

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

May 22, 2017 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 allotted for this discussion.)
2. Time Certain, 2:00 p.m. – Receive presentation from PARS/Highmark representatives regarding the PARS Pension Rate Stabilization Program (PRSP).
3. Public Information and Education project update by Core Idea Consultant, Robert TenEyck.
  - a. Review Communication Plan, Initiative 3.
4. Report from the Finance Committee:
  - a. Consider recommendation to approve Resolution 2017-01, Adoption of the Public Agencies Post-Employment Benefits Trust and Administrative Services Contract.
  - b. Report on CalPERS Annual Valuation Report as of June 30, 2015 for Miscellaneous and Safety Plans.
  - c. Discuss CalPERS discount rate change and consider recommendation to establish a pension liabilities funding plan.
  - d. Review Draft Preliminary Budget for FY 2017-18.
  - e. Consider recommendation to approve March and April 2017 financial statements.
5. Consider the adoption of Resolution 2017-02 authorizing an amendment to the contract between Montecito Fire Protection District and the California Public Employees' Retirement System.
6. Approval of Minutes of the April 24, 2017 Regular Meeting.
7. Fire Chief's report.
8. Board of Director's report.

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.

Montecito Fire Protection District  
Agenda for Regular Meeting, May 22, 2017  
Page 2

9. Suggestions from Directors for items other than regular agenda items to be included for the June 26, 2017 Regular Board meeting.

Adjournment

This agenda posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of the posting is May 18, 2017.

MONTECITO FIRE PROTECTION DISTRICT

A handwritten signature in blue ink is written over a horizontal line. The signature is stylized and appears to consist of several loops and a long, sweeping tail that extends to the right.

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.

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May 22, 2017

# Agenda Item #2



# Pension Rate Stabilization Program (PRSP)



# Montecito Fire Protection District

May 15, 2017

PUBLIC  
AGENCY  
RETIREMENT  
SERVICES

# PARS

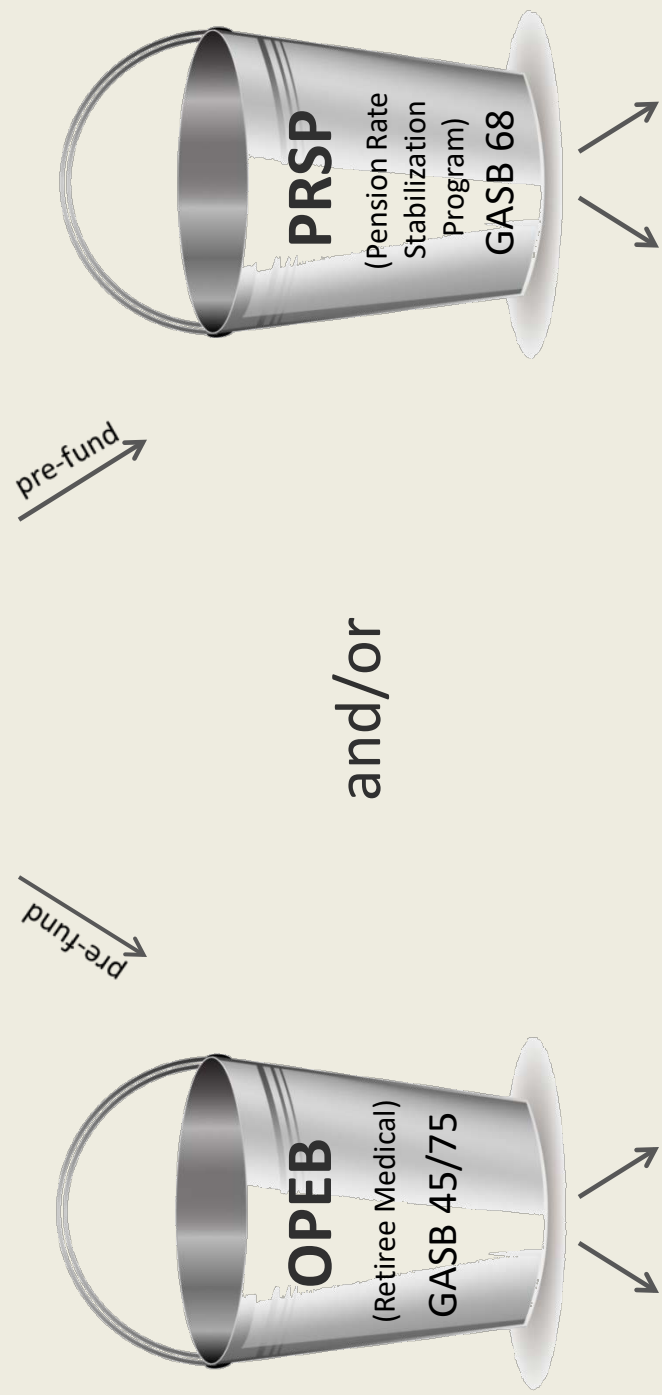
TRUSTED SOLUTIONS. LASTING RESULTS.



# Pre-funding Pension/Background

- New GASB 68 requirements to disclose Net Pension Liability on financial statements – 2015
- Previously, only way to reduce retirement system unfunded liability was to send additional contributions in excess of annual required contribution but the amortization rules changed
- Trust assets can be transferred to retirement system at District's direction, which can help offset future rate increases (i.e., pension rate stabilization) due to lowering of CalPERS discount rate from 7.5% to 7.0% with a 3-year phase-in on 12/21/16.

# PARS IRS-Approved Combination 115 Trust



and/or

Reimburse agency Or Pay retirement system

Reimburse agency Or Pay provider

- Assets are sub-accounted for separately
- Pre-fund one now and the other later
- Addresses unfunded liabilities
- Can choose different investment risk tolerance levels for each
- Can access funds at anytime; OPEB for OPEB and pension for pension
- Assets (OPEB and Pension) aggregate and reach lower fees on tiered schedule sooner – saving money!
- No cost to set up; no fees until assets are added

# Pension Actuarial Results

In response to the lack of options, PARS developed a Section 115 Trust program to enable public agencies to pre-fund retirement obligations through a locally controlled trust.

As of June 30, 2015, Montecito Fire Protection District's CalPERS pension plan is as follows:

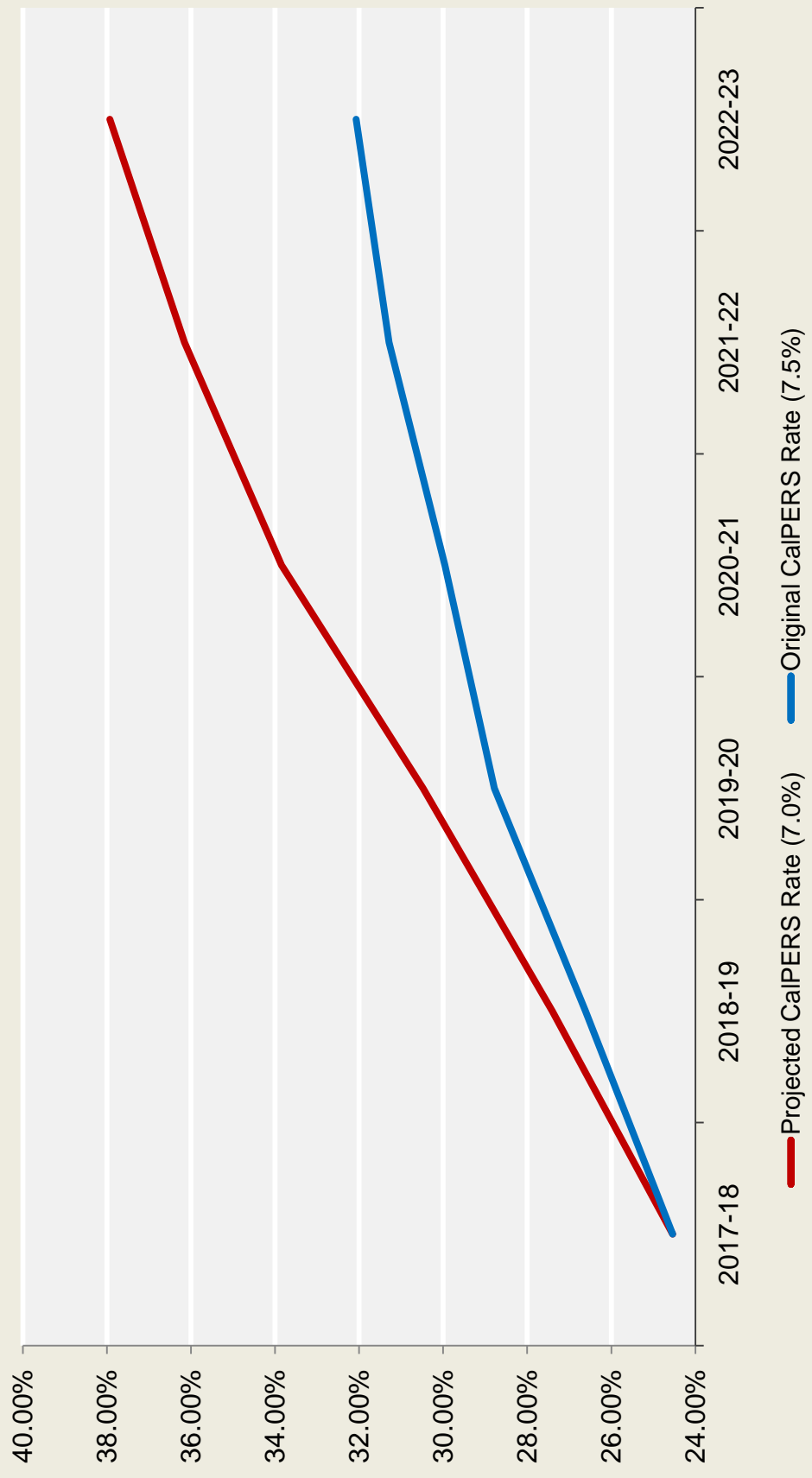
<b>Actuarial Liability</b>	<b>\$77.0 M</b>
<b>Assets</b>	<b>\$61.7 M</b>
<b>Unfunded Liability</b>	<b>\$15.4 M</b>
<b>Funded Ratio</b>	<b>80.1%</b>
<b>Total Employer Contribution Amount for FYE 2018</b>	<b>\$2.2 M</b>
<b>Projected Employer Contribution Amount for FYE 2023*</b>	<b>\$4.0 M, (84.5%)</b>

\* Data from Agency's 2015-16 CalPERS Actuarial valuation, with midpoint adjustments for discount rate projections



# Projected Future CalPERS Contributions – Misc.

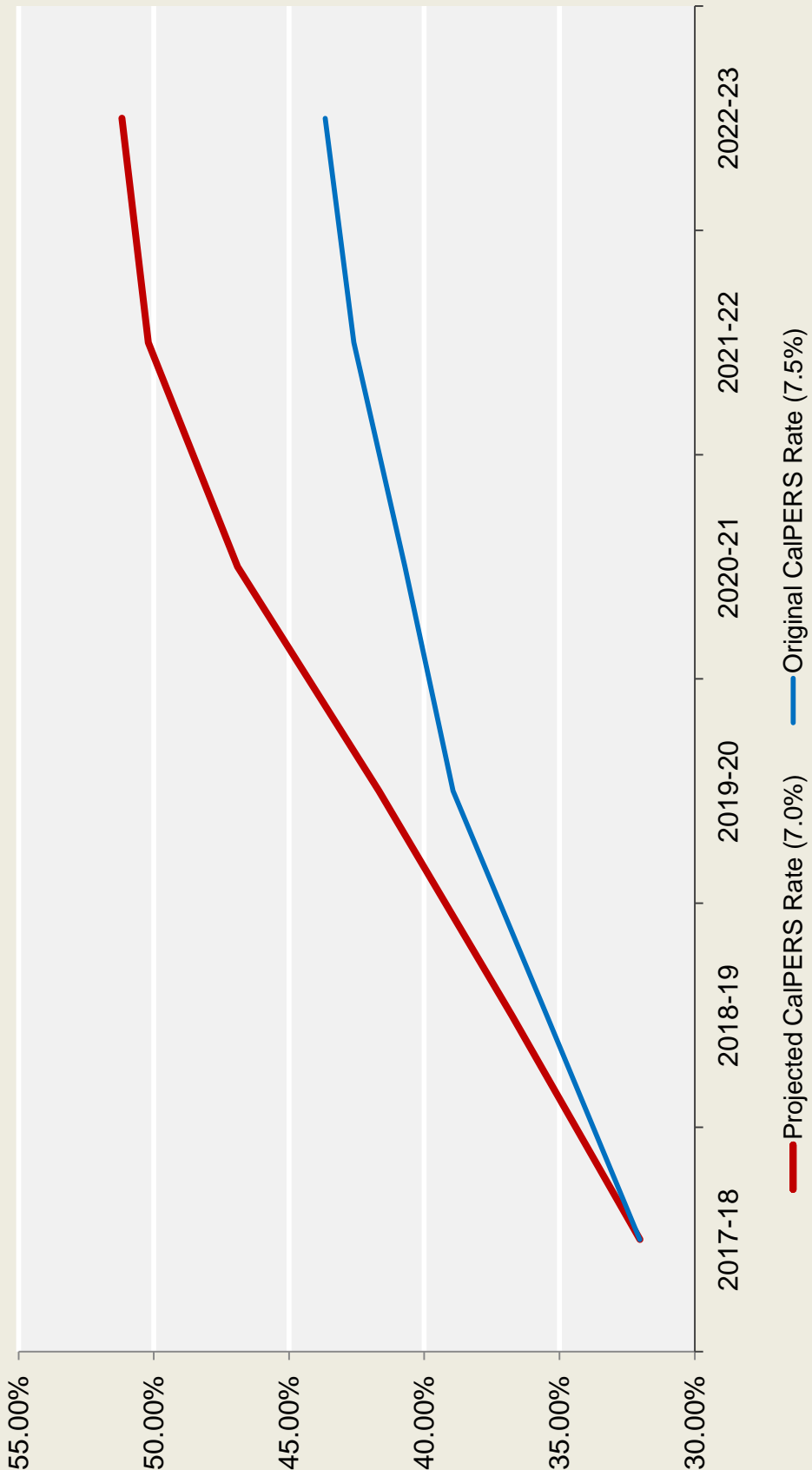
Employer Misc. Contributions are projected to increase from **\$0.2M to \$0.4M** over 6 years\*, (79.2%↑)



\* Data from Agency's 2015-16 CalPERS Actuarial valuation, with midpoint adjustments for discount rate projections

# Projected Future CalPERS Contributions – Safety

Employer Safety Contributions are projected to increase from \$1.9M to \$3.5M over 6 years\*, (85.2%↑)



\* Data from Agency's 2015-16 CalPERS Actuarial valuation, with midpoint adjustments for discount rate projections

# Summary:

## Why Prefund Pension in a Separate Trust?

1. Local control of reserve funds
2. Diversified Investing/Potential for Greater Return than General Fund
3. Addresses future pension liabilities
4. Helps offset pension rate increases or underperformance by retirement system
5. Rainy Day Fund: Emergency source of funds when Employer revenues are impaired based on when conditions dictate
6. Can use these funds for pension obligations at anytime
7. Can choose less aggressive investment strategy than retirement system
8. Assets (OPEB and Pension) will aggregate and reach lower fees on tiered schedule sooner – saving money!

# PARS/HighMark Capital Management Returns

As of March 31, 2017

Portfolios	% Equity	1-Year Returns	3-Year Returns	5-Year Returns
Capital Appreciation	65-85%	13.08%	5.87%	8.39%
Balanced	50-70%	11.25%	4.86%	7.16%
Moderate	40-60%	9.67%	4.58%	6.34%
Moderately Conservative	20-40%	6.44%	3.64%	4.85%
Conservative	5-20%	4.07%	2.97%	3.67%

\*Past performance does not guarantee future results.

# OPEB/Pension Pre-funding Fee Schedule

## Trust Administration/Consulting Fees

Company Name	Plan Set Up Fee	Ongoing
PARS	None	0.25% for assets under \$5 million 0.25% for assets \$5-10 million 0.20% for assets \$10-15 million 0.15% for assets \$15-50 million 0.10% for assets over \$50 million <del>(\$300 monthly minimum)</del> (WAIVED)

## Discretionary Trustee/Investment Management Fees

Company Name	Plan Set Up Fee	Ongoing
U.S. Bank/ HighMark Capital	None	Ranges from 0.25% to 0.32% (at first tier for HighMark PLUS portfolios; depending on risk tolerance level; net after fee waivers)*  0.35% for assets under \$5 million 0.25% for assets \$5—\$10 million 0.20% for assets \$10—\$15 million 0.15% for assets \$15—\$50 million 0.10% for assets over \$50 million

\* Fees as of March 31, 2017. Subject to change due to rebalancing. PARS does not receive any compensation from the investments or any commissions, back-end loads, or any other forms of compensation.

# Advantages of Program

## Why are we a better choice than our competitors?

- PARS is the pioneer of pension prefunding; introduced concept in 2015 (Pension Rate Stabilization Program – PRSP)
- Market Leader – 81 PRSP clients in CA, including agencies of:
  - El Dorado Hills County Fire Department, Moraga Orinda Fire Protection District, Rancho Cucamonga Fire Protection District, Twentynine Palms Fire Department, Ocean View School District
- PRSP is our Core Business (sister product – OPEB prefunding/ #1 private provider)
- 21 year relationship with HighMark Capital serving clients for prefunding OPEB and pension

# Advantages of Program

## Why are we a better choice than our competitors?

- Choice of 5 model portfolios or custom allocation; choice of Active or Index
- True historical performance (1, 3, and 5 years); not composite
- Most user-friendly program:
  - No minimum fees
  - No minimum contribution (initially or annually)
  - No account startup fees
  - No trade or transaction fees





# Agenda Item #4



# ATTACHMENT

#A





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## STAFF REPORT

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**Prepared for:** Montecito Fire Protection Board of Directors

**Prepared by:** Chief Hickman and Araceli Gil, District Accountant

**Date:** May 17, 2017

**Topic:** Consider Adoption of PARS Pension Rate Stabilization Program (PRSP)

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### Background

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The District currently participates in a public agencies post-retirement health care plan administered by Public Agency Retirement Services (PARS). PARS also offers a postemployment benefits trust called a Pension Rate Stabilization Program (PRSP). The PRSP is an irrevocable trust designed exclusively for California public agencies to prefund pension contributions.

