sick Relief	Emergency Callback	Training/Class Cover	Paramedic Cont. Ed	Flex Day	Extra Staffing	Shift Vacancy	BC Coverage	Dispatch Coverage	Other	Subtotal	Fire Assignments	Total OT	Monthly % of Budget	Cum. % of Budget
JULY	17,047.80	1,005.12	1,475.64	516.83	6,730.92	13,279.82	15,550.45	9,420.00	3,630.96	3,726.19	72,383.73	21,550.17	93,933.90	11.1%	11.1%
AUGUST	15,315.23	-	1,322.28	110.79	10,935.72	-	20,107.22	-	861.96	824.53	49,477.73	60,900.04	110,377.77	13.0%	24.0%
SEPTEMBER	12,665.18	2,211.15	2,691.72	429.27	2,722.32	1,726.31	12,127.25	1,884.00	1,763.10	4,918.40	43,138.70	94,071.40	137,210.10	16.1%	40.2%
OCTOBER	21,165.09	1,961.08	1,306.28	470.86	4,835.64	-	18,184.57	9,420.00	1,993.32	7,271.41	66,608.25	-	66,608.25	7.8%	48.0%
NOVEMBER	3,594.15	6,945.40	1,586.97	350.09	1,425.60	-	5,882.79	4,710.00	2,540.88	5,462.78	32,498.66	-	32,498.66	3.8%	51.8%
DECEMBER	6,826.38	1,316.32	-	-	1,687.95	-	24,260.50	12,879.42	7,330.14	399.42	54,700.13	9,239.53	63,939.66	7.5%	59.4%
JANUARY	9,070.66	-	531.59	-	2,919.60	16,384.59	21,701.93	7,536.00	7,897.86	1,171.76	67,213.98	-	67,213.98	7.9%	67.3%
FEBRUARY	4,363.35	1,675.73	254.28	235.40	-	9,011.52	10,115.66	4,710.00	4,724.91	933.33	36,024.18	-	36,024.18	4.2%	71.5%
MARCH	4,059.13	1,259.06	4,929.53	3,421.31	-	1,459.80	24,381.64	17,898.00	2,347.38	6,257.51	66,013.35	-	66,013.35	7.8%	79.3%
APRIL	2,865.60	981.36	1,822.71	156.93	-	1,142.40	43,392.95	21,666.00	1,443.83	9,113.12	82,584.90	-	82,584.90	9.7%	89.0%
MAY	4,949.34	6,884.82	4,117.70	718.31	3,968.04	22,596.42	31,472.36	20,724.00	3,356.64	8,835.36	107,622.98	49,748.43	157,371.41	18.5%	107.5%
JUNE	4,112.40	4,416.03	2,197.94	-	2,148.12	-	35,979.06	11,304.00	12,055.32	2,442.25	74,655.12	5,900.27	80,555.39	9.5%	117.0%
TOTAL	106,034.30	28,656.06	22,236.64	6,409.79	37,373.91	65,600.86	263,156.37	122,151.42	49,946.30	51,356.05	752,921.70	241,409.84	994,331.54	117.0%	
	10.7%	2.9%	2.2%	0.6%	3.8%	6.6%	26.5%	12.3%	5.0%	5.2%	75.7%	24.3%	100.0%		
YTD Jan. 2014	85,684.49	13,439.07	8,914.48	1,877.84	31,257.75	31,390.72	117,814.71	45,849.42	26,018.22	23,774.49	386,021.18	185,761.14	571,782.32		

Fiscal Year 2014-15

Month Paid	Sick Relief	Emergency Callback	Training/Class Cover	Paramedic Cont. Ed	Flex Day	Extra Staffing	Shift Vacancy	BC Coverage	Dispatch Coverage	Other	Subtotal	Fire Assignments	Total OT	Monthly % of Budget	Cum. % of Budget
JULY	340.88	2,887.45	-	709.26	2,529.00	-	26,949.83	18,840.00	3,199.50	2,773.13	58,229.05	-	58,229.05	6.9%	6.9%
AUGUST	3,195.00	29,957.92	420.10	-	-	-	42,588.18	4,710.00	6,543.30	2,378.76	89,793.26	187,986.81	277,780.07	32.7%	39.5%
SEPTEMBER	9,167.77	265.49	4,534.23	-	1,578.96	24,140.76	27,240.84	7,536.00	2,254.08	956.81	77,674.94	106,053.76	183,728.69	21.6%	61.1%
OCTOBER	9,536.22	292.20	1,316.28	184.46	1,923.25	8,348.79	28,064.87	3,768.00	8,561.00	4,546.38	66,541.45	43,661.73	110,203.18	13.0%	74.1%
NOVEMBER	6,873.48	481.50	2,874.38	381.79	2,385.90	4,026.60	26,656.32	7,536.00	2,777.40	11,513.21	65,506.57	-	65,506.57	7.7%	81.8%
DECEMBER	4,333.41	-	13,067.39	286.34	2,252.12	5,643.78	52,808.90	12,246.00	13,956.94	14,196.77	118,791.63	-	118,791.63	14.0%	95.8%
JANUARY	20,304.55	-	2,491.96	-	-	29.45	47,647.78	16,956.00	5,729.48	4,832.80	97,992.02	-	97,992.02	11.5%	107.3%
TOTAL	53,751.31	33,884.56	24,704.33	1,561.85	10,669.23	42,189.38	251,956.71	71,592.00	43,021.70	41,197.86	574,528.91	337,702.30	912,231.20	107.3%	
	5.9%	3.7%	2.7%	0.2%	1.2%	4.6%	27.6%	7.8%	4.7%	4.5%	63.0%	37.0%	100.0%		
Budget													\$850,000		

**MONTECITO FIRE PROTECTION DISTRICT
FIRE ASSIGNMENTS - BILLING
FY 2014-2015**

Fire Name, #	Invoice #	Period Covered	Invoice Date	Agency	Total Due	Date Received	Amount Received
EI Portal, CA-YNP-0083	2014-09	07/27-08/14/14	10/23/14	USFS	\$ 14,789.54		
Little Deer (July), CA-KNF-005564		08/01-08/24/14	10/30/14	Cal-OES	88,267.48	01/20/15	88,267.76
Bald Fire, CA-LNF-003479		08/02-08/06/14	10/24/14	Cal-OES	33,595.72	02/09/15	33,595.73
Eiler Fire, CA-SHU-006933		08/06-08/16/14	10/24/14	Cal-OES	96,835.29	01/02/15	96,835.29
Cover BTU-August, CA-BTU-010882		08/09-08/15/14		Cal-OES	76,030.11		
Junction, CA-MMU-014633		08/18-08/21/14	10/30/14	Cal-OES	23,118.98	01/12/15	23,118.98
Tecolote, CA-ANF-004034		08/18/14	11/21/14	Cal-OES	9,548.73	02/09/15	9,548.73
Tecolote, CA-ANF-004034	2014-10	08/18/14	10/23/14	USFS	1,622.00		
Way, CA-CND-003148	2014-11	08/19-08/25/14	10/23/14	USFS	11,203.88	01/21/15	11,203.88
Silverado Fire, CA-CNF-002873		09/13-09/15/14	11/21/14	Cal-OES	18,443.29	02/09/15	18,443.29
King Fire, CA-ENF-023461	2014-12	09/18-10/02/14	10/23/14	USFS	29,750.38		
Boles Fire, CA-SKU-007064 (Revised)		09/16-09/21/14	11/12/14	Cal-OES	35,018.46	02/05/15	35,018.46
King Fire, CA-ENF-023461 (OES & 391)		09/20-09/26/14	12/04/14	Cal-OES	184,372.37		
					\$ 622,596.25		\$ 316,032.12

Cochrane Property Management, Inc.

Period: 01 Jan 2015-31 Jan 2015

P.O. Box 4370
 Santa Barbara, CA 93140

Owner Statement



Montecito Fire Protection District (MFPD)
 c/o Cochrane Property Management, Inc.
 PO Box 4370
 Santa Barbara, CA 93140



Properties
186 - Cochrane Prop.
Mgmt. FBO MFPD -
 1255-1259 E. Valley Road
 Santa Barbara, CA 93108

Date	Payee / Payer	Type	Reference	Description	Income	Expense	Balance
				Beginning Cash Balance as of 01/01/2015			8,371.79
01/02/2015	Larry Todd Edwards	ACH receipt	9DT3-XIZK	1255 - Rent Income - December 2014	76.54		8,448.33
01/02/2015	Larry Todd Edwards	ACH receipt	9DT3-XIZK	1255 - Rent Income - January 2015	1,641.46		10,089.79
01/02/2015	Thomas V. Homer	Receipt	1411	1257 - Rent Income - January 2015	1,254.00		11,343.79
01/02/2015	Thomas V. Homer	Receipt	1411	1257 - Prepaid Rent - Prepaid Rent Income	56.00		11,399.79
01/04/2015	Brandon Bennewate	CC receipt	F10Q-XFSW	1259 - Rent Income - January 2015	1,287.00		12,686.79
01/04/2015	Brandon Bennewate	CC receipt	F10Q-XFSW	1259 - Charge Back - January 2015 - Property Taxes owed until June 2015	52.00		12,738.79
01/11/2015	Montecito Water District	Payment	ACH	Water/Sewer - monthly water 01-1256-03: 11/25/14 - 12/30/14 (9 HCF) - January 2015 - Montecito Water monthly bill		64.45	12,674.34
01/12/2015	Chief Sweep	Check	18731	1259 - General Cleaning/Janitorial - 11/14/14 - sweep/inspection of free-standing potbelly stove		160.00	12,514.34
01/12/2015	Hydrex, Inc. (Santa Barbara)	Check	18732	Pest Control - 12/8/14 mo rodent service - 30 bait stations - January 2015 - mo rodent service - 30 bait stations		92.00	12,422.34
01/12/2015	Peyton/Scapes	Check	18733	Gardening/Landscaping - 12/31/14 mo gardening - January 2015		55.00	12,367.34
01/12/2015	Peyton/Scapes	Check	18733	Gardening/Landscaping - 12/31/14 mo gardening - January 2015		55.00	12,312.34
01/12/2015	Peyton/Scapes	Check	18733	Gardening/Landscaping - 12/31/14 mo gardening - January 2015		55.00	12,257.34
01/12/2015	Rayne Water Conditioning	Check	18734	1257 - Water/Sewer - Monthly water softening 12/17/14 - January 2015		48.32	12,209.02
01/12/2015	Rayne Water Conditioning	Check	18734	1255 - Water/Sewer - Monthly water softening 12/17/14 - January 2015		77.11	12,131.91
01/12/2015	Rayne Water Conditioning	Check	18734	1259 - Water/Sewer - Monthly water softening 12/17/14 - January 2015		48.32	12,083.59
01/30/2015	Cochrane Property	Check	18735	Property Mgmt Fees - Property Mgmt Fees for 01/2015		105.84	11,977.75

Date	Payee / Payer	Type	Reference	Description	Income	Expense	Balance
	Management, Inc.						
01/30/2015	Cochrane Property Management, Inc.	Check	18735	Administrative Fee - Monthly service fee - min \$5 - January 2015 - Monthly service fee - min \$5		5.00	11,972.75
01/30/2015	Cochrane Property Management, Inc.	Check	18735	Property Mgmt Fees - Property Mgmt Fees for 01/2015		152.46	11,820.29
				Ending Cash Balance			11,820.29
Total					4,367.00	918.50	

Property Cash Summary

Required Reserves	5,000.00
Prepaid Rent for Future Rent	56.00

Cash Flow**Cochrane Property Management, Inc.**

Properties: 186 - Cochrane Prop. Mgmt. FBO MFPD - 1255-1259 E. Valley Road Santa Barbara, CA 93108

Owned By: Montecito Fire Protection District (MFPD)

Date Range: 01/01/2015 to 01/31/2015

Account Name	Selected Period	% of Selected Period	Fiscal Year To Date	% of Fiscal Year To Date
Operating Income & Expense				
Income				
Income				
Rent Income	4,305.00	98.81	4,305.00	98.81
Charge Back	52.00	1.19	52.00	1.19
Total Income	4,357.00	100.00	4,357.00	100.00
Total Operating Income	4,357.00	100.00	4,357.00	100.00
Expense				
Office Expenses				
Administrative Fee	5.00	0.11	5.00	0.11
Total Office Expenses	5.00	0.11	5.00	0.11
Repair & Maintenance				
Gardening/ Landscaping	165.00	3.79	165.00	3.79
General Cleaning/ Janitorial	160.00	3.67	160.00	3.67
Pest Control	92.00	2.11	92.00	2.11
Total Repair & Maintenance	417.00	9.57	417.00	9.57
Property Mgmt Fees	258.30	5.93	258.30	5.93
Utilities				
Water/Sewer	238.20	5.47	238.20	5.47
Total Utilities	238.20	5.47	238.20	5.47
Total Operating Expense	918.50	21.08	918.50	21.08
NOI - Net Operating Income	3,438.50	78.92	3,438.50	78.92
Total Income	4,357.00	100.00	4,357.00	100.00
Total Expense	918.50	21.08	918.50	21.08
Net Income	3,438.50	78.92	3,438.50	78.92
Other Items				
Prepaid Rent	10.00		10.00	
Net Other Items	10.00		10.00	
Cash Flow	3,448.50		3,448.50	
Beginning Cash	8,371.79		8,371.79	
Beginning Cash + Cash Flow	11,820.29		11,820.29	
Actual Ending Cash	11,820.29		11,820.29	