In December of 2016, the CalPERS Board of Administration approved lowering the discount rate from 7.5% to 7% over the next three years. The change will increase the District's pension liability with CalPERS, therefore resulting in required contribution increases starting in fiscal year 2018-19. By participating in the PRSP, the District could set aside money that would be available to offset anticipated contribution increases. Advantages to the PRSP include:

- Contributions are placed in an exclusive benefit trust to address CalPERS unfunded liabilities
- Assets can be accessed anytime to offset pension costs
- Investment strategy flexibility with Section 115 Trust compared to restrictions on General Fund investments (Govt. Code 53216)
- The District determines the appropriate goals and risk tolerance level of the investments to potentially achieve a greater rate of return than the General Fund

PARS has informed us that it is unknown at this time whether assets placed in the PRSP will offset the District's net pension liability in the District's financial statements. Based on preliminary guidance from various auditors, actuaries and industry experts, there was an expectation that assets held in an irrevocable Section 115 trust to address pension liabilities could be used to offset the net pension liability in the financial statements. However, the Governmental Accounting Standards Board (GASB) released an exposure draft that proposed that stabilization trust assets should not be used to reduce an agency's net pension liability. Regardless of the final decision, the assets will be disclosed in the notes to financial statements.

### **Alternative Option**

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Instead of using the PARS PRSP to address increases in pension contributions and liabilities, the District can contribute additional funds to CalPERS, in excess of annual required contributions. However, once the money is contributed to CalPERS, the District does not have any control over the investment strategy, nor would it have the ability to retrieve those funds or offset future contribution requirements.

### **Conclusion**

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The Finance Committee members recommend that the Board approve Resolution 2017-01 and the Administrative Services Contract (provided as attachments), allowing the District to contract with PARS to participate in the PRSP.

**RESOLUTION NO. 2017-01**

**RESOLUTION OF THE GOVERNING BOARD  
OF THE MONTECITO FIRE PROTECTION DISTRICT  
APPROVING THE ADOPTION OF THE  
PUBLIC AGENCIES POST-EMPLOYMENT BENEFITS TRUST  
ADMINISTERED BY PUBLIC AGENCY RETIREMENT SERVICES (PARS)**

WHEREAS the Montecito Fire Protection District (the "District") is currently participating in the Public Agencies Post-Retirement Health Care Plan Trust for the pre-funding of its retiree health benefits and other post-employment benefits other than pension benefits ("OPEB"); and

WHEREAS the District desires to set aside funds for the purpose of pre-funding its CalPERS pension obligation that will be held in trust for the exclusive purpose of making future contributions of the District's required pension contributions and any employer contributions in excess of such required contributions at the discretion of the District; and

WHEREAS PARS has made available the Public Agencies Post-Employment Benefits Trust (the "Program") for the purpose of pre-funding both pension obligations and/or OPEB obligations as specified in the District's plans, policies and/or applicable collective bargaining agreements; and

WHEREAS the District is eligible to participate in the Program, a tax-exempt trust performing an essential governmental function within the meaning of Section 115 of the Internal Revenue Code, as amended, and the Regulations issued there under, and is a tax-exempt trust under the relevant statutory provisions of the State of California; and

WHEREAS the District can manage the pre-funding of its pension and OPEB obligations in a single trust under this Program, thereby gaining administrative and cost efficiencies; and

WHEREAS the District's adoption and operation of the Program has no effect on any current or former employee's entitlement to post-employment benefits; and

WHEREAS the terms and conditions of post-employment benefit entitlement, if any, are governed by contracts separate from and independent of the Program; and

WHEREAS the District's funding of the Program does not, and is not intended to, create any new vested right to any benefit nor strengthen any existing vested right; and

WHEREAS the District reserves the right to make contributions, if any, to the Program.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Governing Board of the District hereby adopts the Public Agencies Post-Employment Benefits Trust, effective **May 22, 2017**; and
2. The Governing Board of the District hereby appoints the **Fire Chief**, or his/her successor or his/her designee as the District's Plan Administrator for the Program; and
3. The District's Plan Administrator is hereby authorized to execute the PARS legal and administrative documents on behalf of the District and to take whatever additional actions are necessary to maintain the District's participation in the Program and to maintain compliance of any relevant regulation issued or as may be issued; therefore, authorizing him/her to take whatever additional actions are required to administer the District's Program; and
4. The Governing Board of the District, hereby authorizes the Plan Administrator, in accordance with Section 3.3 of the Public Agencies Post-Retirement Health Care Plan Trust adopted effective October 19, 2009, to withdraw from said trust and direct the transfer of assets held in said trust to the OPEB

Account established in the name of the District under the Public Agencies Post-Employment Benefits Trust, adopted herewith.

PASSED AND ADOPTED by the Board of Directors of the Montecito Fire Protection District this 22<sup>nd</sup> day of May, 2017, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

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President of the Board of Directors  
MONTECITO FIRE PROTECTION DISTRICT

ATTEST:

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Secretary of the Board of Directors

DRAFT



## AGREEMENT FOR ADMINISTRATIVE SERVICES

This agreement (“Agreement”) is made this \_\_\_\_ day of \_\_\_\_\_, 2017, between Phase II Systems, a corporation organized and existing under the laws of the State of California, doing business as Public Agency Retirement Services and PARS (hereinafter “PARS”) and the [Agency Name] (“Agency”).

WHEREAS, the Agency has adopted the PARS Public Agencies Post-Employment Benefits Trust for the purpose of pre-funding pension obligations and/or OPEB obligations (“Plan”), and is desirous of retaining PARS as Trust Administrator to the Trust, to provide administrative services.

NOW THEREFORE, the parties agree:

1. **Services.** PARS will provide the services pertaining to the Plan as described in the exhibit attached hereto as “Exhibit 1A” (“Services”) in a timely manner, subject to the further provisions of this Agreement.
2. **Fees for Services.** PARS will be compensated for performance of the Services as described in the exhibit attached hereto as “Exhibit 1B”.
3. **Payment Terms.** Payment for the Services will be remitted directly from Plan assets unless the Agency chooses to make payment directly to PARS. In the event that the Agency chooses to make payment directly to PARS, it shall be the responsibility of the Agency to remit payment directly to PARS based upon an invoice prepared by PARS and delivered to the Agency. If payment is not received by PARS within thirty (30) days of the invoice delivery date, the balance due shall bear interest at the rate of 1.5% per month. If payment is not received from the Agency within sixty (60) days of the invoice delivery date, payment plus accrued interest will be remitted directly from Plan assets, unless PARS has previously received written communication disputing the subject invoice that is signed by a duly authorized representative of the Agency.
4. **Fees for Services Beyond Scope.** Fees for services beyond those specified in this Agreement will be billed to the Agency at the rates indicated in the PARS’ standard fee schedule in effect at the time the services are provided and shall be payable as described in Section 3 of this Agreement. Before any such services are performed, PARS will provide the Agency with a detailed description of the services, terms, and applicable rates for such services. Such services, terms, and applicable rates shall be agreed upon in writing and executed by both parties.
5. **Information Furnished to PARS.** PARS will provide the Services contingent upon the Agency’s providing PARS the information specified in the exhibit attached hereto as “Exhibit 1C” (“Data”). It shall be the responsibility of the Agency to certify the accuracy, content and completeness of the Data so that PARS may rely on such information without further audit. It shall further be the responsibility of the Agency to deliver the Data to PARS in such a manner that allows for a reasonable amount of time for the Services to be performed. Unless specified in Exhibit 1A, PARS shall be under no duty to question Data received from the Agency, to compute contributions made to the

Plan, to determine or inquire whether contributions are adequate to meet and discharge liabilities under the Plan, or to determine or inquire whether contributions made to the Plan are in compliance with the Plan or applicable law. In addition, PARS shall not be liable for non performance of Services to the extent such non performance is caused by or results from erroneous and/or late delivery of Data from the Agency. In the event that the Agency fails to provide Data in a complete, accurate and timely manner and pursuant to the specifications in Exhibit 1C, PARS reserves the right, notwithstanding the further provisions of this Agreement, to terminate this Agreement upon no less than ninety (90) days written notice to the Agency.

6. **Records.** Throughout the duration of this Agreement, and for a period of five (5) years after termination of this Agreement, PARS shall provide duly authorized representatives of Agency access to all records and material relating to calculation of PARS' fees under this Agreement. Such access shall include the right to inspect, audit and reproduce such records and material and to verify reports furnished in compliance with the provisions of this Agreement. All information so obtained shall be accorded confidential treatment as provided under applicable law.
7. **Confidentiality.** Without the Agency's consent, PARS shall not disclose any information relating to the Plan except to duly authorized officials of the Agency, subject to applicable law, and to parties retained by PARS to perform specific services within this Agreement. The Agency shall not disclose any information relating to the Plan to individuals not employed by the Agency without the prior written consent of PARS, except as such disclosures may be required by applicable law.
8. **Independent Contractor.** PARS is and at all times hereunder shall be an independent contractor. As such, neither the Agency nor any of its officers, employees or agents shall have the power to control the conduct of PARS, its officers, employees or agents, except as specifically set forth and provided for herein. PARS shall pay all wages, salaries and other amounts due its employees in connection with this Agreement and shall be responsible for all reports and obligations respecting them, such as social security, income tax withholding, unemployment compensation, workers' compensation and similar matters.
9. **Indemnification.** PARS and Agency hereby indemnify each other and hold the other harmless, including their respective officers, directors, employees, agents and attorneys, from any claim, loss, demand, liability, or expense, including reasonable attorneys' fees and costs, incurred by the other as a consequence of, to the extent, PARS' or Agency's, as the case may be, negligent acts, errors or omissions with respect to the performance of their respective duties hereunder.
10. **Compliance with Applicable Law.** The Agency shall observe and comply with federal, state and local laws in effect when this Agreement is executed, or which may come into effect during the term of this Agreement, regarding the administration of the Plan. PARS shall observe and comply with federal, state and local laws in effect when this Agreement is executed, or which may come into effect during the term of this Agreement, regarding Plan administrative services provided under this Agreement.

11. **Applicable Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. In the event any party institutes legal proceedings to enforce or interpret this Agreement, venue and jurisdiction shall be in any state court of competent jurisdiction.
12. **Force Majeure.** When a party's nonperformance hereunder was beyond the control and not due to the fault of the party not performing, a party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by such cause, including but not limited to: any incidence of fire, flood, acts of God, acts of terrorism or war, commandeering of material, products, plants or facilities by the federal, state or local government, or a material act or omission by the other party.
13. **Ownership of Reports and Documents.** The originals of all letters, documents, reports, and data produced for the purposes of this Agreement shall be delivered to, and become the property of the Agency. Copies may be made for PARS but shall not be furnished to others without written authorization from Agency.
14. **Designees.** The Plan Administrator of the Agency, or their designee, shall have the authority to act for and exercise any of the rights of the Agency as set forth in this Agreement, subsequent to and in accordance with the written authority granted by the Governing Body of the Agency, a copy of which writing shall be delivered to PARS. Any officer of PARS, or his or her designees, shall have the authority to act for and exercise any of the rights of PARS as set forth in this Agreement.
15. **Notices.** All notices hereunder and communications regarding the interpretation of the terms of this Agreement, or changes thereto, shall be effected by delivery of the notices in person or by depositing the notices in the U.S. mail, registered or certified mail, return receipt requested, postage prepaid and addressed as follows:
- (A) To PARS: PARS; 4350 Von Karman Avenue, Suite 100, Newport Beach, CA 92660; Attention: President
  - (B) To Agency: [Agency]; [Address]; [City, State, Zip]; Attention: [Plan Administrator]
- Notices shall be deemed given on the date received by the addressee.
16. **Term of Agreement.** This Agreement shall remain in effect for the period beginning \_\_\_\_\_, 2017 and ending \_\_\_\_\_, 2020 ("Term"). This Agreement may be terminated at any time by giving thirty (30) days written notice to the other party of the intent to terminate. Absent a thirty (30) day written notice to the other party of the intent to terminate, this Agreement will continue unchanged for successive twelve month periods following the Term.
17. **Amendment.** This Agreement may not be amended orally, but only by a written instrument executed by the parties hereto.
18. **Entire Agreement.** This Agreement, including exhibits, contains the entire understanding of the parties with respect to the subject matter set forth in this Agreement. In the event a conflict arises between the parties with respect to any term, condition or

provision of this Agreement, the remaining terms, conditions and provisions shall remain in full force and legal effect. No waiver of any term or condition of this Agreement by any party shall be construed by the other as a continuing waiver of such term or condition.

- 19. **Attorneys Fees.** In the event any action is taken by a party hereto to enforce the terms of this Agreement the prevailing party herein shall be entitled to receive its reasonable attorney’s fees.
- 20. **Counterparts.** This Agreement may be executed in any number of counterparts, and in that event, each counterpart shall be deemed a complete original and be enforceable without reference to any other counterpart.
- 21. **Headings.** Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.
- 22. **Effective Date.** This Agreement shall be effective on the date first above written, and also shall be the date the Agreement is executed.

**AGENCY:**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**PARS:**

BY: \_\_\_\_\_  
Tod Hammeras

TITLE: Chief Financial Officer

DATE: \_\_\_\_\_

EXHIBIT 1A  
SERVICES

PARS will provide the following services for the [Agency Name] Public Agencies Post-Employment Benefits Trust:

1. Plan Installation Services:

- (A) Meeting with appropriate Agency personnel to discuss plan provisions, implementation timelines, actuarial valuation process, funding strategies, benefit communication strategies, data reporting, and submission requirements for contributions/reimbursements/distributions;
- (B) Providing the necessary analysis and advisory services to finalize these elements of the Plan;
- (C) Providing the documentation needed to establish the Plan to be reviewed and approved by Agency legal counsel. Resulting final Plan documentation must be approved by the Agency prior to the commencement of PARS Plan Administration Services outlined in Exhibit 1A, paragraph 2 below.

2. Plan Administration Services:

- (A) Monitoring the receipt of Plan contributions made by the Agency to the trustee of the PARS Public Agencies Post-Employment Benefits Trust ("Trustee"), based upon information received from the Agency and the Trustee;
- (B) Performing periodic accounting of Plan assets, reimbursements/distributions, and investment activity, based upon information received from the Agency and/or Trustee;
- (C) Coordinating the processing of distribution payments pursuant to authorized direction by the Agency, and the provisions of the Plan, and, to the extent possible, based upon Agency-provided Data;
- (D) Coordinating actions with the Trustee as directed by the Plan Administrator within the scope this Agreement;
- (E) Preparing and submitting a monthly report of Plan activity to the Agency, unless directed by the Agency otherwise;
- (F) Preparing and submitting an annual report of Plan activity to the Agency;
- (G) Facilitating actuarial valuation updates and funding modifications for compliance with GASB 45/75, if prefunding OPEB obligations;
- (H) Coordinating periodic audits of the Trust;
- (I) Monitoring Plan and Trust compliance with federal and state laws.

3. PARS is not licensed to provide and does not offer tax, accounting, legal, investment or actuarial advice.

**EXHIBIT 1B**  
**FEES FOR SERVICES**

PARS will be compensated for performance of Services, as described in Exhibit 1A based upon the following schedule:

An annual asset fee shall be paid from Plan Assets based on the following schedule:

<b><u>For Plan Assets from:</u></b>			<b><u>Annual Rate:</u></b>
\$0	to	\$10,000,000	0.25%
\$10,000,001	to	\$15,000,000	0.20%
\$15,000,001	to	\$50,000,000	0.15%
\$50,000,001	and	above	0.10%

Annual rates are prorated and paid monthly. The annual asset fee shall be calculated by the following formula [Annual Rate divided by 12 (months of the year) multiplied by the Plan asset balance at the end of the month]. Trustee and Investment Management Fees are not included.

EXHIBIT 1C  
DATA REQUIREMENTS

PARS will provide the Services under this Agreement contingent upon receiving the following information:

1. Executed Legal Documents:
  - (A) Certified Resolution
  - (B) Adoption Agreement to the Public Agencies Post-Employment Benefits Trust
  - (C) Trustee Investment Forms
  
2. Contribution – completed Contribution Transmittal Form signed by the Plan Administrator (or authorized Designee) which contains the following information:
  - (A) Agency name
  - (B) Contribution amount
  - (C) Contribution date
  - (D) Contribution method (Check, ACH, Wire)
  
3. Distribution – completed Payment Reimbursement/Distribution Form signed by the Plan Administrator (or authorized Designee) which contains the following information:
  - (A) Agency name
  - (B) Payment reimbursement/distribution amount
  - (C) Applicable statement date
  - (D) Copy of applicable premium, claim, statement, warrant, and/or administrative expense evidencing payment
  - (E) Signed certification of reimbursement/distribution from the Plan Administrator (or authorized Designee)
  
4. Other information pertinent to the Services as reasonably requested by PARS and Actuarial Provider.





# ATTACHMENT

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## STAFF REPORT

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**Prepared for:** Montecito Fire Protection Board of Directors

**Prepared by:** Araceli Gil, District Accountant

**Date:** May 17, 2017

**Topic:** CalPERS Annual Valuation Reports as of June 30, 2015

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### Summary

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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, 2015 report provides the contribution rates for the 2017-18 fiscal year.

Since the issuance of these valuation reports, the CalPERS Board of Administration approved lowering the CalPERS discount rate assumption from 7.5% to 7% over the next three years. The lowering of the discount rate will not increase plan contributions until the 2018-19 fiscal year, therefore the information provided in this report is still valid for budget planning purposes.

### Discussion

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The Montecito Fire Protection District (“District”) has four pension plans: Miscellaneous, Safety, PEPRAs Miscellaneous, and PEPRAs Safety Fire. This report doesn’t summarize the PEPRAs plans because a thorough review is not considered necessary due to minimal assets and liabilities at June 30, 2015.

#### **Miscellaneous Plan:**

The Employer Normal Cost Rate (i.e. the District portion of payroll contributions) for 2017-18 is 14.992%, and the Employer Payment of Unfunded Liability is \$96,055 (or \$92,644 if paid in one lump sum). The Employer Normal Cost Rate for 2016-17 was 14.881%, and the Employer Payment of Unfunded Liability was \$79,647. On page 4 of the miscellaneous report, the “Required Employer Contribution” section provides a comparison breakdown of the factors used to calculate the required contributions for 2016-17 and 2017-18.

The plan has an Accrued Liability (AL) of \$8,276,073 and Market Value of Assets (MVA) of \$6,682,631, which equates to an Unfunded Liability (UL) of \$1,593,442. The plan is funded at 80.7% (pg. 5 of the miscellaneous plan report). The miscellaneous plan meets Capital PFG’s funded target of 80%.

**Safety Plan:**

The Employer Normal Cost Rate (i.e. the District portion of payroll contributions) for 2017-18 is 19.520%, and the Employer Payment of Unfunded Liability is \$768,475 (or \$741,183 if paid in one lump sum). The Employer Normal Cost Rate for 2016-17 was 19.334%, and the Employer Payment of Unfunded Liability was \$607,569. On page 4 of the safety report, the “Required Employer Contribution” section provides a comparison breakdown of the factors used to calculate the required contributions for 2016-17 and 2017-18.

The plan has an Accrued Liability (AL) of \$68,715,707 and Market Value of Assets (MVA) of \$54,948,774, which equates to an Unfunded Liability (UL) of \$13,766,933. The plan is funded at 80.0% (pg. 5 of the safety plan report). The safety plan meets Capitol PFG’s target of 80%.