ATTACHMENT

#C

Circular Letter No. 200-056-11 Enclosure

PUBLICLY AVAILABLE PAY SCHEDULE AND WRITTEN LABOR POLICY OR
AGREEMENT REGULATIONS

California Code of Regulations, title 2, §§ 570.5 and 571

Title 2. Administration
Division 1. Administrative Personnel
Chapter 2. Board of Administration of Public Employees' Retirement System
Subchapter 1. Employees' Retirement System Regulations
Article 4. Contracts

ADD 2 CCR § 570.5

§ 570.5. Requirement for a Publicly Available Pay Schedule.

(a) For purposes of determining the amount of "compensation earnable" pursuant to Government Code Sections 20630, 20636, and 20636.1, payrate shall be limited to the amount listed on a pay schedule that meets all of the following requirements:

- (1) Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;
- (2) Identifies the position title for every employee position;
- (3) Shows the payrate for each identified position, which may be stated as a single amount or as multiple amounts within a range;
- (4) Indicates the time base, including, but not limited to, whether the time base is hourly, daily, bi-weekly, monthly, bi-monthly, or annually;
- (5) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;
- (6) Indicates an effective date and date of any revisions;
- (7) Is retained by the employer and available for public inspection for not less than five years; and
- (8) Does not reference another document in lieu of disclosing the payrate.

(b) Whenever an employer fails to meet the requirements of subdivision (a) above, the Board, in its sole discretion, may determine an amount that will be considered to be payrate, taking into consideration all information it deems relevant including, but not limited to, the following:

- (1) Documents approved by the employer's governing body in accordance with requirements of public meetings laws and maintained by the employer;
- (2) Last payrate listed on a pay schedule that conforms to the requirements of subdivision (a) with the same employer for the position at issue;
- (3) Last payrate for the member that is listed on a pay schedule that conforms with the requirements of subdivision (a) with the same employer for a different position;
- (4) Last payrate for the member in a position that was held by the member and that is listed on a pay schedule that conforms with the requirements of subdivision (a) of a former CalPERS employer.

NOTE: Authority cited: Sections 20120 and 20121, Government Code. Reference: Sections 20630, 20636 and 20636.1, Government Code.

AMEND §571(b)

§ 571. Definition of Special Compensation.

(a) – (No changes).

(b) The Board has determined that all items of special compensation listed in subsection (a) are:

(1) Contained in a written labor policy or agreement as defined at Government Code section 20049, provided that the document:

(A) Has been duly approved and adopted by the employer's governing body in accordance with requirements of applicable public meetings laws;

(B) Indicates the conditions for payment of the item of special compensation, including, but not limited to, eligibility for, and amount of, the special compensation;

(C) Is posted at the office of the employer or immediately accessible and available for public review from the employer during normal business hours or posted on the employer's internet website;

(D) Indicates an effective date and date of any revisions;

(E) Is retained by the employer and available for public inspection for not less than five years; and

(F) Does not reference another document in lieu of disclosing the item of special compensation;

(2) Available to all members in the group or class;

(3) Part of normally required duties;

(4) Performed during normal hours of employment;

(5) Paid periodically as earned;

(6) Historically consistent with prior payments for the job classification;

(7) Not paid exclusively in the final compensation period;

(8) Not final settlement pay; and

(9) Not creating an unfunded liability over and above PERS' actuarial assumptions.

(c) – (No changes).

(d) – (No changes).

NOTE: Authority cited: Sections 20636(c)(6), 20636.1(c)(6), 20120 and 20121, Government Code; Calif. Const. Art. XVI, Section 17. Reference: Sections 20630, 20636, 20636.1 and 20691, Government Code.

Research Note: - (No changes).

MONTECITO FIRE PROTECTION DISTRICT
Summary of Salaries and Benefits
Full Time Employees
Effective January 1, 2015

Retirement Pension - Miscellaneous:

CalPERS 3% at 60 – First Level Members
 CalPERS 2% at 62 – PEPRA New Members

Employee pays 4.5% cost share toward employer contribution; employee contribution is paid by employer up to 8%.

Retirement Pension - Safety:

CalPERS 3% at 55 – First Level Members
 CalPERS 2.7% at 57 – PEPRA New Members

Employee pays 4.5% cost share toward employer contribution; employee contribution is paid by employer up to 9%.

CalPERS Health Care: District covers a maximum of \$1,531 per month per employee, in 2015, towards a CalPERS-administered health plan. Plan rates vary; unused balance is not accrued.

Delta Dental Premier Plan: District covers entire cost for the employee and eligible dependents.

Current Premiums:

Employee Only	\$ 76.41
Employee +1	\$ 140.03
Family	\$ 226.34

Vision Service Plan: District covers entire cost for the employee and eligible dependents. The current monthly premium is \$33.80.

Life Insurance: District provides \$50,000 on member’s life; \$50,000 accidental death/dismemberment and \$1,000 for member’s dependents. The current monthly premium is \$15.36.

Deferred Compensation: District contributes \$200 per month towards the District-sponsored IRC 457(b) Deferred Compensation Plan for all employees after completing one year of employment.

Uniform Allowance: \$ 1,000 per year

Text Message Allowance: Department pays \$20 per month if an employee chooses to utilize his/her personal cell phone for notification purposes.

Sick Leave: 12 hours of sick leave earned per month.

Holiday Time: Safety and Dispatchers earn 12 hours per month. Office personnel receive 12 paid holidays.

Vacation:

Safety and Dispatchers:

1-5 years of service – 12 hours per month
 6-10 years of service – 16 hours per month
 11-15 years of service – 20 hours per month
 16+ years of service – 22 hours per month

Battalion Chief (Safety):

16+ years of service – 24 hours per month

Chief Officers assigned to a 40 hour work week:

16.67 hours per month

40 hour personnel:

1-3 years of service – 6.67 hours per month
 4-7 years of service – 10 hours per month
 8-11 years of service – 13.33 hours per month
 12+ years of service – 16.67 hours per month

**MONTECITO FIRE PROTECTION DISTRICT
Summary of Salaries and Benefits
Full Time Employees
Effective January 1, 2015**

Monthly Salary Base Rates:

Rank/Title	Start	6 mo.	12 mo.	24 mo.	36 mo.
Fire Chief	15,617		17,310		
Division Chief of Operations	14,230	16,050			
Battalion Chief/Fire Marshal	12,977	14,394			
Battalion Chief	11,798	13,084			
Captain/Asst. Fire Marshal	10,754	11,265			
Captain	9,564	10,240			
Wildland Specialist	9,345	9,784			
Engineer/Inspector	9,342	9,784			
Engineer	8,314	8,896			
Firefighter/Paramedic	6,745	7,412	8,081	8,818	
Firefighter	6,073	6,669	7,276	7,937	
Dispatcher	6,325	6,581	6,764		
Communications Coordinator	9,006	9,456	9,928		
Accountant	8,267	8,684	9,120	9,578	10,057
Administrative Assistant	7,802	8,194	8,602	9,033	9,488
Mechanic	6,694	7,283	7,875		

Longevity Incentives: Special compensation pay is calculated using the employee's base rate.

3-5 years	2.75%	15-17 years	13.75%
6-8 years	5.50%	18-20 years	16.50%
9-11 years	8.25%	21-23 years	19.25%
12-14 years	11.00%	24+ years	22.00%

Dispatch Cadre Members: Special compensation pay 5% of top step of the Firefighter classification base salary.
Current incentive rate: \$ 396.85 per month

EMT/AED Certification Incentive: 5% Special compensation pay is calculated using the employee's base rate, longevity incentive and Fair Labor Standards Act (FLSA) earnings, if applicable.

FLSA Earnings: Safety employees working a 24-hour shift schedule receive FLSA compensation equal to 5 hours of straight time pay every 24-day period.

Dispatchers working a 24-hour shift schedule receive FLSA compensation based on a fluctuating shift schedule and is calculated weekly for hours worked in excess of a 40 hour workweek.

MONTECITO FIRE PROTECTION DISTRICT
Summary of Salaries and Benefits
Full Time Employees
Effective ~~July~~ January 1, 2015⁴

Retirement Pension - Miscellaneous:

CalPERS 3% at 60 – First Level Members
 CalPERS 2% at 62 – PEPR New Members

Employee pays 4.5% cost share toward employer contribution; employee contribution is paid by employer up to 8%.

Retirement Pension - Safety:

CalPERS 3% at 55 – First Level Members
 CalPERS 2.7% at 57 – PEPR New Members

Employee pays 4.5% cost share toward employer contribution; employee contribution is paid by employer up to 9%.

CalPERS Health Care: District covers a maximum of \$1,5311,458 per month per employee, in 2015, towards a CalPERS-administered health plan. Plan rates vary; unused balance is not accrued.

Delta Dental Premier Plan: District covers entire cost for the employee and eligible dependents.

Current Premiums:

Employee Only	\$	<u>72,7776.41</u>
Employee +1	\$	<u>133,36140.03</u>
Family	\$	<u>215,56226.34</u>

Vision Service Plan: District covers entire cost for the employee and eligible dependents. The current monthly premium is \$32,6433.80.

Life Insurance: District provides \$50,000 on member’s life; \$50,000 accidental death/dismemberment and \$1,000 for member’s dependents. The current monthly premium is \$15.36.

Deferred Compensation: District contributes \$200 per month towards the District-sponsored IRC 457(b) Deferred Compensation Plan for all employees after completing one year of employment.

Uniform Allowance: \$ 1,000 per year

Text Message Allowance: Department pays \$20 per month if an employee chooses to utilize his/her personal cell phone for notification purposes.

Sick Leave: 12 hours of sick leave earned per month.

Holiday Time: Safety and Dispatchers earn 12 hours per month. Office personnel receive 12 paid holidays.

Vacation:

Safety and Dispatchers:

1-5 years of service – 12 hours per month
 6-10 years of service – 16 hours per month
 11-15 years of service – 20 hours per month
 16+ years of service – 24-22 hours per month

Battalion Chief (Safety):

16+ years of service – 24 hours per month

Chief Officers assigned to a 40 hour work week:

16.67 hours per month

40 hour personnel:

1-3 years of service – 6.67 hours per month
 4-7 years of service – 10 hours per month
 8-11 years of service – 13.33 hours per month
 12+ years of service – 16.67 hours per month

Approved 06/23/14 (Revised 02/02/15)

MONTECITO FIRE PROTECTION DISTRICT
Summary of Salaries and Benefits
Full Time Employees
 Effective ~~July~~ January 1, 2015

Monthly Salary Base Rates:

Rank/Title	Start	6 mo.	12 mo.	24 mo.	36 mo.
Fire Chief	15,617		17,310		
Division Chief of Operations	14,230	16,050			
Battalion Chief/Fire Marshal	12,977	14,394			
Battalion Chief	11,798	13,084			
Captain/Asst. Fire Marshal	10,754	11,265			
Captain	9,564	10,240			
Wildland Specialist	9,345	9,784			
Engineer/Inspector	9,342	9,784			
Engineer	8,314	8,896			
Firefighter/Paramedic	6,745	7,412	8,081	8,818	
Firefighter	6,073	6,669	7,276	7,937	
Dispatcher	6,325	6,581	6,764		
Communications Coordinator	9,006	9,456	9,928		
Accountant	8,267	8,684	9,120	9,578	10,057
Administrative Assistant	7,802	8,194	8,602	9,033	9,488
Mechanic	6,694	7,283	7,875		

Longevity Incentives: Special compensation pay is calculated using the employee's base rate.

3-5 years	2.75%	15-17 years	13.75%
6-8 years	5.50%	18-20 years	16.50%
9-11 years	8.25%	21-23 years	19.25%
12-14 years	11.00%	24+ years	22.00%

Dispatch Cadre Members: Special compensation pay 5% of top step of the Firefighter classification base salary.
 Current incentive rate: \$ 396.85 per month

EMT/AED Certification Incentive: 5% Special compensation pay is calculated using the employee's base rate, longevity incentive and Fair Labor Standards Act (FLSA) earnings, if applicable.

FLSA Earnings: Safety employees working a 24-hour shift schedule receive FLSA overtime compensation equal to 5 hours of straight time pay every 24-day period.

Dispatchers working a 24-hour shift schedule receive FLSA overtime compensation based on a fluctuating shift schedule and is calculated weekly for hours worked in excess of a 56-40 hour workweek.

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**MONTECITO FIRE PROTECTION DISTRICT
Summary of Salaries and Benefits
Part-Time Employees
Effective January 1, 2015**

Retirement Pension - Miscellaneous:

CalPERS 3% at 60 – First Level Members
CalPERS 2% at 62 – PEPR New Members

Employee pays 4.5% cost share toward employer contribution; employee contribution is paid by employer up to 8%.