**Conclusion**

---

The increase in CalPERS pension contribution requirements for FY 2017-18 is normal and falls in line with projected contributions from last year’s Valuation Reports. Staff’s recommendation is to fund the increase in required contributions for FY 2017-18 through the General Fund budget. Additionally, Staff would like to take advantage of the “Annual Lump Sum Prepayment Option” presented on page 4 of each report. Total savings for each plan would amount to \$3,411 and \$27,292 for the miscellaneous and safety plans, respectively, for a total savings of \$30,703.

The members of the Board of Directors do not need to take any action on this agenda, but can address any questions or concerns and determine if a conference call with the plan’s actuary is necessary at the June meeting.



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**August 2016**

**MISCELLANEOUS PLAN OF THE MONTECITO FIRE PROTECTION DISTRICT  
 (CalPERS ID: 1337420437)  
 Annual Valuation Report as of June 30, 2015**

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2015 actuarial valuation report of the pension plan.

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

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2015.

Section 2 can be found on the CalPERS website at ([www.calpers.ca.gov](http://www.calpers.ca.gov)). From the home page, go to "*Forms & Publications*" and select "*View All*". In the search box, enter "*Risk Pool Report*" and from the results list download the Miscellaneous or Safety Risk Pool Actuarial Valuation Report as appropriate.

Your June 30, 2015 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your assigned CalPERS staff actuary, whose signature appears in the Actuarial Certification section on page 1, is available to discuss the report with you after August 31, 2016.

**Future Employer Contribution**

Fiscal Year	Employer Normal Cost Rate	+	Employer Payment of Unfunded Liability
2017-18	14.922%		\$96,055
2018-19 (projected)	14.9%		\$121,490

The exhibit above displays the minimum employer contributions, before any cost sharing, for Fiscal Year 2017-18 along with estimates of the contributions for Fiscal Year 2018-19. The total employer contribution is the sum of a Normal Cost Rate applied to reported payroll plus an Unfunded Liability dollar payment. The estimated contributions for Fiscal Year 2018-19 are based on a projection of the most recent information we have available, including an estimated 0.0 percent investment return for Fiscal Year 2015-16 (based on the year to date return through April 30, 2016).

MISCELLANEOUS PLAN OF THE MONTECITO FIRE PROTECTION DISTRICT  
(CalPERS ID: 1337420437)  
Annual Valuation Report as of June 30, 2015  
Page 2

For a projection of employer contributions beyond Fiscal Year 2018-19, please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This 5-year projection of future employer contributions supersedes any previous projections we have provided. The "Risk Analysis" section of the valuation report also contains estimated employer contributions in future years under a variety of investment return scenarios. Member contributions, other than cost sharing, 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 estimates for Fiscal Year 2018-19 also assume 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 an important assumption because these gains and losses do occur and can have a significant effect on required contributions. Even for the largest plans or pools, such gains and losses can impact the employer's contributions. These gains and losses cannot be predicted in advance so the projected employer contributions are estimates. The actual required employer contribution for Fiscal Year 2018-19 will be provided in next year's valuation report.

### **Changes since the Prior Year's Valuation**

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a funding risk mitigation event. The policy has no impact on the current year valuation results but is expected to have an impact in future years. More details on the Risk Mitigation Policy can be found on our website.

Besides the above noted changes, there may also be changes specific to the 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 the 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 results, we ask that you wait until after August 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



**ACTUARIAL VALUATION**

as of June 30, 2015

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

**REQUIRED CONTRIBUTIONS  
FOR FISCAL YEAR**

**July 1, 2017 - June 30, 2018**

# **TABLE OF CONTENTS**

**SECTION 1 – PLAN SPECIFIC INFORMATION**

**SECTION 2 – RISK POOL ACTUARIAL VALUATION INFORMATION**



# Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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**Plan Specific Information  
for the  
MISCELLANEOUS PLAN  
of the  
MONTECITO FIRE PROTECTION  
DISTRICT**

**(CalPERS ID: 1337420437)  
(Rate Plan: 33)**

# TABLE OF CONTENTS

<b>ACTUARIAL CERTIFICATION</b>	<b>1</b>
<b>HIGHLIGHTS AND EXECUTIVE SUMMARY</b>	
• <b>INTRODUCTION</b>	<b>3</b>
• <b>PURPOSE OF SECTION 1</b>	<b>3</b>
• <b>REQUIRED EMPLOYER CONTRIBUTION</b>	<b>4</b>
• <b>PLAN'S FUNDED STATUS</b>	<b>5</b>
• <b>PROJECTED EMPLOYER CONTRIBUTIONS</b>	<b>5</b>
• <b>CHANGES SINCE THE PRIOR YEAR VALUATION</b>	<b>5</b>
• <b>SUBSEQUENT EVENTS</b>	<b>5</b>
<b>ASSETS AND LIABILITIES</b>	
• <b>ALLOCATION OF PLAN'S SHARE OF POOL'S EXPERIENCE/ASSUMPTION CHANGE</b>	<b>7</b>
• <b>DEVELOPMENT OF PLAN'S SHARE OF POOL'S MVA</b>	<b>7</b>
• <b>SCHEDULE OF PLAN'S SIDE FUND &amp; OTHER AMORTIZATION BASES</b>	<b>8</b>
• <b>30-YEAR AMORTIZATION SCHEDULE AND ALTERNATIVES</b>	<b>9</b>
• <b>EMPLOYER CONTRIBUTION HISTORY</b>	<b>11</b>
• <b>FUNDING HISTORY</b>	<b>11</b>
<b>RISK ANALYSIS</b>	
• <b>ANALYSIS OF FUTURE INVESTMENT RETURN SCENARIOS</b>	<b>13</b>
• <b>ANALYSIS OF DISCOUNT RATE SENSITIVITY</b>	<b>14</b>
• <b>VOLATILITY RATIOS</b>	<b>15</b>
• <b>HYPOTHETICAL TERMINATION LIABILITY</b>	<b>16</b>
<b>PARTICIPANT DATA</b>	<b>17</b>
<b>LIST OF CLASS 1 BENEFIT PROVISIONS</b>	<b>17</b>
<b>PLAN'S MAJOR BENEFIT OPTIONS</b>	<b>18</b>

## ACTUARIAL CERTIFICATION

Section 1 of this report is based on the member and financial data contained in our records as of June 30, 2015 which was provided by your agency and the benefit provisions under your contract with CalPERS. Section 2 of this report is based on the member and financial data as of June 30, 2015 provided by employers participating in the Miscellaneous Risk Pool to which the plan belongs and benefit provisions under the CalPERS contracts for those agencies.

As set forth in Section 2 of this report, the pool actuary has certified that, in their opinion, the valuation of the risk pool containing your MISCELLANEOUS PLAN has been performed in accordance with generally accepted actuarial principles consistent with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for the risk pool as of the date of this valuation and as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.

Having relied upon the information set forth in Section 2 of this report and based on the census and benefit provision information for the plan, it is my opinion as the plan actuary that the side fund and other Unfunded Accrued Liability bases as of June 30, 2015 and employer contribution as of July 1, 2017, have been properly and accurately determined in accordance with the principles and standards stated above.

The undersigned is an actuary for CalPERS, who is a member of both the American Academy of Actuaries and Society of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

STUART BENNETT, ASA, MAAA  
Senior Pension Actuary, CalPERS  
Plan Actuary

## **HIGHLIGHTS AND EXECUTIVE SUMMARY**

- **INTRODUCTION**
- **PURPOSE OF SECTION 1**
- **REQUIRED EMPLOYER CONTRIBUTION**
- **PLAN'S FUNDED STATUS**
- **PROJECTED EMPLOYER CONTRIBUTIONS**
- **CHANGES SINCE THE PRIOR YEAR VALUATION**
- **SUBSEQUENT EVENTS**

## Introduction

This report presents the results of the June 30, 2015 actuarial valuation of the MISCELLANEOUS PLAN of the MONTECITO FIRE PROTECTION DISTRICT of the California Public Employees' Retirement System (CalPERS). This actuarial valuation sets the required employer contributions for Fiscal Year 2017-18.

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a funding risk mitigation event. The Risk Mitigation Policy does not have an impact on the current year actuarial valuation. More details on the Risk Mitigation Policy can be found on our website.

## Purpose of Section 1

This Section 1 report for the MISCELLANEOUS PLAN of the MONTECITO FIRE PROTECTION DISTRICT of the California Public Employees' Retirement System (CalPERS) was prepared by the plan actuary in order to:

- Set forth the assets and accrued liabilities of this plan as of June 30, 2015;
- Determine the required employer contribution for this plan for the fiscal year July 1, 2017 through June 30, 2018; and
- Provide actuarial information as of June 30, 2015 to the CalPERS Board of Administration and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to GASB Statement No. 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available from CalPERS and details for ordering are available on our website.

The use of this report for any other purposes may be inappropriate. In particular, this report does not contain information applicable to alternative benefit costs. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

### California Actuarial Advisory Panel Recommendations

This report includes all the basic disclosure elements as described in the *Model Disclosure Elements for Actuarial Valuation Reports* recommended in 2011 by the California Actuarial Advisory Panel (CAAP), with the exception of including the original base amounts of the various components of the unfunded liability in the Schedule of Amortization Bases shown on page 8.

Additionally, this report includes the following "Enhanced Risk Disclosures" also recommended by the CAAP in the Model Disclosure Elements document:

- A "Deterministic Stress Test," projecting future results under different investment income scenarios
- A "Sensitivity Analysis," showing the impact on current valuation results using a 1 percent plus or minus change in the discount rate.

## Required Employer Contribution

	Fiscal Year	
Required Employer Contribution	2016-17 <sup>1</sup>	2017-18
<b>Employer Normal Cost Rate</b>	<b>14.881%</b>	<b>14.922%</b>
<i>Plus Either</i>		
<b>1) Monthly Employer Dollar UAL Payment</b>	<b>\$ 6,637.25</b>	<b>\$ 8,004.57</b>
<i>Or</i>		
<b>2) Annual Lump Sum Prepayment Option</b>	<b>\$ 76,818</b>	<b>\$ 92,644</b>

*The total minimum required employer contribution is the **sum** of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) **plus** the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change. § 20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due.*

	Fiscal Year	
Development of Normal Cost as a Percentage of Payroll	2016-17 <sup>1</sup>	2017-18
Base Total Normal Cost for Formula	19.764%	19.807%
Surcharge for Class 1 Benefits <sup>3</sup>		
a) FAC 1	0.662%	0.662%
b) 8% EPMC	1.377%	1.377%
c) PRSA	0.847%	0.847%
Phase out of Normal Cost Difference <sup>4</sup>	0.000%	0.000%
Plan's Total Normal Cost	22.650%	22.693%
Formula's Expected Employee Contribution Rate	7.769%	7.771%
Employer Normal Cost Rate	14.881%	14.922%
 Projected Payroll for the Contribution Fiscal Year	 \$ 868,805	 \$ 1,007,351
<b>Estimated Employer Contributions Based on Projected Payroll</b>		
Plan's Estimated Employer Normal Cost	\$ 129,283	\$ 150,317
Plan's Payment on Amortization Bases <sup>2</sup>	79,647	96,055
Total Employer Contribution <sup>5</sup>	\$ 208,930	\$ 246,372

<sup>1</sup> The results shown for Fiscal Year 2016-17 reflect the prior year valuation and do not take into account any lump sum payment, side fund payoff, or rate adjustment made after June 30, 2015.

<sup>2</sup> See page 8 for a breakdown of the Amortization Bases.

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

<sup>4</sup> The normal cost difference is 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. This is non-zero only for plans that joined a pool within the past 5 years. Most plans joined a pool June 30, 2003, when risk pooling was implemented.

<sup>5</sup> As a percentage of projected payroll the UAL contribution is 9.535 percent for an estimated total employer contribution rate of 24.457 percent.

## Plan's Funded Status

		<b>June 30, 2014</b>		<b>June 30, 2015</b>
1. Present Value of Projected Benefits (PVB)	\$	8,779,207	\$	9,472,159
2. Entry Age Normal Accrued Liability (AL)		7,777,857		8,276,073
3. Plan's Market Value of Assets (MVA)		6,552,869		6,682,631
4. Unfunded Accrued Liability (UAL) [(2) - (3)]		1,224,988		1,593,442
5. Funded Ratio [(3) / (2)]		84.3%		80.7%

## Projected Employer Contributions

The estimate for Fiscal Year 2018-19 is based on a projection of the most recent information we have available, including an estimated 0.0 percent investment return for Fiscal Year 2015-16 (based on year to date return through April 30, 2016).

The table below shows projected employer contributions (before cost sharing) for the next five fiscal years, **assuming CalPERS earns 0.0 percent for Fiscal Year 2015-16 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 projection period.

	<b>Required Contribution</b>	<b>Projected Future Employer Contributions</b>				
<b>Fiscal Year</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
<b>Normal Cost %</b>	14.922%	14.9%	14.9%	14.9%	14.9%	14.9%
<b>UAL \$</b>	\$96,055	\$121,490	\$148,364	\$165,793	\$185,777	\$200,483

## Changes since the Prior Year's Valuation

### Benefits

None. This valuation generally reflects plan changes by amendments effective before the date of the report. Please refer to the "Plan's Major Benefit Options" and Appendix B of Section 2 for a summary of the plan provisions used in this valuation.

### Actuarial Methods and Assumptions

None.

## Subsequent Events

### Risk Mitigation

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a funding risk mitigation event. More details on the Risk Mitigation Policy can be found on our website.

## 30-Year Amortization Schedule and Alternatives

The amortization schedule on the previous page shows the minimum contributions required according to CalPERS amortization policy. There has been considerable interest from many agencies in paying off these unfunded accrued liabilities sooner and the possible savings in doing so. As a result, we have provided alternate amortization schedules to help analyze the current amortization schedule and illustrate the advantages of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternate "fresh start" amortization schedules using two sample periods that would both result in interest savings relative to the current amortization schedule. Note that the payments under each alternate scenario increase by 3 percent for each year into the future. The schedules do not attempt to reflect any experience after June 30, 2015 that may deviate from the actuarial assumptions. Therefore, future amortization payments displayed in the Current Amortization Schedule may not match projected amortization payments shown in connection with Projected Employer Contributions provided elsewhere in this report.

The Current Amortization Schedule typically contains individual bases that are both positive and negative. Positive bases result from plan changes, assumption changes or plan experience that result in increases to unfunded liability. Negative bases result from plan changes, assumption changes or plan experience that result in decreases to unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years such as:

- A positive total unfunded liability with a negative total payment,
- A negative total unfunded liability with a positive total payment, or
- Total payments that completely amortize the unfunded liability over a very short period of time

In any year where one of the above scenarios occurs, the actuary will consider corrective action such as replacing the existing unfunded liability bases with a single "fresh start" base and amortizing it over a reasonable period.

The Current Amortization Schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS amortization policy. For purposes of this display, total payments include any negative payments. Therefore, the amount of estimated savings may be understated to the extent that negative payments appear in the current schedule.



## 30-Year Amortization Schedule and Alternatives

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	20 Year Amortization		15 Year Amortization	
			Balance	Payment	Balance	Payment
6/30/2017	1,686,136	96,055	1,686,136	127,312	1,686,136	154,567
6/30/2018	1,713,004	113,376	1,680,596	131,132	1,652,337	159,204
6/30/2019	1,723,930	131,649	1,670,680	135,066	1,611,196	163,980
6/30/2020	1,716,728	139,969	1,655,942	139,118	1,562,017	168,900
6/30/2021	1,700,359	150,311	1,635,897	143,291	1,504,050	173,967
6/30/2022	1,672,040	154,821	1,610,022	147,590	1,436,481	179,186
6/30/2023	1,636,921	159,465	1,577,749	152,018	1,358,433	184,561
6/30/2024	1,594,353	164,249	1,538,465	156,578	1,268,958	190,098
6/30/2025	1,543,632	169,177	1,491,506	161,276	1,167,032	195,801
6/30/2026	1,483,998	174,252	1,436,155	166,114	1,051,548	201,675
6/30/2027	1,414,630	179,480	1,371,636	171,097	921,313	207,726
6/30/2028	1,334,639	184,864	1,297,112	176,230	775,037	213,957
6/30/2029	1,243,065	190,410	1,211,676	181,517	611,329	220,376
6/30/2030	1,138,874	196,122	1,114,351	186,963	428,688	226,987
6/30/2031	1,020,945	202,006	1,004,080	192,571	225,494	233,797
6/30/2032	888,072	195,732	879,724	198,349		
6/30/2033	751,738	188,900	740,051	204,299		
6/30/2034	612,263	181,482	583,733	210,428		
6/30/2035	470,018	173,449	409,336	216,741		
6/30/2036	325,433	53,498	215,315	223,243		
6/30/2037	294,373	55,102				
6/30/2038	259,320	56,756				
6/30/2039	219,923	58,458				
6/30/2040	175,807	60,212				
6/30/2041	126,563	41,652				
6/30/2042	92,870	41,554				
6/30/2043	56,750	29,642				
6/30/2044	30,273	16,977				
6/30/2045	14,941	3,526				
6/30/2046	12,406	12,863				
<b>Totals</b>		<b>3,576,010</b>		<b>3,420,932</b>		<b>2,874,784</b>
<b>Estimated Savings</b>				<b>155,078</b>		<b>701,226</b>

Current CalPERS Board policy prioritizes the order for which lump sum contributions in excess of the required employer contribution shall be applied. Excess contributions shall first be applied toward payment on the plan's side fund, and any remainder shall then be applied toward the plan's share of the pool's unfunded accrued liability.

Please contact the plan actuary before making such a payment to ensure that the payment is applied correctly.

## Employer Contribution History

The table below provides a recent history of the required employer contributions for the plan, as determined by the annual actuarial valuation. It does not account for prepayments or benefit changes made during a fiscal year.

<b>Fiscal Year</b>	<b>Employer Normal Cost</b>	<b>Unfunded Liability Payment (\$)</b>
2016 - 17	14.881%	79,647
2017 - 18	14.922%	96,055

## Funding History

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

<b>Valuation Date</b>	<b>Accrued Liability (AL)</b>	<b>Share of Pool's Market Value of Assets (MVA)</b>	<b>Plan's Share of Pool's Unfunded Liability</b>	<b>Funded Ratio</b>	<b>Annual Covered Payroll</b>
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
06/30/2014	7,777,857	6,552,869	1,224,988	84.3%	795,080
06/30/2015	8,276,073	6,682,256	1,593,442	80.7%	921,869



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**August 2016**

**SAFETY PLAN OF THE MONTECITO FIRE PROTECTION DISTRICT  
 (CalPERS ID: 1337420437)  
 Annual Valuation Report as of June 30, 2015**

Dear Employer,

As an attachment to this letter, you will find a copy of the June 30, 2015 actuarial valuation report of the pension plan.

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

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2015.