Retirement Pension - Safety:

CalPERS 3% at 55 – First Level Members
CalPERS 2.7% at 57 – PEPR New Members

Employee pays 4.5% cost share toward employer contribution; employee contribution is paid by employer up to 9%.

CalPERS Health Care: District covers a maximum of \$765.50 per month per employee towards a CalPERS-administered health plan. Plan rates vary; unused balance is not accrued.

Delta Dental Premier Plan: District covers entire cost for the employee and eligible dependents.

Current Premiums:

Employee Only	\$ 76.41
Employee +1	\$ 140.03
Family	\$ 226.34

Vision Service Plan: District covers entire cost for the employee and eligible dependents. The current monthly premium is \$33.80.

Uniform Allowance: \$ 500 per year

Text Message Allowance: Department pays \$20 per month if an employee chooses to utilize his/her personal cell phone for notification purposes.

Sick Leave: 6 hours of sick leave earned per month.

Holiday Time: Receives 12 paid holidays.

Vacation:

20 hour part-time personnel:

1-3 years of service – 3.33 hours per month
4-7 years of service – 5 hours per month
8-11 years of service – 6.67 hours per month
12+ years of service – 8.33 hours per month

Hourly Rate:

Rank/Title	Start	6 mo.
Part-time Wildland Specialist	43.24	48.32

Longevity Incentives: Special compensation pay is calculated using the employee's base rate.

3-5 years	2.75%	15-17 years	13.75%
6-8 years	5.50%	18-20 years	16.50%
9-11 years	8.25%	21-23 years	19.25%
12-14 years	11.00%	24+ years	22.00%

Dispatch Cadre Members: Special compensation pay 5% of top step of the Firefighter classification base salary.
Current incentive rate: \$ 396.85 per month

EMT/AED Certification Incentive: 5% Special compensation pay is calculated using the employee's base rate and longevity incentive.

MONTECITO FIRE PROTECTION DISTRICT
Summary of Salaries and Benefits
Part-Time Employees
Effective ~~July~~ January 1, 2015

Retirement Pension - Miscellaneous:

CalPERS 3% at 60 – First Level Members
CalPERS 2% at 62 – PEPR New Members

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Employee pays 4.5% cost share toward employer contribution; employee contribution is paid by employer up to 8%.

Retirement Pension - Safety:

CalPERS 3% at 55 – First Level Members
CalPERS 2.7% at 57 – PEPR New Members

Employee pays 4.5% cost share toward employer contribution; employee contribution is paid by employer up to 9%.

CalPERS Health Care: District covers a maximum of ~~\$729-765.50~~ per month per employee towards a CalPERS-administered health plan. Plan rates vary; unused balance is not accrued.

Delta Dental Premier Plan: District covers entire cost for the employee and eligible dependents.

Current Premiums:

Employee Only	\$	72.77 <u>76.41</u>
Employee +1	\$	133.36 <u>140.03</u>
Family	\$	215.56 <u>226.34</u>

Vision Service Plan: District covers entire cost for the employee and eligible dependents. The current monthly premium is ~~\$32.64~~33.80.

Uniform Allowance: \$ ~~-500~~ _____ per year

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Text Message Allowance: Department pays \$20 per month if an employee chooses to utilize his/her personal cell phone for notification purposes.

Sick Leave: 6 hours of sick leave earned per month.

Holiday Time: Receives 12 paid holidays.

Vacation:

20 hour part-time personnel:

1-3 years of service – 3.33 hours per month

4-7 years of service – 5 hours per month

8-11 years of service – 6.67 hours per month

12+ years of service – 8.33 hours per month

Hourly Rate:

Rank/Title	Start	6 mo.
Part-time Wildland Specialist	43.24	48.32

Longevity Incentives: Special compensation pay is calculated using the employee's base rate.

3-5 years	2.75%	15-17 years	13.75%
6-8 years	5.50%	18-20 years	16.50%
9-11 years	8.25%	21-23 years	19.25%
12-14 years	11.00%	24+ years	22.00%

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Dispatch Cadre Members: Special compensation pay 5% of top step of the Firefighter classification base salary.
Current incentive rate: \$ 396.85 per month

Approved 06/23/14 (Revised 02/02/15)

MONTECITO FIRE PROTECTION DISTRICT
Summary of Salaries and Benefits
Part-Time Employees
Effective ~~July~~ January 1, 2015

EMT/AED Certification Incentive: 5% Special compensation pay is calculated using the employee's base rate and longevity incentive.

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| Approved 06/23/14 (Revised 02/02/15)

ATTACHMENT

#D



STAFF REPORT

Prepared for: Montecito Fire Protection Board of Directors

Prepared by: Araceli Gil, District Accountant

Date: February 17, 2015

Topic: Budget Policy Recommendations

Summary

On August 25, 2014, the Board of Directors approved a budget calendar that sets forth the timing and expectations for the annual budget development. In January and February, the Finance Committee was tasked with recommending financial policies and goals for fiscal year 2015-16.

Capitol PFG's financial analysis report states, "It is the primary function of the District's governing board to set the financial goals and policies of the District. A budget should reflect these goals and provide the framework for financial implementation."

Discussion

There are several areas that have already been addressed by the Board as a result of Capitol PFG's recommendations. Those are listed below as well as other areas that have come up in discussions in the past.

OPEB Funding – Contributions of approximately 1.6 million dollars per year are earmarked for the current fiscal year, FY 2015-16 and FY 2016-17. \$800,000 of the annual contribution is funded by the existing cash on hand currently designated for Station 3. The accelerated funding rate will substantially reduce the District's Unfunded Accrued Liability, with the potential to reach a near fully funded status by fiscal year 2017-18.

Finance Committee recommendation: Make contributions of \$4,367,000 this fiscal year, instead of spreading it out over the next 3 fiscal years. The funding to expedite the payments would come from Fund 3653, the Station 3 reserve fund, with a stipulation that the General Fund replenish Fund 3653 in fiscal year 2015-16 and 2016-17 for approximately \$800,000 a year. See the attached information regarding the OPEB PARS trust for more information.

Reserve policy – In September of 2014, the Board approved a reserve policy to fund \$4,300,000 of reserves in the following categories:

- Catastrophic Event Reserve - \$2,100,000 (10% of tax revenue plus 5% of total expenses)
- Economic Uncertainties Reserve - \$2,200,000 (2 months of operational expenses)

As of June 30, 2014, the District had a fund balance of \$3,745,000, with a plan to fund the difference of \$555,000 using General Fund revenues from FY 2014-15, FY 2015-16, and FY 2016-17, an average of \$185,000 per year. This allows the District three fiscal years to accumulate the additional reserves using unallocated funds from fire assignment revenue, unallocated tax revenue, and unspent budgeted funds. If reserve levels are not achieved by the stated target date, Staff and Board can discuss other options.