Section 2 can be found on the CalPERS website at ([www.calpers.ca.gov](http://www.calpers.ca.gov)). From the home page, go to "*Forms & Publications*" and select "*View All*". In the search box, enter "*Risk Pool Report*" and from the results list download the Miscellaneous or Safety Risk Pool Actuarial Valuation Report as appropriate.

Your June 30, 2015 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your assigned CalPERS staff actuary, whose signature appears in the Actuarial Certification section on page 1, is available to discuss the report with you after August 31, 2016.

**Future Employer Contribution**

Fiscal Year	Employer Normal Cost Rate	+	Employer Payment of Unfunded Liability
2017-18	19.520%		\$768,475
2018-19 (projected)	19.5%		\$1,004,687

The exhibit above displays the minimum employer contributions, before any cost sharing, for Fiscal Year 2017-18 along with estimates of the contributions for Fiscal Year 2018-19. The total employer contribution is the sum of a Normal Cost Rate applied to reported payroll plus an Unfunded Liability dollar payment. The estimated contributions for Fiscal Year 2018-19 are based on a projection of the most recent information we have available, including an estimated 0.0 percent investment return for Fiscal Year 2015-16 (based on the year to date return through April 30, 2016).

SAFETY PLAN OF THE MONTECITO FIRE PROTECTION DISTRICT  
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Page 2

For a projection of employer contributions beyond Fiscal Year 2018-19, please refer to the "Projected Employer Contributions" in the "Highlights and Executive Summary" section. This 5-year projection of future employer contributions supersedes any previous projections we have provided. The "Risk Analysis" section of the valuation report also contains estimated employer contributions in future years under a variety of investment return scenarios. Member contributions, other than cost sharing, 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 estimates for Fiscal Year 2018-19 also assume 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 an important assumption because these gains and losses do occur and can have a significant effect on required contributions. Even for the largest plans or pools, such gains and losses can impact the employer's contributions. These gains and losses cannot be predicted in advance so the projected employer contributions are estimates. The actual required employer contribution for Fiscal Year 2018-19 will be provided in next year's valuation report.

### **Changes since the Prior Year's Valuation**

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a funding risk mitigation event. The policy has no impact on the current year valuation results but is expected to have an impact in future years. More details on the Risk Mitigation Policy can be found on our website.

Besides the above noted changes, there may also be changes specific to the 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 the 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 results, we ask that you wait until after August 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



**ACTUARIAL VALUATION**

as of June 30, 2015

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

**REQUIRED CONTRIBUTIONS  
FOR FISCAL YEAR**

**July 1, 2017 - June 30, 2018**

# **TABLE OF CONTENTS**

**SECTION 1 – PLAN SPECIFIC INFORMATION**

**SECTION 2 – RISK POOL ACTUARIAL VALUATION INFORMATION**

# Section 1

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

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**Plan Specific Information  
for the  
SAFETY PLAN  
of the  
MONTECITO FIRE PROTECTION  
DISTRICT**

**(CalPERS ID: 1337420437)  
(Rate Plan: 34)**

# TABLE OF CONTENTS

<b>ACTUARIAL CERTIFICATION</b>	<b>1</b>
<b>HIGHLIGHTS AND EXECUTIVE SUMMARY</b>	
• <b>INTRODUCTION</b>	<b>3</b>
• <b>PURPOSE OF SECTION 1</b>	<b>3</b>
• <b>REQUIRED EMPLOYER CONTRIBUTION</b>	<b>4</b>
• <b>PLAN'S FUNDED STATUS</b>	<b>5</b>
• <b>PROJECTED EMPLOYER CONTRIBUTIONS</b>	<b>5</b>
• <b>CHANGES SINCE THE PRIOR YEAR VALUATION</b>	<b>5</b>
• <b>SUBSEQUENT EVENTS</b>	<b>5</b>
<b>ASSETS AND LIABILITIES</b>	
• <b>ALLOCATION OF PLAN'S SHARE OF POOL'S EXPERIENCE/ASSUMPTION CHANGE</b>	<b>7</b>
• <b>DEVELOPMENT OF PLAN'S SHARE OF POOL'S MVA</b>	<b>7</b>
• <b>SCHEDULE OF PLAN'S SIDE FUND &amp; OTHER AMORTIZATION BASES</b>	<b>8</b>
• <b>30-YEAR AMORTIZATION SCHEDULE AND ALTERNATIVES</b>	<b>9</b>
• <b>EMPLOYER CONTRIBUTION HISTORY</b>	<b>11</b>
• <b>FUNDING HISTORY</b>	<b>11</b>
<b>RISK ANALYSIS</b>	
• <b>ANALYSIS OF FUTURE INVESTMENT RETURN SCENARIOS</b>	<b>13</b>
• <b>ANALYSIS OF DISCOUNT RATE SENSITIVITY</b>	<b>14</b>
• <b>VOLATILITY RATIOS</b>	<b>15</b>
• <b>HYPOTHETICAL TERMINATION LIABILITY</b>	<b>16</b>
<b>PARTICIPANT DATA</b>	<b>17</b>
<b>LIST OF CLASS 1 BENEFIT PROVISIONS</b>	<b>17</b>
<b>PLAN'S MAJOR BENEFIT OPTIONS</b>	<b>18</b>



## ACTUARIAL CERTIFICATION

Section 1 of this report is based on the member and financial data contained in our records as of June 30, 2015 which was provided by your agency and the benefit provisions under your contract with CalPERS. Section 2 of this report is based on the member and financial data as of June 30, 2015 provided by employers participating in the Safety Risk Pool to which the plan belongs and benefit provisions under the CalPERS contracts for those agencies.

As set forth in Section 2 of this report, the pool actuary has certified that, in their opinion, the valuation of the risk pool containing your SAFETY PLAN has been performed in accordance with generally accepted actuarial principles consistent with standards of practice prescribed by the Actuarial Standards Board, and that the assumptions and methods are internally consistent and reasonable for the risk pool as of the date of this valuation and as prescribed by the CalPERS Board of Administration according to provisions set forth in the California Public Employees' Retirement Law.

Having relied upon the information set forth in Section 2 of this report and based on the census and benefit provision information for the plan, it is my opinion as the plan actuary that the side fund and other Unfunded Accrued Liability bases as of June 30, 2015 and employer contribution as of July 1, 2017, have been properly and accurately determined in accordance with the principles and standards stated above.

The undersigned is an actuary for CalPERS, who is a member of both the American Academy of Actuaries and Society of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

STUART BENNETT, ASA, MAAA  
Senior Pension Actuary, CalPERS  
Plan Actuary

## **HIGHLIGHTS AND EXECUTIVE SUMMARY**

- **INTRODUCTION**
- **PURPOSE OF SECTION 1**
- **REQUIRED EMPLOYER CONTRIBUTION**
- **PLAN'S FUNDED STATUS**
- **PROJECTED EMPLOYER CONTRIBUTIONS**
- **CHANGES SINCE THE PRIOR YEAR VALUATION**
- **SUBSEQUENT EVENTS**

## Introduction

This report presents the results of the June 30, 2015 actuarial valuation of the SAFETY PLAN of the MONTECITO FIRE PROTECTION DISTRICT of the California Public Employees' Retirement System (CalPERS). This actuarial valuation sets the required employer contributions for Fiscal Year 2017-18.

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a funding risk mitigation event. The Risk Mitigation Policy does not have an impact on the current year actuarial valuation. More details on the Risk Mitigation Policy can be found on our website.

## Purpose of Section 1

This Section 1 report for the SAFETY PLAN of the MONTECITO FIRE PROTECTION DISTRICT of the California Public Employees' Retirement System (CalPERS) was prepared by the plan actuary in order to:

- Set forth the assets and accrued liabilities of this plan as of June 30, 2015;
- Determine the required employer contribution for this plan for the fiscal year July 1, 2017 through June 30, 2018; and
- Provide actuarial information as of June 30, 2015 to the CalPERS Board of Administration and other interested parties.

The pension funding information presented in this report should not be used in financial reports subject to GASB Statement No. 68 for a Cost Sharing Employer Defined Benefit Pension Plan. A separate accounting valuation report for such purposes is available from CalPERS and details for ordering are available on our website.

The use of this report for any other purposes may be inappropriate. In particular, this report does not contain information applicable to alternative benefit costs. The employer should contact their actuary before disseminating any portion of this report for any reason that is not explicitly described above.

### California Actuarial Advisory Panel Recommendations

This report includes all the basic disclosure elements as described in the *Model Disclosure Elements for Actuarial Valuation Reports* recommended in 2011 by the California Actuarial Advisory Panel (CAAP), with the exception of including the original base amounts of the various components of the unfunded liability in the Schedule of Amortization Bases shown on page 8.

Additionally, this report includes the following "Enhanced Risk Disclosures" also recommended by the CAAP in the Model Disclosure Elements document:

- A "Deterministic Stress Test," projecting future results under different investment income scenarios
- A "Sensitivity Analysis," showing the impact on current valuation results using a 1 percent plus or minus change in the discount rate.

## Required Employer Contribution

	Fiscal Year		Fiscal Year	
Required Employer Contribution	2016-17 <sup>1</sup>		2017-18	
Employer Normal Cost Rate	19.334%		19.520%	
<i>Plus Either</i>				
1) Monthly Employer Dollar UAL Payment	\$	50,630.74	\$	64,039.59
<i>Or</i>				
2) Annual Lump Sum Prepayment Option	\$	585,991	\$	741,183
<p><i>The total minimum required employer contribution is the <b>sum</b> of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) <b>plus</b> the Employer Unfunded Accrued Liability (UAL) Contribution Amount (billed monthly in dollars). Only the UAL portion of the employer contribution can be prepaid (which must be received in full no later than July 31). Plan Normal Cost contributions will be made as part of the payroll reporting process. If there is contractual cost sharing or other change, this amount will change. § 20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due.</i></p>				

	Fiscal Year		Fiscal Year	
	2016-17 <sup>1</sup>		2017-18	
<b>Development of Normal Cost as a Percentage of Payroll</b>				
Base Total Normal Cost for Formula		25.636%		25.824%
Surcharge for Class 1 Benefits <sup>3</sup>				
a) FAC 1		1.033%		1.033%
b) PRSA		1.645%		1.645%
Phase out of Normal Cost Difference <sup>4</sup>		0.000%		0.000%
Plan's Total Normal Cost		28.315%		28.502%
Formula's Expected Employee Contribution Rate		8.981%		8.982%
Employer Normal Cost Rate		19.334%		19.520%
Projected Payroll for the Contribution Fiscal Year	\$	5,828,781	\$	5,657,225
<b>Estimated Employer Contributions Based on Projected Payroll</b>				
Plan's Estimated Employer Normal Cost	\$	1,126,917	\$	1,104,290
Plan's Payment on Amortization Bases <sup>2</sup>		607,569		768,475
Total Employer Contribution <sup>5</sup>	\$	1,734,486	\$	1,872,765

<sup>1</sup> The results shown for Fiscal Year 2016-17 reflect the prior year valuation and do not take into account any lump sum payment, side fund payoff, or rate adjustment made after June 30, 2015.

<sup>2</sup> See page 8 for a breakdown of the Amortization Bases.

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

<sup>4</sup> The normal cost difference is 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. This is non-zero only for plans that joined a pool within the past 5 years. Most plans joined a pool June 30, 2003, when risk pooling was implemented.

<sup>5</sup> As a percentage of projected payroll the UAL contribution is 13.584 percent for an estimated total employer contribution rate of 33.104 percent.

## Plan's Funded Status

		<b>June 30, 2014</b>		<b>June 30, 2015</b>
1. Present Value of Projected Benefits (PVB)	\$	74,727,086	\$	78,912,312
2. Entry Age Normal Accrued Liability (AL)		64,199,686		68,715,707
3. Plan's Market Value of Assets (MVA)		53,901,044		54,948,774
4. Unfunded Accrued Liability (UAL) [(2) - (3)]		10,298,642		13,766,933
5. Funded Ratio [(3) / (2)]		84.0%		80.0%

## Projected Employer Contributions

The estimate for Fiscal Year 2018-19 is based on a projection of the most recent information we have available, including an estimated 0.0 percent investment return for Fiscal Year 2015-16 (based on year to date return through April 30, 2016).

The table below shows projected employer contributions (before cost sharing) for the next five fiscal years, **assuming CalPERS earns 0.0 percent for Fiscal Year 2015-16 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 projection period.

	<b>Required Contribution</b>	<b>Projected Future Employer Contributions</b>				
<b>Fiscal Year</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
<b>Normal Cost %</b>	19.520%	19.5%	19.5%	19.5%	19.5%	19.5%
<b>UAL \$</b>	\$768,475	\$1,004,687	\$1,254,381	\$1,407,650	\$1,577,033	\$1,698,851

## Changes since the Prior Year's Valuation

### Benefits

None. This valuation generally reflects plan changes by amendments effective before the date of the report. Please refer to the "Plan's Major Benefit Options" and Appendix B of Section 2 for a summary of the plan provisions used in this valuation.

### Actuarial Methods and Assumptions

None.

## Subsequent Events

### Risk Mitigation

The CalPERS Board of Administration adopted a Risk Mitigation Policy which is designed to reduce funding risk over time. The policy establishes a mechanism whereby CalPERS investment performance that significantly outperforms the discount rate triggers adjustments to the discount rate, expected investment return and strategic asset allocation targets. A minimum excess investment return of 4% above the existing discount rate is necessary to cause a funding risk mitigation event. More details on the Risk Mitigation Policy can be found on our website.

## 30-Year Amortization Schedule and Alternatives

The amortization schedule on the previous page shows the minimum contributions required according to CalPERS amortization policy. There has been considerable interest from many agencies in paying off these unfunded accrued liabilities sooner and the possible savings in doing so. As a result, we have provided alternate amortization schedules to help analyze the current amortization schedule and illustrate the advantages of accelerating unfunded liability payments.

Shown on the following page are future year amortization payments based on 1) the current amortization schedule reflecting the individual bases and remaining periods shown on the previous page, and 2) alternate "fresh start" amortization schedules using two sample periods that would both result in interest savings relative to the current amortization schedule. Note that the payments under each alternate scenario increase by 3 percent for each year into the future. The schedules do not attempt to reflect any experience after June 30, 2015 that may deviate from the actuarial assumptions. Therefore, future amortization payments displayed in the Current Amortization Schedule may not match projected amortization payments shown in connection with Projected Employer Contributions provided elsewhere in this report.

The Current Amortization Schedule typically contains individual bases that are both positive and negative. Positive bases result from plan changes, assumption changes or plan experience that result in increases to unfunded liability. Negative bases result from plan changes, assumption changes or plan experience that result in decreases to unfunded liability. The combination of positive and negative bases within an amortization schedule can result in unusual or problematic circumstances in future years such as:

- A positive total unfunded liability with a negative total payment,
- A negative total unfunded liability with a positive total payment, or
- Total payments that completely amortize the unfunded liability over a very short period of time

In any year where one of the above scenarios occurs, the actuary will consider corrective action such as replacing the existing unfunded liability bases with a single "fresh start" base and amortizing it over a reasonable period.

The Current Amortization Schedule on the following page may appear to show that, based on the current amortization bases, one of the above scenarios will occur at some point in the future. It is impossible to know today whether such a scenario will in fact arise since there will be additional bases added to the amortization schedule in each future year. Should such a scenario arise in any future year, the actuary will take appropriate action based on guidelines in the CalPERS amortization policy. For purposes of this display, total payments include any negative payments. Therefore, the amount of estimated savings may be understated to the extent that negative payments appear in the current schedule.

## 30-Year Amortization Schedule and Alternatives

Date	<u>Current Amortization Schedule</u>		<u>Alternate Schedules</u>			
	Balance	Payment	20 Year Amortization		15 Year Amortization	
			Balance	Payment	Balance	Payment
6/30/2017	14,782,738	768,475	14,782,738	1,116,177	14,782,738	1,355,127
6/30/2018	15,094,672	938,489	14,734,167	1,149,662	14,486,418	1,395,781
6/30/2019	15,253,726	1,118,012	14,647,234	1,184,152	14,125,724	1,437,654
6/30/2020	15,238,576	1,196,960	14,518,021	1,219,677	13,694,562	1,480,784
6/30/2021	15,140,436	1,287,685	14,342,285	1,256,267	13,186,345	1,525,207
6/30/2022	14,940,868	1,326,316	14,115,431	1,293,955	12,593,952	1,570,963
6/30/2023	14,686,279	1,366,105	13,832,488	1,332,774	11,909,689	1,618,092
6/30/2024	14,371,342	1,407,089	13,488,075	1,372,757	11,125,242	1,666,635
6/30/2025	13,990,292	1,449,301	13,076,376	1,413,940	10,231,631	1,716,634
6/30/2026	13,536,896	1,492,780	12,591,100	1,456,358	9,219,159	1,768,133
6/30/2027	13,004,416	1,537,564	12,025,449	1,500,049	8,077,357	1,821,177
6/30/2028	12,385,567	1,583,691	11,372,074	1,545,050	6,794,922	1,875,812
6/30/2029	11,672,480	1,631,201	10,623,038	1,591,401	5,359,658	1,932,087
6/30/2030	10,856,650	1,680,137	9,769,766	1,639,144	3,758,402	1,990,049
6/30/2031	9,928,895	1,730,541	8,802,998	1,688,318	1,976,955	2,049,751
6/30/2032	8,879,299	1,671,472	7,712,737	1,738,967		
6/30/2033	7,812,227	1,607,301	6,488,193	1,791,136		
6/30/2034	6,731,660	1,537,775	5,117,718	1,844,870		
6/30/2035	5,642,135	1,462,631	3,588,744	1,900,217		
6/30/2036	4,548,807	1,381,595	1,887,714	1,957,223		
6/30/2037	3,457,500	645,157				
6/30/2038	3,047,899	664,512				
6/30/2039	2,587,510	684,448				
6/30/2040	2,071,923	704,981				
6/30/2041	1,496,378	520,564				
6/30/2042	1,068,874	488,574				
6/30/2043	642,475	349,161				
6/30/2044	328,643	200,943				
6/30/2045	144,948	43,518				
6/30/2046	110,699	114,775				
<b>Totals</b>		<b>32,591,753</b>		<b>29,992,093</b>		<b>25,203,886</b>
<b>Estimated Savings</b>				<b>2,599,659</b>		<b>7,387,867</b>

Current CalPERS Board policy prioritizes the order for which lump sum contributions in excess of the required employer contribution shall be applied. Excess contributions shall first be applied toward payment on the plan's side fund, and any remainder shall then be applied toward the plan's share of the pool's unfunded accrued liability.

Please contact the plan actuary before making such a payment to ensure that the payment is applied correctly.

## Employer Contribution History

The table below provides a recent history of the required employer contributions for the plan, as determined by the annual actuarial valuation. It does not account for prepayments or benefit changes made during a fiscal year.