Finance Committee recommendation: No changes.

Revenue Assumptions – In past years, the District has taken a conservative approach by assuming a 0% growth in property tax revenue in preparing the Preliminary Budget, which is adopted by the Board by June 30. As identified by Capitol PFG, the District’s property tax increased by an average of 2.2% from FY 2008-09 to FY 2012-13. Staff would like to recommend that an assumed annual growth percentage be used in the Preliminary Budget to estimate property tax revenue. This change would only affect the Preliminary Budget, as the District’s assessed property tax value change is reported in August and reflected in the Final Budget.

Finance Committee recommendation: Incorporate a 2.2% estimated property tax growth in the Preliminary Budget.

Conclusion

The financial areas discussed in the report are a starting point for the budget development process. As the Board continues to review the recommendations from Citygate’s Standard of Cover Report, there may be a need to establish additional policies or goals for the upcoming fiscal year.

**MONTECITO FIRE PROTECTION DISTRICT
 PARS OPEB Trust Program Summary
 Expedited Schedule**

Summary of OPEB Accrued Liability

OPEB Accrued Liabilites as of 6/30/13		\$ 10,082,480
Total Assets as of 12/31/14	4,230,107	
Contributions made on 12/31/14	<u>536,712</u>	
		<u>4,766,819</u>
Estimated Accrued Liability as of 12/31/14		\$ 5,315,655
Estimated Funded percentage as of 12/31/14		47.28%

Current Scheduled Future Contributions

FY 2014-15	1,073,424	(\$800,000 from Fund 3653)
FY 2015-16	1,634,440	
FY 2016-17	<u>1,659,473</u>	
	4,367,337	
Estimated Accrued Liability at 6/30/17 (excludes future earnings and expenses)		\$ 948,324
Estimated Funded percentage at 6/30/17		90.59%

If scheduled payments are paid this fiscal year, the following payments would be disbursed through Fund 3653, the Land and Building Fund:

Scheduled amount for FY 2014-15	\$ 800,000
Scheduled amount for FY 2015-16	1,634,440
Scheduled amount for FY 2016-17	<u>1,659,473</u>
	<u>\$ 4,093,913</u>
Current cash balance in Fund 3653*	\$ 7,876,926
Less expedited payments	<u>(4,093,913)</u>
Ending cash balance	\$ 3,783,013

*Includes \$1.5 million loan to General Fund

**MONTECITO FIRE PROTECTION DISTRICT
 PARS OPEB Trust Program Summary
 Analysis for Expedited Schedule**

Future Contributions at 6.5% Investment Return

	With Current Schedule	With Expedited Schedule
Balance at 1/1/15	4,766,819	4,766,819
Contributions	<u>1,073,424</u>	<u>4,367,337</u>
Estimated balance at 7/30/15	5,840,243	9,134,156
6.5% Annual Interest	379,616	593,720
Contributions	<u>1,634,440</u>	<u>-</u>
Estimated balance at 7/30/16	7,854,299	9,727,876
6.5% Annual Interest	510,529	632,312
Contributions	<u>1,659,473</u>	<u>-</u>
Estimated balance at 7/30/17	10,024,301	10,360,188
	Difference	335,887

Agenda

Item #7

MINUTES FOR THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
MONTECITO FIRE PROTECTION DISTRICT

Held at Fire District Headquarters, 595 San Ysidro Road, January 21, 2015 at 2:00 p.m.

The meeting was called to order by Director Powell at 2:15 p.m.

Present: Director Powell, Director Sinser, and Director van Duinwyk. Director Keller and Director Venable were absent. Chief Hickman and District Counsel M. Manion were also present.

- 1. Public comment: Any person may address the Board at this time on any non-agenda matter that is within the subject matter jurisdiction of the Montecito Fire Protection District. (30 minutes total time is allotted for this discussion.)**

There was no public comment.

- 2. Consider Staff recommendations and comments relating to Citygate Standards of Coverage Study and Risk Assessment recommendations.**

Chief Hickman reviewed the staff's recommendations relating to the Citygate Standards of Coverage Study and Risk Assessment.

Public Comment:

Sylvia Easton thanked the Chief and staff for their prompt response, and expressed her desire to see the District move forward with purchasing land and build a third station at the existing proposed site.

Sally Jordan stated that she would like to see the District move forward with a third station, and not continue this project with "paralysis by analysis".

The Board addressed each recommendation individually:

Recommendation #2-1: *The District should consider requesting an updated Public Protection Classification Community Survey from the Insurance Services Office.*

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to accept Staff's recommendation is to postpone any ISO re-evaluation until such time that the District has determined its direction on moving forward with a third station, completion of the new Community Wildfire Protection Plan (CWPP) and its accompanying environmental document, and developed a Strategic Plan.

Recommendation #2-2: The District should update its pre-incident and target hazard plans at least every five years.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to adopt a policy for the District to update its pre-incident and target hazard plans at least every five years.

Recommendation #2-3: Strongly advocate for meaningful reduction of existing access/egress impediments wherever possible.

Director Powell pointed out that this can be in conflict with the Montecito Community Plan, which identifies the District with narrow winding roads. The Chief stated that it is the Board's duty to uphold code. The Board stated that they will support the Chief as much as they can when appeals relating to access/egress are brought before the Board.

Recommendation #2-4: Aggressively seek water system improvements where available fire flow does not meet minimum District Fire Protection Plan standards.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to continue aggressively seeking water system improvements.

Recommendation #2-5: The District should exercise its emergency notification systems and Evacuation Plan, including partner agencies, at least every 12-24 months.

Jackie Jenkins advised that she is working on a plan to test the District's notification systems, and will have the plan completed by March 2015.

2-5a: On a motion made by Director van Duinwyk, seconded by Director Powell, the Board voted unanimously to adopt a policy of testing the District's emergency notification systems every 12 months, including the Hearo Home Alert Radio, AM Radio Nixle, and the District's social media as well as the District's website.

2-5b: On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to test the District's evacuation plan within the next 24 months and then thereafter every 36 months after that.

The Board took a recess at 3:08 pm, and reconvened at 3:20 pm.

Chief Hickman clarified that the testing of the evacuation plan will not be done for the entire District, but will include portions of the District each time it is tested.