<b>Fiscal Year</b>	<b>Employer Normal Cost</b>	<b>Unfunded Liability Payment (\$)</b>
2016 - 17	19.334%	607,569
2017 - 18	19.520%	768,475

## Funding History

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

<b>Valuation Date</b>	<b>Accrued Liability (AL)</b>	<b>Share of Pool's Market Value of Assets (MVA)</b>	<b>Plan's Share of Pool's Unfunded Liability</b>	<b>Funded Ratio</b>	<b>Annual Covered Payroll</b>
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
06/30/2014	64,199,686	53,901,044	10,298,642	84.0%	5,334,161
06/30/2015	68,715,707	54,948,774	13,766,933	80.0%	5,177,162



# ATTACHMENT

#C






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## STAFF REPORT

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**Prepared for:** Montecito Fire Protection Board of Directors

**Prepared by:** Chief Hickman and Araceli Gil, District Accountant

**Date:** May 17, 2017

**Topic:** CalPERS Discount Rate Change and Pension Prefunding Plan

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### Summary

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In December of 2016, the CalPERS Board of Administration approved lowering the discount rate from 7.5% to 7% over the next three years. The change will increase the District's pension liability with CalPERS, resulting in required contribution increases starting in fiscal year 2018-19. This report addresses the discount rate impacts on the District's contribution rates and pension liability.

### Discussion

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The District makes three different types of contributions to CalPERS: Normal Cost Rate, Member Contributions (fixed rate) and Unfunded Accrued Liability (UAL) payments. CalPERS issued Circular Letter 200-004-17 (Attachment A) on January 19, 2017, which thoroughly describes the impacts that the discount rate change will have on public agencies. Specifically listed on page 2 of the letter are estimated rates of increases for Miscellaneous and Safety plans for the Normal Cost and UAL contributions. The estimated increases have been applied to the June 30, 2015 CalPERS valuation report for each plan, and Staff has projected required contributions for the District for fiscal years 2018-2023 (Attachment B).

Based on the projections, District contributions for the Miscellaneous and Safety plans are expected to increase from \$2.2 million in FY 17-18 to \$4 million in FY 22-23. In an effort to mitigate the substantial increase in annual contributions and net pension liability, Staff would like to recommend a funding plan, starting this fiscal year.

The proposed plan is to accumulate a reserve fund for pension contributions (with the PARS PRSP or within the General Fund) through budget allocations and by using unallocated funds from fire assignment revenue, unallocated tax revenue, and unspent budgeted funds. The funds can be used to pay for CalPERS contributions if/when necessary to supplement payments from the General Fund.

Current FY 2016-17: \$1.5-2 million (from unallocated fire revenue and unspent budget funds)  
 FY 17-18 and 18-19: \$1 million/per year (combination of budgeted allocations, unallocated fire revenue and unspent funds at year end)

## Conclusion

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The CalPERS decision to change the discount rate will increase required pension contributions at a higher rate than previously anticipated. Staff and the Finance Committee members recommend taking a proactive approach to the significant increases anticipated in FY 21-22 by prefunding pension payments, similar to the prefunding of the OPEB trust.

### **Recommended Action:**

1. Agree to recommend funding plan presented by Staff.
2. Amend, modify or reject above option.



# Actuarial Circular Letter

California Public Employees' Retirement System  
 P.O. Box 942715  
 Sacramento, CA 94229-2715  
 (888) CalPERS (or 888-225-7377)  
 TTY: (877) 249-7442  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

January 19, 2017

Circular Letter: 200-004-17  
 Distribution: VI

**To: All Public Agency Employers**

**Subject: Discount Rate Change**

The purpose of this Circular Letter is to inform you of recent changes to the CalPERS discount rate assumption and the impact these changes are expected to have on required employer and PEPR member contributions. This Circular Letter will assist you in calculating projected pension cost increases in future years. The June 30, 2016, annual valuations will provide updated projections of expected future year pension contributions. These reports will be available this summer.

At the December 21, 2016, meeting, the CalPERS Board of Administration approved lowering the CalPERS discount rate assumption, the long-term rate of return, from 7.50 percent to 7.00 percent over the next three years. This will increase public agency employer contribution costs beginning in Fiscal Year 2018-19.

The phase-in of the discount rate change approved by the Board for the next three Fiscal Years is as follows:

Valuation Date	Fiscal Year for Required Contribution	Discount Rate
June 30, 2016	2018-19	7.375%
June 30, 2017	2019-20	7.25%
June 30, 2018	2020-21	7.00%

Lowering the discount rate means plans will see increases in both the normal costs (the cost of pension benefits accruing in one year for active members) and the accrued liabilities. These increases will result in higher required employer contributions.

In addition, active members hired after January 1, 2013, under the Public Employees' Pension Reform Act (PEPRA) may also see their contribution rates rise.

The benefits of reducing the discount rate include:

- Strengthening long-term sustainability of the fund
- Reducing negative cash flows; additional contributions will help to offset the cost to pay pensions
- Reducing the long-term probability of funded ratios falling below undesirable levels
- Improving the likelihood of CalPERS investments earning our assumed rate of return
- Reducing the risk of contribution increases in the future from volatile investment markets

### **Results**

Employer contribution increases as a result of the discount rate changes are estimated below by Normal Cost and required Unfunded Accrued Liability (UAL) payment. **The Total Employer Contribution is the sum of the Normal Cost Rate applied to reported payroll plus the Unfunded Accrued Liability payment.** The Normal Cost portion of the Employer Contribution is expected to increase by the listed percentages of payroll. Increases to the UAL payments are provided as relative increases to be applied to the projected UAL payments in the **June 30, 2015, valuation report.**

Valuation Date	Fiscal Year Impact	Normal Cost		UAL Payments	
		Misc. Plans	Safety Plans	Misc. Plans	Safety Plans
6/30/2016	2018-19	0.25% - 0.75%	0.5% - 1.25%	2% - 3%	2% - 3%
6/30/2017	2019-20	0.5% - 1.5%	1.0% - 2.5%	4% - 6%	4% - 6%
6/30/2018	2020-21	1.0% - 3.0%	2.0% - 5.0%	10% - 15%	10% - 15%
6/30/2019	2021-22	1.0% - 3.0%	2.0% - 5.0%	15% - 20%	15% - 20%
6/30/2020	2022-23	1.0% - 3.0%	2.0% - 5.0%	20% - 25%	20% - 25%
6/30/2021	2023-24	1.0% - 3.0%	2.0% - 5.0%	25% - 30%	25% - 30%
6/30/2022	2024-25	1.0% - 3.0%	2.0% - 5.0%	30% - 40%	30% - 40%

The changes to the Unfunded Accrued Liability (UAL) due to changes of actuarial assumptions are amortized over a fixed 20-year period with a 5-year ramp up at the beginning and a 5-year ramp down at the end of the amortization period. The 5-year ramp up means that the payments in the first four years of the amortization schedule are 20 percent, 40 percent, 60 percent and 80 percent of the ultimate payment, which begins in year five. The 5-year ramp down means that the reverse is true and the payments in the final four years are ramped down by the above percentages. A new ramp is established with each change to the discount rate. There will be three ramps established in the first three years. As a result of the 5-year ramp up and effective date of the increase, it will be seven years until the full impact of the discount rate change is completely phased in. The shaded rows above are the expected increases beyond the five year projection quoted in your June 30, 2015, valuation report.

Circular Letter: 200-004-17  
January 19, 2017

To illustrate how this table can be used as a guide to include the change in the discount rate in the calculation of pension contributions, a Miscellaneous plan with a current normal cost of 15 percent of payroll can expect an increase to 15.25 percent to 15.75 percent of payroll in the first year (Fiscal Year 2018-19), and 16 percent to 18 percent in the fifth year (Fiscal Year 2022-23). For the UAL payment, a plan with a projected payment of \$500,000 in Fiscal Year 2018-19 and \$600,000 in Fiscal Year 2022-23 can expect the revised payment to be \$510,000 - \$515,000 ( $\$500,000 \times 2.00\% / \$500,000 \times 3.00\%$ ) for Fiscal Year 2018-19, and \$720,000 - \$750,000 ( $\$600,000 \times 20\% / \$600,000 \times 25\%$ ) for Fiscal Year 2022-23. These estimated increases incorporate both the impact of the discount rate change and the ramp up.

Please keep in mind the above table is a tool for you to calculate broad estimates and should only be used as a general guide. The annual valuation report that will be released this summer will provide updated projections for your specific plan.

If you have any questions about the information provided or how to apply it to your current valuations, please call our CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**) and ask to have your plan actuary contact you.

Scott Terando  
Chief Actuary

**CalPERS Required Contribution Projections  
for Fiscal Years 2018-2023**

**Attachment B**

**MISCELLANEOUS PLAN**

	Projected Employer Contributions (Based on June 30, 2015 Valuation Report)					
	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Normal Cost Rate	14.9%	14.9%	14.9%	14.9%	14.9%	14.9%
Less: MFPD EE Cost-Share %	<u>-8.5%</u>	<u>-10.5%</u>	<u>-10.5%</u>	<u>-10.5%</u>	<u>-10.5%</u>	<u>-10.5%</u>
Net MFPD Normal Cost Rate %	6.4%	4.4%	4.4%	4.4%	4.4%	4.4%
Discount Rate Increases (mid-point)	<u>0.0%</u>	<u>0.5%</u>	<u>0.9%</u>	<u>2.0%</u>	<u>2.0%</u>	<u>2.0%</u>
<b>Adjusted Normal Cost Rate</b>	<b>6.4%</b>	<b>4.9%</b>	<b>5.3%</b>	<b>6.4%</b>	<b>6.4%</b>	<b>6.4%</b>
<b>Total Normal Cost Contribution</b>	<b>\$ 68,000</b>	<b>\$ 70,362</b>	<b>\$ 73,108</b>	<b>\$ 76,807</b>	<b>\$ 80,693</b>	<b>\$ 84,776</b>
<b>Total ER Paid Member Contribution</b>	<b>85,000</b>	<b>89,293</b>	<b>91,971</b>	<b>94,730</b>	<b>97,572</b>	<b>100,499</b>
Unfunded Accrued Liability (\$)	96,055	121,490	148,364	165,793	185,777	200,483
Discount Rate Increases (mid-point)		<u>2.5%</u>	<u>5.0%</u>	<u>12.5%</u>	<u>17.5%</u>	<u>22.5%</u>
<b>Total UAL Contribution</b>	<b>96,055</b>	<b>124,527</b>	<b>155,782</b>	<b>186,517</b>	<b>218,288</b>	<b>245,592</b>
<b>Total Employer Contributions (Misc Plan)</b>	<b>\$ 249,055</b>	<b>\$ 284,182</b>	<b>\$ 320,861</b>	<b>\$ 358,054</b>	<b>\$ 396,553</b>	<b>\$ 430,867</b>

**SAFETY PLAN**

	Projected Employer Contributions (Based on June 30, 2015 Valuation Report)					
	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
Normal Cost Rate	19.5%	19.5%	19.5%	19.5%	19.5%	19.5%
Less: MFPD EE Cost-Share %	<u>-8.5%</u>	<u>-10.5%</u>	<u>-10.5%</u>	<u>-10.5%</u>	<u>-10.5%</u>	<u>-10.5%</u>
Net MFPD Normal Cost Rate %	11.0%	9.0%	9.0%	9.0%	9.0%	9.0%
Discount Rate Increases (mid-point)	<u>0.0%</u>	<u>0.8%</u>	<u>1.8%</u>	<u>3.5%</u>	<u>3.5%</u>	<u>3.5%</u>
<b>Adjusted Normal Cost Rate</b>	<b>11.0%</b>	<b>9.8%</b>	<b>10.8%</b>	<b>12.5%</b>	<b>12.5%</b>	<b>12.5%</b>
<b>Total Normal Cost Contribution</b>	<b>\$ 665,000</b>	<b>\$ 689,711</b>	<b>\$ 722,834</b>	<b>\$ 770,577</b>	<b>\$ 821,474</b>	<b>\$ 875,732</b>
<b>Total ER Paid Member Contribution</b>	<b>540,000</b>	<b>567,270</b>	<b>584,288</b>	<b>601,817</b>	<b>619,871</b>	<b>638,467</b>
Unfunded Accrued Liability (\$)	768,475	1,004,687	1,254,381	1,407,650	1,577,033	1,698,851
Discount Rate Increases (mid-point)	<u>0.0%</u>	<u>2.5%</u>	<u>5.0%</u>	<u>12.5%</u>	<u>17.5%</u>	<u>22.5%</u>
<b>Total UAL Contribution</b>	<b>768,475</b>	<b>1,029,804</b>	<b>1,317,100</b>	<b>1,583,606</b>	<b>1,853,014</b>	<b>2,081,092</b>
<b>Total Employer Contributions (Safety Plan)</b>	<b>\$ 1,973,475</b>	<b>\$ 2,286,785</b>	<b>\$ 2,624,222</b>	<b>\$ 2,956,000</b>	<b>\$ 3,294,359</b>	<b>\$ 3,595,292</b>

<b>Total Misc and Safety Contributions</b>	<b>\$ 2,222,530</b>	<b>\$ 2,570,967</b>	<b>\$ 2,945,083</b>	<b>\$ 3,314,054</b>	<b>\$ 3,690,912</b>	<b>\$ 4,026,159</b>
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## CalPERS Average Percentage Increases

The following rates were used to project the District's future contributions.

Rates are the middle point of the ranges provided by CalPERS on page 2 of the Circular Letter.

Valuation Date	Fiscal Year Impact	Normal Cost		UAL Payments	
		Miscellaneous	Safety	Miscellaneous	Safety
6/30/2016	FY 18-19	0.50%	0.875%	2.50%	2.50%
6/30/2017	FY 19-20	0.75%	1.75%	5.00%	5.00%
6/30/2018	FY 20-21	2.00%	3.50%	12.50%	12.50%
6/30/2019	FY 21-22	2.00%	3.50%	17.50%	17.50%
6/30/2020	FY 22-23	2.00%	3.50%	22.50%	22.50%
6/30/2021	FY 23-24	2.00%	3.50%	22.50%	22.50%
6/30/2022	FY 24-25	2.00%	3.50%	22.50%	22.50%

Discount rate changes approved by CalPERS for the next three fiscal years are as follows:

Fiscal Year	Discount Rate
FY 17-18	7.375%
FY 18-19	7.250%
FY 19-20	7.000%



# ATTACHMENT

#D





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## STAFF REPORT

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**Prepared for:** Montecito Fire Protection Board of Directors  
**Prepared by:** Chief Hickman and Araceli Gil, District Accountant  
**Date:** May 17, 2017  
**Topic:** Draft Preliminary Budget for Fiscal Year 2017-18

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### Summary

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The following report will review the draft Preliminary Budget in comparison to the Board-approved Final Budget for fiscal year 2016-17.

### Discussion

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#### Revenue (Fund 3650 Pg. 1)

Revenues are estimated to be \$527,000 more than last fiscal year.

3010-3054 Taxes Revenue – An increase of 3.71%, the District's five-year average growth rate, was applied to Secured Property Tax line items (3010, 3015, and 3040). Expected tax revenue growth totals \$525,000.

3750 & 4476 State and Federal Emergency Assistance – These two line items capture expected revenue from state and federal fire assignments. The estimated revenue is included in the budget in order to recognize the overtime expense caused by the fire assignments (account 6301). Total fire assignment revenue is budgeted at \$455,000: \$325,000 from state and \$130,000 from federal.

#### Expenditures – Salaries & Employee Benefits (Fund 3650 Pg. 2)

6100 Salaries – The calculated increase takes into account a 5.05% base pay increase for all employees effective July 1, 2017, and is slightly offset by \$150,000 cumulative decrease to the Vacation Redemption Programs.

6300, 6301 & 6310 Overtime – There are currently no anticipated changes necessary to the overtime categories.

Overtime is broken down into three categories: overtime, overtime – reimbursable, and overtime – constant staffing.

6300 Overtime – This account will capture all overtime resulting from attending training/meetings, administrative tasks, special projects/events (i.e. Academy training, new hire/promotional interviews).

6301 Overtime – Reimbursable – This account will capture all overtime resulting from staff on fire assignments, and any emergency callbacks or backfills caused by a fire assignment.

6310 Overtime – Constant Staffing – This account will capture all overtime resulting from shift vacancies that don't allow the District to maintain minimum staffing levels. Any overtime caused by upstaffing decisions will also fall into this category.

6400 Retirement Contributions – Employer contribution rates for the CalPERS pension programs increased from the prior fiscal year, however, the increase was limited because the employees will be contributing an additional 2% of the employer portion. The overall result is an approximate increase of \$98,000 in pension contributions.

6600 Insurance Contributions – The calculated insurance expense takes into account an increase of \$115 for the District's health care contribution for all employees effective January 1, 2018. Actual insurance premiums for 2018 will not be available for health until the final budget, therefore the increase is an estimate at this point.

6900 Worker's Compensation Insurance – SDRMA is quoting an increased premium for this fiscal year due to increases in reported payroll and the District's Experience Modification factors.

### **Expenditures – Services & Supplies (starting on Fund 3650 Pg. 2)**

7030 Clothing and Personal Protective Equipment (PPE) – The decrease of \$56,000 is a result of only budgeting for one set of turnouts (vs. two sets in the prior year) and there are no major budgeted items for the upcoming fiscal year.

7200 Structure and Ground Maintenance – This year's budget includes a request for \$11,500 for new interior upgrades (i.e. TV monitors, white boards, furniture) to the Conference Room and a few Chiefs' offices.

7348 Instruments & Equipment < \$5,000 – This line item will fluctuate from year to year because equipment needs vary from year to year.

7460 Professional and Specialized Services – This account line item captures all professional services used on a monthly or annual basis: legal, IT, medical exams, mapping, communications consulting, and special studies. This year’s budget has been expanded to include ongoing public outreach and education services, environmental planning services for hazard mitigation, and EMS instruction and studies.

7546 Administrative Tax Expense – This fee is paid to the SB County Tax Collector’s office. Due to the recent replacement of computer systems for property tax purposes, administration costs are expected to remain high for the next four years.

7650 District Special Expense – This line item is used to account for planned occurrences/events for each fiscal year.

7671 Special Projects – This year’s budget includes two requests totaling \$19,500 for a redesign and distribution of two fire prevention publications for community members.

8300 Capital Assets – This line item is used to account for fixed assets over \$5,000, which are recorded and depreciated over an estimated useful life. The funding varies from year to year depending on the capital asset needs for a particular year.

#### **Other Financing Uses (Fund 3650 Pg. 5)**

7901 Transfer to Pension Obligation Fund (3651) – The transferred funds are committed for principal and interest payments on the District’s pension obligation bond. The last payment is scheduled for May of 2018.

#### **Conclusion**

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After Finance Committee review of the preliminary budget, changes and recommendations will be presented to the Board of Directors on May 22, 2017.





**MONTECITO FIRE PROTECTION DISTRICT  
PRELIMINARY BUDGET DRAFT  
FISCAL YEAR 2017-18**

FUND 3650 - GENERAL FUND			
Account	Line Item Description	Prelim. Budget FY 2017-18	Final Budget FY 2016-17
<b>REVENUES</b>			
<b>Taxes</b>			
3010	Property Tax - Secured (3.71%)	15,615,365	15,056,760
3011	Property Tax - Unitary	131,405	131,405
3015	Property Tax - Escapes Secured (3.71%)	(29,537)	(28,480)
3020	Property Tax - Unsecured	630,025	649,510
3040	Property Tax - Prior Secured (3.71%)	30,755	29,655
3050	Property Tax - Prior Unsecured	18,065	18,065
3054	Supplemental Property Tax - Current	278,683	293,350
	<b>Total Taxes Revenue</b>	<u>16,674,761</u>	<u>16,150,265</u>
<b>Use of Money and Property</b>			
3380	Interest Income	19,445	22,835
3409	Rental Property Income	52,260	52,260
	<b>Total Use of Money and Property</b>	<u>71,705</u>	<u>75,095</u>
<b>Intergovernmental Revenue - State</b>			
3750	State-Emergency Assistance (Fire Asgmt)	325,000	325,000
4220	Homeowners Property Tax Relief	82,975	82,975
	<b>Total Intergovernmental Revenue - State</b>	<u>407,975</u>	<u>407,975</u>
<b>Intergovernmental Revenue - Federal</b>			
4476	Federal Emergency Assistance (Fire Asgmt)	130,000	130,000
	<b>Total Intergovernmental Revenue - Federal</b>	<u>130,000</u>	<u>130,000</u>
<b>Charges for Services</b>			
5105	Reimbursement for District Services	190,315	185,995
	AMR First Response Payment	102,675	98,355
	CSFD Dispatch Services	87,640	87,640
	<b>Total Charges for Services</b>	<u>190,315</u>	<u>185,995</u>
<b>Miscellaneous Revenue</b>			
5909	Other Miscellaneous Revenue	7,500	6,000
	Westmont Payment	4,500	4,400
	Other	3,000	1,600
	<b>Total Miscellaneous Revenue</b>	<u>7,500</u>	<u>6,000</u>
	<b>TOTAL GENERAL FUND REVENUES</b>	<u>17,482,256</u>	<u>16,955,330</u>



**MONTECITO FIRE PROTECTION DISTRICT  
PRELIMINARY BUDGET DRAFT  
FISCAL YEAR 2017-18**

<b>FUND 3650 - GENERAL FUND</b>			
<u>Account</u>	<u>Line Item Description</u>	<u>Prelim. Budget FY 2017-18</u>	<u>Final Budget FY 2016-17</u>
<b>EXPENDITURES</b>			
<b>Salaries &amp; Employee Benefits</b>			
6100	Regular Salaries	7,554,420	7,369,515
	Salaries	7,353,370	7,018,465
	Auxiliary	20,000	20,000
	Directors fees	31,050	31,050
	Vacation Redemption Program	75,000	150,000
	Vacation Deferred Comp Program	75,000	150,000
6300	Overtime	125,000	125,000
6301	Overtime - Reimbursable	455,000	455,000
6310	Overtime - Constant Staffing	750,000	750,000
6400	Retirement Contributions	2,300,970	2,203,416
6550	FICA/Medicare	124,995	101,949
6600	Insurance Contributions	1,800,750	1,635,805
	Health Insurance	1,573,225	1,407,955
	Dental Insurance	179,820	179,490
	Vision Insurance	34,590	35,695
	Life Insurance	9,115	8,665
	Employee Assistance Program	1,500	1,500
	Flexible Spending Account Admin.	2,500	2,500
6700	Unemployment Insurance	11,410	11,555
6900	Workers Compensation Insurance	575,000	525,000
	<b>Total Salaries &amp; Employee Benefits</b>	<b>13,697,545</b>	<b>13,177,240</b>
<b>Services &amp; Supplies</b>			
7030	Clothing and PPE	47,000	102,950
	Operational	12,000	12,000
	Turnout sets	35,000	70,000
	Active shooter helmets/armor (14)	-	17,000
	Wildland helmets (30)	-	2,500
	SCBA tags	-	1,000
	Investigator uniform shirts/patches	-	450
7050	Communications	99,500	109,800
	Operational	96,000	96,000
	SB County IT Services	-	4,800
	Cell phone upgrades	3,500	3,500
	Phone system replacement	-	5,500
7060	Food	2,500	2,500



**MONTECITO FIRE PROTECTION DISTRICT  
PRELIMINARY BUDGET DRAFT  
FISCAL YEAR 2017-18**

FUND 3650 - GENERAL FUND			
Account	Line Item Description	Prelim. Budget FY 2017-18	Final Budget FY 2016-17
7070	Household Supplies	31,000	32,500
	Operational	27,500	26,000
	Washer/dryer, Sta. 2	3,500	-
	Dining chairs repairs	-	2,600
	Gas outdoor grills (2)	-	3,500
	Dispatch dorm refrigerator	-	400
7090	Insurance: Liability/Auto/Prop.	31,000	31,000
7120	Equipment Maintenance	35,000	35,000
7200	Structure and Ground Maintenance	43,550	32,050
	Operational	26,550	26,550
	Rental property	5,500	5,500
	Dept. Ops. Center room upgrades	9,000	-
	TV monitors (3)	2,500	-
7205	Fire Defense Zone (Hazard Mitigation)	236,000	268,000
7322	Consulting and Management Fees	3,350	3,350
7324	Audit and Accounting Fees	25,000	23,250
7348	Instruments & Equip. < \$5,000	85,000	97,575
	Hose equipment and maintenance	6,000	6,000
	Mobile radios and chargers	4,450	5,775
	Rope rescue equipment maintenance	5,000	16,300
	MDCs for engines	20,000	34,000
	Multi-gas monitors (4)/calibration syst.	13,000	-
	King radios (8) and microphones (16)	15,300	-
	Drone and accessories	4,650	-
	Incident scene lights (3)	8,200	-
	Airbag lifts set	8,400	-
	TriTech CAD connectivity upgrades	-	22,000
	Digital camera (fire investigations)	-	1,000
	Wireless command headsets (4)	-	12,500
7363	Equipment Maintenance (Vehicles)	69,500	60,200
	Operational	63,000	58,000
	LED headlights for E91/E92	6,500	-
	Seats for E391 (2)	-	2,200
7400	Medical & First Aid Supplies	38,100	44,800
	Operational	30,000	28,250
	Fireline paramedic AEDs (2)	8,100	-
	Airway manikin	-	7,350
	Cardiac monitor modems	-	9,200
7430	Memberships	12,500	9,500
7450	Office Expense	27,500	27,500
	Operational	27,500	27,500



**MONTECITO FIRE PROTECTION DISTRICT  
PRELIMINARY BUDGET DRAFT  
FISCAL YEAR 2017-18**

<b>FUND 3650 - GENERAL FUND</b>			
<b>Account</b>	<b>Line Item Description</b>	<b>Prelim. Budget FY 2017-18</b>	<b>Final Budget FY 2016-17</b>
7460	Professional and Special Services	328,200	311,750
	Operational	283,200	231,750
	Public Information/Annual Report	45,000	80,000
7507	ADP Payroll Fees	7,500	7,500
7510	Contractual Services	61,600	57,000
7530	Publications & Legal Notices	6,000	3,000
7546	Administrative Tax Expense	240,000	200,000
7580	Rents & Leases (Gibraltar)	4,500	4,400
7630	Small Tools & Instruments	20,100	9,600
	Operational	10,000	6,000
	HazMat team equipment	3,000	3,000
	Patrol 91/92 equipment	7,100	-
	Fire investigator helmet lights (4)	-	600
7650	Special District Expense	53,500	82,000
	Operational (permits, fees, other)	8,000	17,500
	LAFCO	13,000	13,000
	Election expenses (Directors)	-	9,000
	Promotion/new hire expenses	2,500	2,500
	HEARO Radio program	-	10,000
	Centennial Anniversary	30,000	30,000
7671	Special Projects	38,000	18,500
	Public Education materials	7,500	7,500
	Hazard abatement brochure	6,000	6,000
	Evacuation drill expenses	5,000	5,000
	Neighborhood chipping flyer	4,500	-
	Fire prevention publication	15,000	-
7730	Transportation and Travel	25,000	25,000
7731	Gasoline/Oil/Fuel	63,000	63,000
7732	Training	87,750	87,750
	Operational	85,000	85,000
	Paramedic training	2,750	2,750
7760	Utilities	48,000	48,000
	Operational	43,000	43,000
	Rental housing utilities	5,000	-
	<b>Total Services &amp; Supplies</b>	<b>1,769,650</b>	<b>1,797,475</b>





**MONTECITO FIRE PROTECTION DISTRICT  
PRELIMINARY BUDGET DRAFT  
FISCAL YEAR 2017-18**

FUND 3650 - GENERAL FUND			
Account	Line Item Description	Prelim. Budget FY 2017-18	Final Budget FY 2016-17
<b>Capital Assets</b>			
8300	Equipment	464,200	403,100
	Facility repairs/replace: roof, carpet, Dispatch A/C, concrete	277,000	-
	Dispatch radio analog circuits	50,000	-
	Rental property upgrades	50,000	-
	Voice logging recorder equipment	29,000	-
	Portable weather station (RAWS)	20,000	-
	Commercial grade treadmills (2)	17,000	-
	Dept. Ops. Center lights upgrade	15,000	-
	Forcible entry training equipment	6,200	-
	Dispatch radio system	-	190,000
	VHF/UHF portable radios	-	16,600
	Wet barrel hydrants replacement	-	30,000
	Dept. Ops. Center tech. upgrade	-	50,000
	LifePak cardiac monitor	-	33,000
	Auto extrication tools	-	83,500
	<b>Total Capital Assets</b>	<u>464,200</u>	<u>403,100</u>
	<b>TOTAL EXPENDITURES</b>	<u>15,931,395</u>	<u>15,377,815</u>
<b>OTHER FINANCING USES</b>			
7901	Transfer To Pension Obligation Fund (3651)	155,000	456,000
7901	Transfer To Capital Reserves Fund (3652)	460,000	352,000
7901	Transfer To Land & Building Fund (3653)	860,000	834,000
	<b>Total Other Financing Uses</b>	<u>1,475,000</u>	<u>1,642,000</u>
	<b>Other Financing Sources &amp; Uses</b>	<u>1,475,000</u>	<u>1,642,000</u>
	<b>Net Financial Impact</b>	<u>75,861</u>	<u>(64,485)</u>
<b>Fund 3650 Fund Balance Detail</b>			
	Reserves: Catastrophic (a/o 6/30/17)	2,243,000	
	Reserves: Economic Uncertainties (a/o 6/30/17)	3,430,000	
	Fund Balance - Unrestricted Residual (Estimate)	810,000	
	Net Financial Impact (Unrestricted Residual)	<u>75,861</u>	
	Projected Ending Fund Balance at 6/30/2018	6,558,861	



**MONTECITO FIRE PROTECTION DISTRICT  
PRELIMINARY BUDGET DRAFT  
FISCAL YEAR 2017-18**

FUND 3651 - PENSION OBLIGATION FUND				
Account	Line Item Description	Prelim. Budget FY 2017-18	Final Budget FY 2016-17	Increase/ (Decrease)
<b>REVENUES</b>				
Financing Sources				
5910	Transfer from General Fund (3650)	155,000	456,000	(301,000)
	<b>TOTAL FUND REVENUES</b>	<b>155,000</b>	<b>456,000</b>	<b>(301,000)</b>
<b>EXPENDITURES</b>				
Services & Supplies				
7460	Administration Fee	3,500	3,500	-
7830	Interest Expense	6,340	17,402	(11,062)
	<b>Total Services &amp; Supplies</b>	<b>9,840</b>	<b>20,902</b>	<b>(11,062)</b>
<b>OTHER FINANCING USES</b>				
7910	Long Term Debt Principal Repayment	145,000	435,000	(290,000)
	<b>Other Financing Uses</b>	<b>145,000</b>	<b>435,000</b>	<b>(290,000)</b>
	<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>154,840</b>	<b>455,902</b>	<b>(301,062)</b>
	<b>Net Financial Impact</b>	<b>160</b>	<b>98</b>	
<b>Fund 3651 Equity</b>				
	Beginning Fund Balance at 7/1/2017	279		
	Net Financial Impact	160		
	Projected Ending Fund Balance at 6/30/2018	439		



**MONTECITO FIRE PROTECTION DISTRICT  
PRELIMINARY BUDGET DRAFT  
FISCAL YEAR 2017-18**

FUND 3652 - CAPITAL RESERVES FUND				
Account	Line Item Description	Prelim. Budget FY 2017-18	Final Budget FY 2016-17	Increase/ (Decrease)
<b>REVENUES</b>				
Use of Money and Property				
3380	Interest Income	10,000	10,000	-
	Total Use of Money and Property	<u>10,000</u>	<u>10,000</u>	<u>-</u>
Financing Sources				
5910	Transfer from General Fund (3650)	460,000	352,000	108,000
	Total Financing Sources	<u>460,000</u>	<u>352,000</u>	<u>108,000</u>
	<b>TOTAL FUND REVENUES</b>	<u><b>470,000</b></u>	<u><b>362,000</b></u>	<u><b>108,000</b></u>
<b>EXPENDITURES</b>				
Capital Assets				
8300	Apparatus (Engine 391 - Type 3)	432,000	-	-
	Vehicle (Battalion Chief 915)	80,000	60,000	-
	Total Capital Assets	<u>512,000</u>	<u>60,000</u>	<u>452,000</u>
	<b>TOTAL EXPENDITURES</b>	<u><b>512,000</b></u>	<u><b>60,000</b></u>	<u><b>452,000</b></u>
	Net Financial Impact	<u><u><b>(42,000)</b></u></u>	<u><u><b>302,000</b></u></u>	
<b>Fund 3652 Equity</b>				
	Beginning Fund Balance at 7/1/2017	2,646,649		
	Net Financial Impact	<u>(42,000)</u>		
	Projected Ending Fund Balance at 6/30/2017	2,604,649		



**MONTECITO FIRE PROTECTION DISTRICT  
PRELIMINARY BUDGET DRAFT  
FISCAL YEAR 2017-18**

FUND 3653 - LAND AND BUILDING FUND				
Account	Line Item Description	Prelim. Budget FY 2017-18	Final Budget FY 2016-17	Increase/ (Decrease)
<b>REVENUES</b>				
Use of Money and Property				
3380	Interest Income	15,000	15,000	-
	Total Use of Money and Property	15,000	15,000	-
Financing Sources				
5910	Transfer from General Fund (3650)	860,000	834,000	26,000
	Total Financing Sources	860,000	834,000	26,000
	<b>TOTAL FUND REVENUES</b>	<b>875,000</b>	<b>849,000</b>	<b>26,000</b>
<b>EXPENDITURES</b>				
Capital Assets				
8100	Land	200,000	200,000	-
	Total Capital Assets	200,000	200,000	-
	<b>TOTAL EXPENDITURES</b>	<b>200,000</b>	<b>200,000</b>	<b>-</b>
	Net Financial Impact	675,000	649,000	26,000
<b>Fund 3653 Equity</b>				
	Est. Beginning Fund Balance at 7/1/2017	5,143,580		
	Net Financial Impact	675,000		
	Projected Ending Fund Balance at 6/30/2018	5,818,580		





# ATTACHMENT

#E



**MONTECITO FIRE PROTECTION DISTRICT**  
**CASH RECONCILIATION - ALL FUNDS**  
**March 31, 2017**

	Fund 3650 General	Fund 3651 Pension Obl.	Fund 3652 Capital Res.	Fund 3653 Land & Bldg	All Funds
Cash Balance at 3/1/17	5,698,355.68	207.66	2,354,538.64	4,509,139.87	12,562,241.85
<b>Income:</b>					
Tax Revenue	-	-	-	-	-
Interest income	-	-	-	-	-
<b>Other:</b>					
USFS - River Complex, 8/5-8/6/15	13,932.55	-	-	-	13,932.55
USFS - Blue Cut Fire, 8/16-8/18/16	16,772.92	-	-	-	16,772.92
CalOES - Soberanes Fire, 8/2-8/14/16	24,213.87	-	-	-	24,213.87
CalCard Rebate, Q4	304.33	-	-	-	304.33
CSFD Dispatch Services	21,909.00	-	-	-	21,909.00
Westmont Annex Property Tax	4,471.68	-	-	-	4,471.68
Donation to District	100,000.00	-	-	-	100,000.00
	<u>181,604.35</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,604.35</u>
<b>Expenses:</b>					
Warrants and Claims	(169,273.92)	-	-	(94.50)	(169,368.42)
Payroll	(886,962.89)	-	-	-	(886,962.89)
<b>Other:</b>					
Interfund Transfers	-	-	-	-	-
Reimbursed expenses*	18,745.64	-	-	-	18,745.64
	<u>(1,037,491.17)</u>	<u>-</u>	<u>-</u>	<u>(94.50)</u>	<u>(1,037,585.67)</u>
Cash Balance at 3/31/17	<u>4,842,468.86</u>	<u>207.66</u>	<u>2,354,538.64</u>	<u>4,509,045.37</u>	<u>11,706,260.53</u>
Cash in Treasury per Balance Sheet	<u>4,861,519.43</u>	<u>207.66</u>	<u>2,354,538.64</u>	<u>4,509,139.87</u>	<u>11,725,405.60</u>
<b>Difference to reconcile</b>	19,050.57	-	-	94.50	19,145.07
<b>Reconciliation:</b>					
Outstanding payroll payments					
Delta Dental	15,061.43	-	-	-	15,061.43
Vision Service Plan	2,862.64	-	-	-	2,862.64
Mass Mutual contribution	-	-	-	-	-
CalPERS retirement contribution	-	-	-	-	-
Payroll deposit	-	-	-	-	-
Accounts payable (Acct 1210)					
Price, Postel & Parma	1,126.50	-	-	94.50	1,221.00
	<u>19,050.57</u>	<u>-</u>	<u>-</u>	<u>94.50</u>	<u>19,145.07</u>

\* Summary of reimbursed expenses:

Physio Control - Medical equipment reimbursement, \$3,410.13  
York Risk Services - Temporary disability payments, 1/12-3/8/17, \$12,856.43  
Sansum Clinic - Reimbursement for billing error, \$2,469.00  
A.Gil - Reimbursement for personal purchase on corporate card, \$10.08