Recommendation #2-6: The District should conduct a functional exercise with the Santa Barbara City Hazardous Materials Response Team at least annually.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to continue conducting functional exercises with the Santa Barbara City Hazardous Materials Response Team at least annually.

Recommendation #2-7: Seek reduction to environmental constraints for vegetation removal/modification where possible, especially in those areas of the District adjacent to the native chaparral fuel beds.

The Board took no action on Recommendation #2-7.

Recommendation #2-8: Maintain existing vegetation reduction/modification projects to ensure sustained effectiveness.

Recommendation #2-9: Aggressively seek additional landowner agreements for vegetation removal/modification projects, especially in those areas of the District adjacent to the native chaparral fuel beds.

Recommendation #2-10: Aggressively seek additional neighborhood vegetation removal/reduction projects that will reduce wildland fire intensity/spread potential.

Recommendation #2-11: Aggressively seek additional vegetation removal, reduction, and maintenance funding sources.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to adopt recommendations #2-8 through #2-11.

Recommendation #3-1: The District should adopt comprehensive performance measures for the major types of emergencies to direct fire crew planning and to monitor the operation of the Department. The measures should take into account a realistic company turnout time of 2 minutes and be designed to deliver outcomes that will save patients medically salvageable upon arrival, and to keep small, but serious, fires from becoming greater alarm fires. Citygate recommends these measures be:

3-1.1 Distribution of Fire Stations: To treat medical patients and control small fires, the first-due unit should arrive within 7 minutes, 90 percent of the time from the receipt of the 9-1-1 call in the fire dispatch center. This equates to 1-minute call handling time, 2 minutes company turnout time, and 4 minutes travel time in the most populated areas.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to adopt recommendation 3-1.1.

3-1.2 Multiple-Unit Effective Response Force for Serious Emergencies: To confine fires near the room of origin, to stop wildland fires to under three acres when noticed promptly, and to treat up to five medical patients at once, a multiple-unit response of at least 15 personnel should arrive within 11 minutes from the time of 9-1-1 call receipt in fire dispatch, 90 percent of the time. This equates to 1-minute call handling time, 2 minutes company turnout time, and 8 minutes travel time spacing for multiple units in the most populated areas.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to adopt recommendation 3-1.2, with additional language following “at least 15 personnel” to state: “including mutual aid as needed.”

3-1.3 Hazardous Materials Response: Provide hazardous materials response designed to protect the community from the hazards associated with uncontrolled release of hazardous and toxic materials. The fundamental mission of the Fire Department response is to minimize or halt the release of a hazardous substance so it has minimal impact on the community. The first company capable of investigating a HazMat release at the operations level should be able to respond within 7 minutes total response time, or less than 90 percent of the time. After size-up and scene evaluation is completed, a determination will be made whether to request additional resources from the District’s multi-agency hazardous materials response partnership.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to adopt recommendation 3-1.3.

3-1.4 Technical Rescue: Respond to technical rescue emergencies as efficiently and effectively as possible with enough trained personnel to facilitate a successful rescue. Achieve a travel time for the first company in urban to suburban areas for size-up of the rescue within 7 minutes total response time, or less than 90 percent of the time. Assemble additional resources for technical rescue capable of initiating a rescue within a total response time of 11 minutes, 90 percent of the time. Safely complete rescue/extrication to ensure delivery of patient to a definitive care facility.

On a motion made by Director Sinser, seconded by Director van Duinwyk, the Board voted unanimously to adopt recommendation 3-1.4.

Recommendation #3-2: The District and residents would improve first-due unit and multiple-unit coverage by locating a 3rd fire engine in east Montecito.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to adopt recommendation 3-2.

Recommendation #3-3: The District should consider a long-term strategy to operate a three-fire-station model in the shape of a triangle, relocating Station 1 closer to the coast. Doing so would best fit the topography.

On a motion made by Director Sinser, seconded by Director van Duinwyk, the Board voted unanimously to adopt recommendation 3-3.

Recommendation #3-4: The District should consider staffing all stations with paramedic engines to lower paramedic response times significantly throughout the District.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to adopt recommendation 3-4 with the added language “as a goal” following “staffing all station with paramedic engines.”

Recommendation #4-1: Future job descriptions and recruitments for the Fire Chief or Division Chief positions should include a requirement for possessing a combination of a Bachelors or Masters degree in Public or Business Administration along with a Chief Officer Certification from the California Fire Service Training and Education System, or its equivalent; Fire Chief and Division Chiefs should also be encouraged and supported to attend appropriate professional training, including National Fire Academy classes and/or its Executive Fire Officer program.

Public Comment:

Sylvia Easton stated that it would be a great loss if the District ruled out personnel who have dedicated their career to the District and they are ruled out on a technicality of not having a degree and detrimental to moral.

On a motion made by Director van Duinwyk, seconded by Director Powell, the Board voted unanimously to adopt recommendation 4-1 with the modification that the combination of a Bachelors or Masters degree not be required, but strongly desired.

Recommendation #4-2: The District should consider establishing an operational-level Health and Safety Committee that meets regularly to review all occupational injuries, illnesses, and accidents as recommended by the NFPA and industry best practices.

Recommendation #4-3: The District should consider conducting a Health and Safety program compliance evaluation in accordance with NFPA 1500 Annex B as a key step in executing an effective Health and Safety program.

On a motion made by Director Powell, seconded by Director van Duinwyk, the Board voted unanimously to authorize the Fire Chief to work with a consultant to research these recommendations.

Recommendation #4-4: The District should consider including possession of certain minimum professional certification(s), or the ability to obtain them within a reasonable established timeframe from date of employment, as part of the minimum requirements for the District’s mechanic position classification.

The Board took no action.

Recommendation #4-5: The District should consider encouraging and supporting the District Mechanic to attain professional certification as recommended by NFPA 1071 *Standard for Emergency Vehicle Technician Professional Qualifications*.

On a motion made by Director Powell, seconded by Director van Duinwyk, the Board voted unanimously to adopt recommendation 4-5.

Recommendation #4-6: The District should ensure that all fire apparatus pumps are tested annually in conformance with NFPA 1911 *Standard for the Inspection, Maintenance, Testing, and Retirement of In-Service Automotive Fire Apparatus*.

On a motion made by Director van Duinwyk, seconded by Director Sinser, the Board voted unanimously to adopt recommendation 4-6.

The Board took a recess at 4:30 pm, and reconvened at 4:34 pm.

3. Consider approval of hiring one additional firefighter in anticipation of an upcoming retirement.

Chief Hickman explained that one of our Captain's has stated that he will likely retire within the next year. Hiring an additional firefighter will streamline the hiring process and allow this firefighter to go through the same academy as the two firefighters we are hiring for current vacancies.