**MONTECITO FIRE PROTECTION DISTRICT**  
**CASH RECONCILIATION - ALL FUNDS**  
**April 30, 2017**

	Fund 3650 General	Fund 3651 Pension Obl.	Fund 3652 Capital Res.	Fund 3653 Land & Bldg	All Funds
Cash Balance at 4/1/17	4,842,468.86	207.66	2,354,538.64	4,509,045.37	11,706,260.53
Income:					
Tax Revenue	6,661,757.19	-	-	-	6,661,757.19
Interest income	12,659.84	0.42	4,781.19	9,156.38	26,597.83
Other:					
USFS - Sand Fire, 7/23-7/27/16	59,462.53	-	-	-	59,462.53
USFS - Jacobson Fire, 10/24-10/27/16	12,913.06	-	-	-	12,913.06
USFS - Canyon Fire, 9/17-9/21/16	69,405.13	-	-	-	69,405.13
	<u>6,816,197.75</u>	<u>0.42</u>	<u>4,781.19</u>	<u>9,156.38</u>	<u>6,830,135.74</u>
Expenses:					
Warrants and Claims	(426,471.79)	-	-	-	(426,471.79)
Payroll	(923,062.97)	-	-	-	(923,062.97)
Other:					
Interfund Transfers	-	-	-	-	-
Reimbursed expenses*	1,433.00	-	-	-	1,433.00
	<u>(1,348,101.76)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,348,101.76)</u>
Cash Balance at 4/30/17	<u>10,310,564.85</u>	<u>208.08</u>	<u>2,359,319.83</u>	<u>4,518,201.75</u>	<u>17,188,294.51</u>
Cash in Treasury per Balance Sheet	<u>10,771,184.72</u>	<u>208.08</u>	<u>2,359,319.83</u>	<u>4,518,201.75</u>	<u>17,648,914.38</u>
<b>Difference to reconcile</b>	460,619.87	-	-	-	460,619.87
<b>Reconciliation:</b>					
Outstanding payroll payments					
Delta Dental	15,125.05	-	-	-	15,125.05
Vision Service Plan	2,862.64	-	-	-	2,862.64
Mass Mutual contribution	21,065.00	-	-	-	21,065.00
CalPERS retirement contribution	82,533.53	-	-	-	82,533.53
Payroll deposit	280,772.70	-	-	-	280,772.70
EFT Payable (Acct 1015)					
Eco Tree Works	11,760.00	-	-	-	11,760.00
Montecito Water District	17,608.57	-	-	-	17,608.57
Veritiv Operating Company	654.86	-	-	-	654.86
Accounts payable (Acct 1210)					
The Village Service Station	2,159.07	-	-	-	2,159.07
Robert TenEyck	12,500.00	-	-	-	12,500.00
JW's Weedwhacking	1,380.00	-	-	-	1,380.00
InformaCo Emend	5,560.00	-	-	-	5,560.00
Price, Postel & Parma	5,833.00	-	-	-	5,833.00
Wageworks, Inc.	174.25	-	-	-	174.25
Rodney Walkup	631.20	-	-	-	631.20
	<u>460,619.87</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>460,619.87</u>

\* Summary of reimbursed expenses:

Carpinteria-Summerland Fire Dept. - AP Triton Final EMS report cost-share, \$1,333.00  
Admin. Fire Services Section - Voided membership check (after 6 months), \$100.00

**MONTECITO FIRE PROTECTION DISTRICT  
WARRANTS AND CLAIMS DETAIL  
March 2017**

Payee	Description	Amount
<b>Fund 3650 - General</b>		
Action Roofing	Service call for roof leaks	950.00
ADP Inc	ADP fees, 3 periods	686.95
ADP Inc	ADP fees, 2016 W-2's	551.95
Aflac	Employee paid insurance, February	1,740.96
AG Ent	Annual backflow testing, Sta. 1	120.00
AG Ent	Annual backflow testing, Sta. 2	160.00
Airgas West	Oxygen refills	177.52
Allstar Fire Equipment Inc	SCBA mask repair parts	63.16
Allstar Fire Equipment Inc	SCBA flow testing	2,365.00
Allstar Fire Equipment Inc	PPE: Turnouts (budgeted)	34,406.73
Amsoil Inc	Diesel oil and filters for vehicle maintenance	1,041.20
Araceli Gil	A. Gil Reimb: LCW Conference	349.72
Benjamin Hauser	B. Hauser Reimb: Firehouse World	815.90
Bound Tree Medical	Patient medical supplies	3,788.89
Branch Out Tree Care LLC	Chipping Project: El Bosque	1,675.00
Branch Out Tree Care LLC	Chipping Project extra work: El Bosque	1,800.00
Carquest Auto Parts	Brake supplies for P920, mechanic stock supplies	823.41
CMC Rescue Inc	Rope rescue equipment (budgeted)	4,008.87
Cox Communications	CAD connectivity & Internet	2,742.21
Entenmann Rovin Co	Retiree wallet & badges: Andreas, Bumanglag, Lopez	661.26
Firesafe Solutions	Fuel reduction on W. Mountain Dr.	7,150.00
Frontier	Phone services	1,316.36
Impulse Internet Services	Phone services, April	497.54
Interstate Batteries of Sierra Madre	Vehicle batteries (2), BC 915	452.44
JDL Mapping	Mapping services, February 2017	1,000.00
Johnson Equipment Co	Code 3 Lens for USAR 91 (2)	51.40
Joyce Reed	J. Reed Reimb: AFSS Educational Forum reg.	300.00
Kimball Midwest Corp	Mechanic shop supplies	381.95
Kurt Hickman	K. Hickman Reimb: WAIC Conference	818.60
Liebert Cassidy Whitmore	A. Widling: LCW Annual Conference	975.00
Liebert Cassidy Whitmore	Labor attorney fees, January	1,188.00
Marborg Industries	Refuse disposal, 2 months	888.46
McCormix Corporation	Diesel fuel, 2 months	3,060.90
McPherson Tree Care Inc	Post-project chipping/tree removal: E. Mountain Dr.	915.00
McPherson Tree Care Inc	Post-project chipping: W. Mountain Dr.	3,660.00
Mission Uniform Service Inc	Shop towels, 2 months	700.32
Montecito Association	Montecito Association membership dues	500.00
Montecito Village Hardware	Hardware supplies	56.88
Montecito Water District	Water service	541.05
O'Connor Pest Control	Quarterly pest control maint., Sta. 2	178.00
On Duty Uniforms	PPE: Wildland Pants (21)	3,745.08
Paradise Chevrolet	Wiper blades for vehicles (4)	78.86
Pauletto Electric	Dept Ops Center tech upgrade - electrical work	5,548.96
Peyton Scapes	Landscape maintenance	550.00
Precision Imaging	Office copier usage fee, February 2017	184.35
Price Postel & Parma	Legal services, February	1,126.50
Rayne Water Conditioning	Soft water service	888.36
Ready Refresh By Nestle	Bottled water	273.35
Richard Lauritsen	R. Lauritsen Reimb: Wildland Arson Conference PD	132.00
Robert D Teneyck	Comm Strategy - Initiative 2: Benchmark Survey	13,125.00
Robert Galbraith	R. Galbraith Reimb: Firehouse World	143.00
Roger L Fortier DBA RLF Trucking	Sand delivery for storm preparation	737.60
Ruggiero Plumbing	Plumbing repair, station 1	265.00
Safety Kleen Corp	Used oil recycling service	75.00

<b>Payee</b>	<b>Description</b>	<b>Amount</b>
Safety Kleen Corp	Quarterly solvent tank maintenance	290.98
Sansum Clinic	Employee medical exams	12,514.50
Satcom Global Inc	Satellite phone charges, 2 months	299.34
SB County Air Pollution Control	APCD Emission fees for generators, FY 16-17	842.34
SB County Auditor-Controller	Additional user tax	739.61
SB County Environmental Health	Annual Business Plan fees	929.00
SB Mailworks	Neighborhood chipping flyers	870.21
Scott Chapman	S. Chapman Reimb: Command/Control of Inc Ops	427.00
Scott Edwards	S. Edwards Reimb: Rope rescue training	69.55
Setcom Corporation	Wireless command headset, BCs (budgeted)	9,472.80
Shawn Whilt	S. Whilt Reimb: Paramedic recertification	200.00
Snap-On Industrial	Mechanic tools	263.80
South Coast Emergency Vehicle	Repair to foam system control valve, E93	1,966.74
Southern California Edison	Electricity service, 2 months	3,374.56
Southwestern Bag Co	Sandbags for community (4,000)	1,219.74
Sprint	E92 Sim card for MDC, February	37.99
Staples Credit Plan	Office supplies	1,030.22
Suds-Duds Launderette	Turnouts cleaned	872.50
Sylvia Easton	S. Easton Reimb: CSDA Leadership Academy	855.11
The Gas Company	Gas service	270.17
The Village Service Station	Gasoline charges, February 2017	1,404.00
Trace Analytics LLC	MAKO compressed air testing	80.40
TS Rowe Construction	Crown molding/shelf install in Conf Rm (final pmt)	1,575.00
US Bank Corporate Card	Fax and back-up server, monthly fees	18.94
	Green lights for Sta. 1	30.96
	Brake measuring gauges	43.67
	Ederer/Kellogg/Gil: O-305 Type 3 Incident Mgmt	67.00
	Tower burning training meal	98.53
	J. Badaracco: Firehouse World	108.00
	Phone vehicle mount (903), chargers (2) for iPads	108.97
	"Out of service" tags and tape for shop use	120.80
	A. Widling: Firehouse World	126.00
	Windshield repair, E92	150.00
	Repairs to damaged saw and Sta. 1 mailbox	172.85
	Water supplies/weather event meal for MERRAG	186.32
	Business meetings (4) for 900 & 903	194.95
	Int'l Assoc of Fire Chiefs: K. Taylor, 2017	279.00
	Adobe Acrobat software licenses (4)	281.16
	K. Taylor: FDAC Annual Conference	295.00
	K. Taylor: EMSAC Annual Conference	340.00
	Broumand/Lauritson: Wildland Arson Invest. Conf.	472.80
	Gasoline charges	584.02
	Postage and CC admin charges	613.31
	IT parts for Conference Room upgrade	646.30
	R. Lauritson: Communication training	725.35
	Dispatch dorm refrigerator and vacuum	846.27
	K. Taylor: Fire Rescue International Conference	1,422.10
	Credit for dispatch dorm refrigerator returned	(269.99)
Veritiv Operating Company	Household supplies	1,402.74
Verizon Wireless	Cell phone upgrade, 921	290.76
Verizon Wireless	Wireless service, February	1,300.71
Wageworks Inc	FSA administrative fee, Jan 2017	187.00
Wageworks Inc	FSA plan reimbursements, employee paid	8,391.15
	<b>Fund 3650 Total</b>	<b>169,273.92</b>
<b>Fund 3653 - Land &amp; Building</b>		
Price Postel & Parma	Legal services - Station 3, February	94.50
	<b>Fund 3653 Total</b>	<b>94.50</b>

**MONTECITO FIRE PROTECTION DISTRICT  
WARRANTS AND CLAIMS DETAIL  
April 2017**

Payee	Description	Amount
<b>Fund 3650 - General</b>		
Aaron Briner	A. Briner Reimb: Chief Officer 3C	996.37
ADP Inc	ADP fees, 2 periods	473.51
Aflac	Employee paid insurance, March 2017	1,740.96
Allstar Fire Equipment Inc	SCBA repairs and flow test	386.54
American Hotel Register Co	Household supplies: shower curtain	13.51
Amsoil Inc	Oil filters, supplies for vehicle maintenance	118.30
Anchor Air Systems	AC repair for Dispatch; Station maintenance	1,472.77
AP Triton	Analysis on County EMS/Amb Services - Final pmt	4,000.00
Araceli Gil	A. Gil Reimb: Finance Section Chief Training	1,097.18
Arrow International	Medical supplies: needles	601.10
Bob's Vacuum & Sewing Ctr	Bags for vacuum cleaner	37.66
Bound Tree Medical	Patient medical supplies	278.79
Branch Out Tree Care LLC	Tree removal: Oak trees on Bella Vista	6,000.00
Branch Out Tree Care LLC	Chipping Special Project: E Mountain Dr	2,500.00
Branch Out Tree Care LLC	Tree removal: Oak tree on Oak Creek Cyn	2,200.00
Branch Out Tree Care LLC	Chipping Project: Lower Romero	1,675.00
Branch Out Tree Care LLC	Chipping Project: Pepper Hill	1,675.00
Branch Out Tree Care LLC	Special Project: Toro Canyon MWD	1,100.00
Burtens Fire Inc	Vehicle supplies: mounting hardware	694.26
Community Radio Inc	Gibraltar space rental qtrly, Jan-March, 2017	938.52
Cox Communications - Business	CAD connectivity & Internet	2,742.21
Eco Tree Works	Special Project: brush clearing and chipping	11,760.00
Eco Tree Works	Special project: Lower Hyde brush clearing	2,608.00
Far West Technology Inc	Haz Mat equipment calibration	925.00
Frontier	Phone services	1,517.65
Galls Quartermaster	Active shooter helmets/armor (14) - budgeted	14,576.28
Impulse Internet Services	Phone services, May	497.47
Informaco Emend Billing Service	IT support (billable), January	4,830.00
Informaco Emend Billing Service	IT support, March/April	9,200.00
Informaco Emend Billing Service	IT support (billable), March	960.00
Iron Mountain	Shredding service, monthly fee	73.16
JDL Mapping	Mapping services, March	968.75
John Badaracco	J. Badaracco Reimb: CA Fire Mechanics Academy	294.00
Joyce Reed	J. Reed Reimb: Admin Fire Svcs Section Conference	92.98
JW's Weedwhacking and Landscape	Special Project: E Mtn Dr and Banana Rd clearance	1,380.00
Kevin Taylor	K. Taylor reimb: Evernote annual subscription	69.99
Liebert Cassidy Whitmore	Labor attorney fees, February, 2017	1,012.00
Loren Bass	L. Bass Reimb: Firehouse World	171.00
Marborg Industries	Refuse disposal, Sta. 1	373.27
McCormix Corporation	Diesel fuel, March	1,841.04
McPherson Tree Care Inc	Tree Program: Chelham Way	1,150.00
Mission Uniform Service Inc	Shop towels	348.96
Montecito Journal	Publication, Ordinance 2017-01	687.50
Montecito Village Hardware	Hardware supplies	20.32
Montecito Water District	Water service	569.34
Montecito Water District - Finance	Fire hydrants replacements project (6) - budgeted	17,608.57
Paradise Chevrolet	Door weatherstrip, R91	119.60
Paragon Builders	Repair/replace rental property fence (1255 EVR)	4,287.67
Peyton Scapes	Landscape maintenance, March 2017	550.00
Precision Imaging	Office copier usage fee, March, 2017	225.89
Price Postel & Parma	Legal services, March	5,833.00
Ready Refresh By Nestle	Bottled water	289.33
Robert D Teneyck	Annual report: development and design	12,500.00
Robert Galbraith	R. Galbraith Reimb: Laundry detergent	232.68

<b>Payee</b>	<b>Description</b>	<b>Amount</b>
Rodney Walkup	R. Walkup Reimb: Household supplies	631.20
RS Communication Consultants	Portable radio chargers for PT91	588.38
Ryland McCracken	R. McCracken Reimb: EMS Update mileage	66.34
Sansum Clinic	Employee medical exams	9,102.00
Satcom Global Inc	Satellite phone charges	150.98
SB County Auditor-Controller	FIN quarterly billing Q4, FY 16-17	3,400.75
SB County Auditor-Controller	Additional user tax	22.57
SB County Treasurer-Tax Collector	Property tax collection administrative fee	238,346.00
SB Mailworks	Neighborhood chipping flyer-Chellam: 3/8/17	211.73
SB Tree Care Inc	Tree Program: School House Rd.	3,250.00
South Coast Emergency Vehicle	E91 auto body repair (insurance claim)	9,121.43
South Coast Emergency Vehicle	E91 repairs: coolant and oil leaks	2,345.78
South Coast Emergency Vehicle	E91 repairs: power steering leak	1,044.77
South Coast Emergency Vehicle	E91 repairs: air leak	589.99
South Coast Emergency Vehicle	E91 repairs: engine temperature gauge	252.24
Southern California Edison	Electricity service, Sta. 1 & 2	1,551.47
Sprinkle Tire Inc	Tires installation on E91	330.40
Sprint	E92 Sim card for MDC	37.99
Staples Business Advantage	Staples Advantage membership fee	322.17
Staples Business Advantage	Office supplies	291.94
State of Calif Dept of Forestry	Hazard mitigation project crews (18 days)	3,772.23
Suds-Duds Launderette	Turnouts cleaned	1,048.15
The Gas Company	Gas service	162.32
The UPS Store	Return modem; pre-shipping for turnout repairs	76.96
The Village Service Station	Gasoline charges, April	2,159.07
Tim Parks Heavy Duty Repair	Repair to E93	780.51
Tri County Office Furniture	Computer monitor mount, Captain's office	230.59
Turnout Maintenance Co LLC	Turnouts repairs	1,261.00
US Bank Corporate Card	R. Lauritson: Communication training hotel credit	(175.27)
	Fax and back-up server, monthly fees	18.94
	Statement of Information filing for County Chiefs	20.00
	K. Taylor: EMS Annual Conference	28.69
	iPhone case for 921	32.31
	PPE: Wildland pants (exchange price difference)	34.02
	Chainsaw repair, filters for UPS, extension cord	55.27
	Tower burn training meal	58.50
	Gil/Taylor: LCW Leave Management webinar	100.00
	Rope rescue equipment	102.23
	C. Hickman: Fire/EMS Behavioral Health Seminar	140.00
	A. Widling +3: Firehouse World meals	160.82
	County Chiefs Assoc. and business meetings (3)	197.13
	Mechanic supplies and touch up paint for engines	233.34
	FPC filing folders, Smoky Bear calendars, postage	296.88
	A. Broumand: Arson Investigation Conference	390.00
	R. Lauritson: Arson Investigation Conference	390.00
	Gasoline charges	605.15
	R. Lauritson +2: Wildland Arson Conference	607.52
	Anti-virus software renewal, 4/23/17-4/22/19	680.00
	Storm event meals for shifts	747.62
	Retiree helmets: Andreas, Bumanglag, Lopez	1,191.40
	J. Badaracco +3: Firehouse World hotels	1,578.00
	Gas grills (budgeted) and station light bulbs	3,335.87
Veritiv Operating Company	Household supplies	1,158.54
Verizon Wireless	Wireless service, March	1,292.52
Wageworks Inc	FSA plan reimbursements, employee paid	1,564.72
Wageworks Inc	FSA administrative fee, 2 months	348.50
Xerox Government Systems LLC	Firehouse software maintenance: 4/1/17-3/31/18	1,815.00
	<b>Fund 3650 Total</b>	<b><u>426,471.79</u></b>