On a motion made by Director Sinser, seconded by Director van Duinwyk, the Board voted unanimously to hire one additional firefighter.

4. Consider approval of Resolution 2015-01 dissolving the Community Outreach Committee.

Resolution 2015-01, dissolving the Community Outreach Committee, was approved by the following roll call vote:

Motion: Director van Duinwyk, seconded by Director Powell

Ayes: G.B. Sinser, J.A. Powell, and P. van Duinwyk
Nays: None
Abstain: None
Absent: J. Venable, S. Keller

5. Report from the Finance Committee:

Araceli Gil reviewed the January Finance Committee Meeting.

a. Consider Committee's recommendation to approve December 2014 financial

statements.

On a motion made by Director Powell, seconded by Director Sinsler, the Board voted unanimously to approve the December 2014 financial statements.

Ms. Gil was asked to look into the amount listed for the average gains on the PARS report.

6. Approval of Minutes of December 22 Regular Meeting.

Director van Duinwyk asked to correct his name on page 1 of the minutes. On a motion made by Director van Duinwyk, seconded by Director Powell, the Board voted unanimously to approve the minutes of the December 22 Regular Meeting as amended.

Director Powell asked for motions and seconds to be listed with the votes in future minutes.

7. Fire Chief's report.

Chief Hickman reported that the squad was sold for \$25,000; a storage container was purchased and placed at Station 2; switched phone service providers, saving \$6,600 per year; progress of Battalion Chief and Division Chief hiring; Captain Nelson and Division Chief McElwee retired on Dec. 30; Drue Holthe and Scott Chapman were promoted to Captain and Jordan Zeitsoff was promoted to Engineer.

Director van Duinwyk asked to include responses that were critical to patient survival.

8. Board of Director's report.

Director Sinsler reported that he attended the Montecito Sanitary District meeting.

Director van Duinwyk reported that he attended the Board of Education meeting and the Montecito Foundation meeting.

9. Suggestions from Directors for items other than regular agenda items to be included for the February Regular Board meeting.

- Araceli stated that PARS will make a presentation at the next regular meeting.
- Director Powell asked to agendaize consideration of hiring HR expert to review hiring policies and evaluate ways to enhance diversity in the workforce at Montecito Fire.
- Chief Hickman asked to add a discussion on Station 3 land purchase.

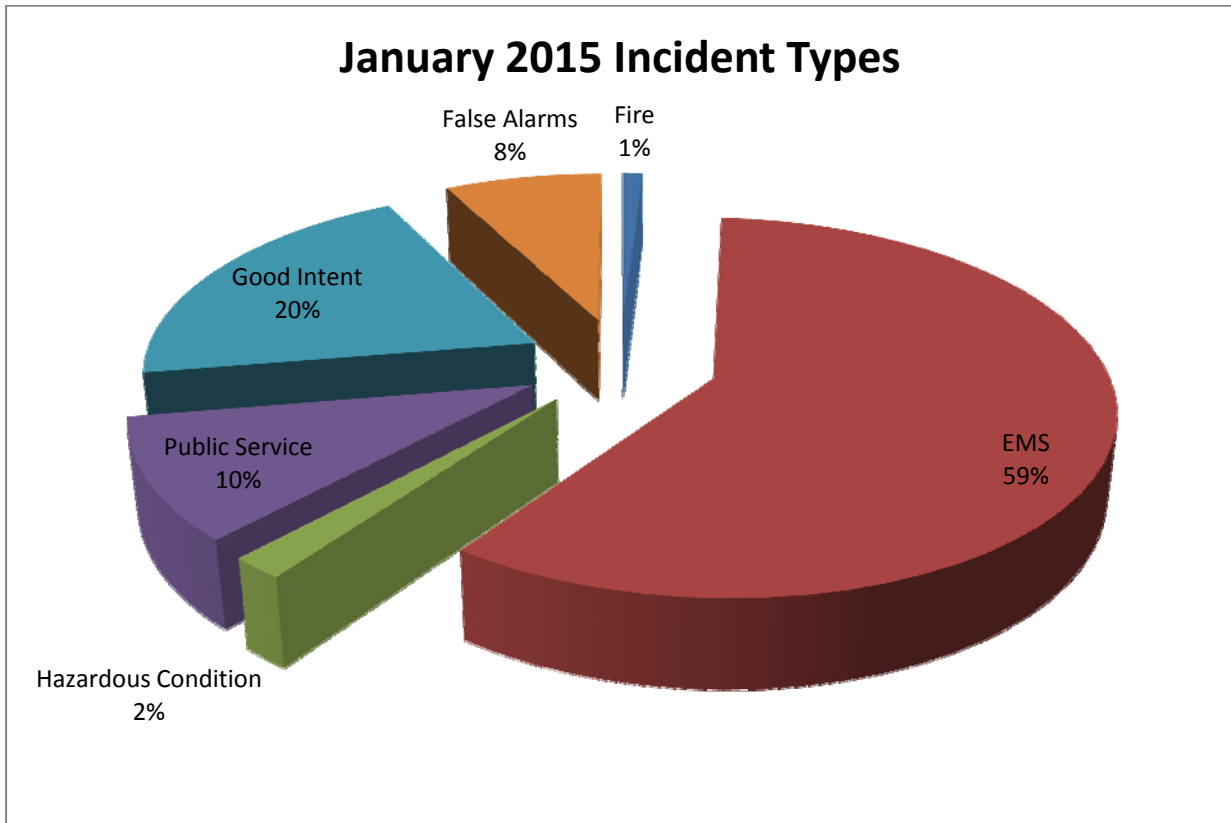
The meeting was adjourned at 5:03 p.m.

Agenda

Item #8

**JANUARY 2015
CALLS BY INCIDENT TYPE
TOTAL INCIDENTS: 105**

FIRE: 1	EMS: 62
HAZARDOUS CONDITION: 2	PUBLIC SERVICE**: 11
GOOD INTENT*: 21	FALSE ALARM: 8
SEVERE WEATHER: 0	SPECIAL INCIDENT TYPE: 0



*Good Intent: Firefighters respond to a reported emergency, but find a different type of incident or nothing at all upon arrival to the area. Example: A caller reports smoke on the hillside. Firefighters arrive to discover a grading operation at a construction site is creating dust mistaken for smoke. Dispatched and Cancelled Enroute falls in this category.

** Public Service: Non-emergency requests for assistance. Examples: lock out, animal rescue, ring removal, water problem; lift assists, seized gate, stalled elevator, providing the Sheriff’s Department with a ladder to enter a building.

Incident Trend August 2014 - January 2015