**MONTECITO FIRE PROTECTION DISTRICT  
PAYROLL EXPENDITURES  
March and April 2017**

	<u>March</u>	<u>April</u>
Regular Salaries	\$ 537,601.75	\$ 538,934.50
Directors Fees	-	3,325.00
Auxiliary	42.50	408.00
FLSA Safety	6,355.55	6,361.70
FLSA Dispatch	3,022.72	2,835.36
Overtime	49,841.66	78,326.77
Dispatch Cadre Earnings	2,130.50	2,343.55
Mass Mutual 457 Contribution	8,400.00	8,400.00
Labor Code 4850 Payroll	<u>12,117.65</u>	<u>12,117.65</u>
Gross Wages	\$ 619,512.33	\$ 653,052.53
District Contributions to Insurance	143,802.21	142,954.95
District Contributions to Medicare/SS	8,438.17	9,151.94
District Contributions to SUI	41.96	68.31
CalPERS Employee Contribution, District paid	48,310.26	48,354.93
CalPERS Employer Contribution, Employee paid	(35,438.83)	(35,454.71)
CalPERS, District Contribution	107,770.15	107,989.27
CalPERS, RBF Contribution	-	2,514.15
Health and Dependent Care FSA Contributions	(3,732.40)	(3,732.40)
Due to AFLAC	<u>(1,740.96)</u>	<u>(1,836.00)</u>
Total Benefits	\$ 267,450.56	\$ 270,010.44
<b>Grand Total</b>	<b><u>\$ 886,962.89</u></b>	<b><u>\$ 923,062.97</u></b>

**MONTECITO FIRE PROTECTION DISTRICT  
OVERTIME DETAIL  
March 2017**

Name	Date Worked	Comp Hrs	OT Hrs	Total Amount	Constant Staffing	Fire Reimbursable	Overtime	Description
Skei, E.	02/01/17		1.0	82.34			82.34	Rope rescue program preparation
Edwards, S.	02/13/17		10.0	501.30			501.30	Rope rescue training
Walkup, R.	02/17/17		2.0	127.65	127.65			
Poulos, T.	02/22/17		24.0	1,651.68	1,651.68			
Jenkins, J.	02/24/17		3.0	344.02	344.02			
Briner, A.	02/25/17	16.0	8.0	645.36	645.36			
Lauritson, R.	02/25/17		24.0	3,201.84	3,201.84			
Bennewate, B.	02/27/17		2.0	123.30			123.30	EMS lecture
Hickman, K.	02/27/17		1.0	70.89			70.89	EMS lecture
Whilt, S.	02/27/17		2.0	112.98			112.98	EMS lecture
Bennewate, B.	03/01/17		2.0	123.30			123.30	HazMat team meeting
Muller, L.	03/01/17		18.0	902.34	802.08		100.26	Dispatch meeting
Skei, E.	03/01/17		5.0	411.68			411.68	Burn prop training backfill
Widling, A.	03/02/17		14.0	1,179.50	1,179.50			
Bennewate, B.	03/03/17		9.0	554.85			554.85	Burn prop training
Hauser, B.	03/03/17		9.0	553.10			553.10	Burn prop training
McCracken, R.	03/03/17	4.0	20.0	1,396.50	1,396.50			
Skei, E.	03/03/17		10.0	823.34			823.34	Burn prop training backfill
Villarreal, J.	03/03/17		10.0	844.80			844.80	Burn prop training backfill
Whilt, S.	03/03/17	9.0	-	-			-	Burn prop training backfill
Wrenn, B.	03/04/17	8.0	16.0	888.00	888.00			
Bennewate, B.	03/06/17		1.5	92.48			92.48	HazMat meeting with 916
Bennewate, B.	03/06/17		2.0	123.30			123.30	OT overpayment, corrected 4/14/17
Jenkins, J.	03/06/17	12.0	5.0	573.38			573.38	Dispatch training coverage
Edwards, T.	03/07/17		24.0	2,022.00	2,022.00			
Hickman, K.	03/07/17	8.0	16.0	1,134.24	1,134.24			
McCracken, R.	03/07/17		24.0	1,675.80	1,675.80			
Wrenn, B.	03/07/17		4.0	222.00			222.00	Assisting Wildland Specialists
Edwards, S.	03/08/17		24.0	1,203.12	1,203.12			
Widling, A.	2/10-2/17/17		37.5	3,121.88	3,121.88			Processing correction from 3/1/17
		<b>Payroll 3/16/17</b>		<b>24,706.97</b>	<b>19,393.67</b>	<b>-</b>	<b>5,313.30</b>	

Poulos, T.	02/27/17		2.0	137.64			137.64	EMS lecture
Taylor, J.	03/01/17		2.5	118.24			118.24	Dispatch quarterly meeting
Briner, A.	03/03/17		10.0	806.70			806.70	Burn prop training instructor
Broumand, A.	03/03/17		10.0	672.00			672.00	Burn prop training
Poulos, T.	03/03/17		10.5	722.61			722.61	Burn prop training backfill
Zeitsoff, J.	03/03/17		10.0	659.25			659.25	
Lauritson, R.	03/04/17		24.0	3,201.84			3,201.84	
Lauritson, R.	03/06/17		4.5	600.35			600.35	
Muller, L.	03/09/17		16.0	802.08			802.08	
Eubank, N.	03/10/17		24.0	1,118.88			1,118.88	
Galbraith, R.	03/10/17		3.5	228.74			228.74	Burn prop training
Skei, E.	03/10/17		3.0	247.01			247.01	USAR RTF meeting
Lauritson, R.	03/11/17		5.0	667.05			667.05	
Villarreal, J.	03/11/17	4.0	20.0	1,689.60			1,689.60	
Mann, K.	03/12/17		24.0	1,850.76			1,850.76	
Zeitsoff, J.	03/12/17		24.0	1,582.20			1,582.20	
Klemowicz, E.	03/15/17		16.0	1,069.44			1,069.44	
Zeitsoff, J.	03/15/17		4.0	263.70			263.70	
Fuentes, E.	03/17/17		24.0	1,850.76			1,850.76	
Lauritson, R.	03/17/17		2.0	266.82			266.82	
Powell, K.	03/17/17		0.5	31.91			31.91	
Poulos, T.	03/20/17		6.0	412.92			412.92	
Broumand, A.	03/21/17		10.0	672.00			672.00	EMS lecture
Holthe, D.	03/21/17		11.0	976.47			976.47	Training backfill
Mann, K.	03/21/17		1.0	77.12			77.12	
Powell, K.	03/21/17		10.5	670.17			670.17	
Whilt, S.	03/21/17		11.0	678.15			678.15	EMS update
Fuggles, K.	03/22/17		8.5	649.74			649.74	EMS update
McCracken, R.	03/22/17		9.0	628.43			628.43	EMS update
Rupp, A.	03/22/17		8.5	440.39			440.39	EMS update
Zeitsoff, J.	03/23/17		4.0	263.70			263.70	
Eubank, N.	03/24/17		10.0	466.20			466.20	EMS update at AHC
Blake, G.	03/27/17		9.0	611.82			611.82	EMS lecture
			<b>Payroll 3/31/17</b>	<b>25,134.69</b>	<b>17,078.55</b>	<b>-</b>	<b>8,056.14</b>	
			<b>Grand Total</b>	<b>49,841.66</b>	<b>36,472.22</b>	<b>-</b>	<b>13,369.44</b>	
			<b>% of Total</b>	<b>100.0%</b>	<b>73.2%</b>	<b>0.0%</b>	<b>26.8%</b>	

**MONTECITO FIRE PROTECTION DISTRICT  
OVERTIME DETAIL  
April 2017**

Name	Date Worked	Comp Hrs	OT Hrs	Total Amount	Constant Staffing	Fire Reimbursable	Overtime	Description
Blake, G.	02/27/17		2.0	135.96			135.96	EMT training
Eubank, N.	02/27/17		2.0	93.24			93.24	EMT training
Blake, G.	03/05/17		6.5	441.87	441.87			
Lauritson, R.	03/05/17		16.5	2,201.27	2,201.27			
Bennewate, B.	03/10/17		3.5	215.78			215.78	Burn prop training
Davis, S.	03/10/17		3.5	265.60			265.60	Burn prop training
Bass, L.	03/19/17		8.5	607.92			607.92	HazMat instructor
Bass, L.	03/24/17		8.0	572.16			572.16	HazMat training
Galbraith, R.	03/24/17		3.5	228.74			228.74	Burn prop training
Hauser, B.	03/24/17		4.0	245.82			245.82	Burn prop training
Jenkins, J.	03/24/17		3.5	401.36	401.36			
Lauritson, R.	03/24/17		8.0	1,067.28			1,067.28	HazMat instructor
Lauritson, R.	03/24/17		16.0	2,134.56	2,134.56			
Zeitsoff, J.	03/25/17		24.0	1,582.20	1,582.20			
Hickman, K.	03/26/17	8.0	16.0	1,134.24	1,134.24			
Holthe, D.	03/26/17		24.0	2,130.48	2,130.48			
Klemowicz, E.	03/26/17		24.0	1,604.16	1,604.16			
Bennewate, B.	03/27/17		24.0	1,479.60	1,479.60			
Eubank, N.	03/27/17		12.0	559.44	559.44			
Gil, A.	03/27/17		3.0	281.25			281.25	Preliminary budget and requests prep
Bennewate, B.	03/28/17		8.0	493.20			493.20	HazMat instructor
Holthe, D.	03/28/17	8.0	16.0	1,420.32	1,420.32			
Skei, E.	03/28/17		7.0	576.35			576.35	FBOR training
Taylor, J.	03/28/17		24.0	1,135.08	1,135.08			
Zeitsoff, J.	03/28/17		24.0	1,582.20	1,582.20			
Bennewate, B.	03/29/17		4.5	277.42			277.42	HazMat instructor
Hickman, K.	03/29/17		4.0	283.56	283.56			
Bennewate, B.	03/30/17		5.5	339.08			339.08	HazMat training
Rupp, A.	03/30/17		7.5	388.58			388.58	HazMat training
Taylor, J.	03/30/17		24.0	1,135.08	1,135.08			
Wrenn, B.	03/30/17		8.5	471.75			471.75	Training backfill
Wrenn, B.	03/30/17		2.0	111.00			111.00	WUI drill meeting

Name	Date Worked	Comp Hrs	OT Hrs	Total Amount	Constant Staffing	Fire		Description
						Reimbursable	Overtime	
Davis, S.	03/31/17		8.0	607.08			607.08	Burn prop training
Galbraith, R.	03/31/17		8.0	522.84			522.84	Burn prop training
Hauser, B.	03/31/17		2.0	122.91			122.91	WUI drill meeting
Hickman, K.	03/31/17		9.0	638.01			638.01	Training backfill
Walkup, R.	03/31/17	8.0	16.0	1,069.44	1,069.44			
Klemowicz, E.	04/01/17		24.0	1,604.16	1,604.16			
Taylor, J.	04/01/17		24.0	1,135.08	1,135.08			
Badaracco, J.	04/02/17		8.0	690.60			690.60	CA Mechanic's Academy
Badaracco, J.	04/02/17		8.0	690.60			690.60	CA Mechanic's Academy
Bennewate, B.	04/03/17		3.5	222.23	222.23			
Jenkins, J.	04/03/17	12.0	4.0	458.70	458.70			
Arnold, D.	04/05/17		9.0	419.58	419.58			
Ederer, T.	04/05/17		8.0	674.00	674.00			
Eubank, N.	04/05/17		9.0	419.58	419.58			
Hauser, B.	04/05/17		24.0	1,474.92	1,474.92			
Hickman, K.	04/05/17		4.0	283.56			283.56	Training backfill
Skei, E.	04/05/17		7.0	576.34			576.34	Strike Team Leader workshop
Zeitsoff, J.	04/05/17		9.0	593.33				
Hickman, K.	04/06/17	8.0	16.0	1,134.24	1,134.24			
Klemowicz, E.	04/06/17		24.0	1,604.16	1,604.16			
Muller, L.	04/06/17		13.0	651.69	651.69			
Wirding, A.	04/06/17		13.0	1,095.25	1,095.25			
Villarreal, J.	04/07/17		24.0	2,027.52	2,027.52			
			<b>Payroll 4/14/17</b>	<b>44,312.37</b>	<b>33,809.30</b>	<b>-</b>	<b>10,503.07</b>	
Bennewate, B.	03/21/17		11.0	678.15			678.15	EMS update
Ederer, T.	03/23/17		6.0	505.50			505.50	Santa Maria Fire Captain testing
Ederer, T.	03/29/17		6.0	505.50			505.50	Fire Management Academy
Zeitsoff, J.	03/29/17		7.0	461.48			461.48	Fire Management Academy
Holthe, D.	04/01/17	8.0	16.0	1,420.32	1,420.32			
Taylor, J.	04/03/17		1.0	47.30	47.30			
Davis, S.	04/08/17	24.0	-	-	-			
Poulos, T.	04/08/17		24.0	1,651.68	1,651.68			
Chapman, S.	04/09/17		24.0	1,872.72	1,872.72			
Grant, L.	04/09/17		24.0	1,332.00	1,332.00			
Zeitsoff, J.	04/10/17		3.0	197.78	197.78		197.78	Training backfill
Zeitsoff, J.	04/10/17		3.5	230.73	230.73			

Name	Date Worked	Comp Hrs	OT Hrs	Total Amount	Constant Staffing	Fire		Overtime	Description
						Reimbursable	Overtime		
Arnold, D.	04/11/17		10.5	489.51				489.51	Pump testing
Badaracco, J.	04/11/17		1.5	129.49				129.49	Pump testing
Ederer, T.	04/11/17		3.5	294.88				294.88	CalOES/FEMA workshop
Hauser, B.	04/11/17		24.0	1,474.92	1,474.92				
Walkup, R.	04/11/17		10.5	701.82				701.82	Pump testing
Badaracco, J.	04/12/17		2.0	172.65				172.65	BC headsets installation
Eubank, N.	04/12/17		6.0	279.72				279.72	WUI drill backfill
Fuentes, E.	04/12/17		6.0	462.69				462.69	WUI drill backfill
Fuentes, E.	04/12/17		3.5	269.90	269.90				
Klemowicz, E.	04/12/17		6.0	401.04				401.04	WUI drill
Poulos, T.	04/12/17		5.5	378.51				378.51	WUI drill backfill
Rupp, A.	04/12/17		5.5	284.96				284.96	WUI drill backfill
Wrenn, B.	04/12/17		5.0	277.50				277.50	WUI drill
Zeitsoff, J.	04/12/17		8.0	527.40				527.40	WUI drill backfill
Badaracco, J.	04/13/17		2.5	215.81				215.81	BC headsets installation
Briner, A.	04/14/17		4.0	322.68				322.68	County Chief's labor meeting
Broumand, A.	04/14/17		4.0	268.80				268.80	County Chief's labor meeting
Eubank, N.	04/14/17		5.0	233.10				233.10	County Chief's labor meeting backfill
Galbraith, R.	04/14/17		24.0	1,568.52	1,568.52				
Skei, E.	04/14/17		5.0	411.68				411.68	County Chief's labor meeting backfill
Galbraith, R.	04/15/17		24.0	1,568.52	1,568.52				
Muller, L.	04/15/17		24.0	1,203.12	1,203.12				
Broumand, A.	04/16/17		24.0	1,612.80	1,612.80				
Ederer, T.	04/20/17		24.0	2,022.00	2,022.00				
Reed, J.	04/20/17	2.0	2.0	168.39				168.39	Westmont College career night
Lauritson, R.	04/21/17		24.0	3,201.84	3,201.84				
Lauritson, R.	04/22/17		24.0	3,201.84	3,201.84				
Reed, J.	04/22/17		4.0	336.78				336.78	MERRAG CERT training
Briner, A.	04/23/17		15.0	1,210.05	1,210.05				
Holthe, D.	04/23/17	8.0	16.0	1,420.32	1,420.32				
<b>Payroll 5/1/17</b>				<b>34,014.40</b>	<b>25,308.58</b>	<b>-</b>	<b>-</b>	<b>8,705.82</b>	
<b>Grand Total</b>				<b>78,326.77</b>	<b>59,117.88</b>	<b>-</b>	<b>-</b>	<b>19,208.89</b>	
<b>% of Total</b>				<b>100.0%</b>	<b>75.5%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>24.5%</b>	

**MONTECITO FIRE PROTECTION DISTRICT  
OVERTIME SUMMARY**

**Fiscal Year 2015-16**

<b>Month Paid</b>	<b>Constant Staffing</b>	<b>Fire Assignments</b>	<b>Overtime</b>	<b>Total OT</b>
JULY	26,341.64	46,353.98	2,422.62	75,118.24
AUGUST	39,374.01	392,353.36	1,923.13	433,650.50
SEPTEMBER	81,872.55	211,227.62	2,502.77	295,602.94
OCTOBER	67,164.38	1,767.60	1,435.33	70,367.31
NOVEMBER	66,602.43	28,894.69	15,424.45	110,921.57
DECEMBER	96,812.16	4,730.31	12,117.85	113,660.32
JANUARY	52,753.02	2,139.45	6,680.76	61,573.23
FEBRUARY	47,051.95	-	3,740.82	50,792.77
MARCH	43,290.30	-	7,347.09	50,637.39
APRIL	56,824.52	-	11,211.22	68,035.74
MAY	63,849.08	-	16,615.00	80,464.08
JUNE	78,342.88	106,774.55	29,012.57	214,130.00
<b>TOTAL</b>	<b>720,278.91</b>	<b>794,241.56</b>	<b>110,433.61</b>	<b>1,624,954.08</b>

	<b>Cons.Staff.</b>	<b>Fire Asgmts</b>	<b>Overtime</b>	<b>Total OT</b>
YTD April 2016	578,086.95	687,467.01	64,806.04	1,330,360.00

**Fiscal Year 2016-17**

<b>Month Paid</b>	<b>Constant Staffing</b>	<b>Fire Assignments</b>	<b>Overtime</b>	<b>Total OT</b>
JULY	46,936.95	69,707.18	9,507.39	<b>126,151.52</b>
AUGUST	43,966.30	436,798.35	7,470.87	<b>488,235.52</b>
SEPTEMBER	34,992.70	163,041.82	(4,999.72)	<b>193,034.80</b>
OCTOBER	65,818.98	127,655.74	6,734.15	<b>200,208.87</b>
NOVEMBER	45,003.12	20,434.23	14,015.22	<b>79,452.57</b>
DECEMBER	46,995.02	-	7,596.39	<b>54,591.41</b>
JANUARY	39,053.11	-	1,997.30	<b>41,050.41</b>
FEBRUARY	59,860.08	-	9,319.12	<b>69,179.20</b>
MARCH	36,472.22	-	13,369.44	<b>49,841.66</b>
APRIL	59,117.88	-	19,208.89	<b>78,326.77</b>
MAY				-
JUNE				-
<b>TOTAL</b>	<b>478,216.35</b>	<b>817,637.32</b>	<b>84,219.05</b>	<b>1,380,072.72</b>

<b>Budget</b>	<b>750,000.00</b>	<b>455,000.00</b>	<b>125,000.00</b>
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<b>% of Budget</b>	<b>63.8%</b>	<b>179.7%</b>	<b>67.4%</b>
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**MONTECITO FIRE PROTECTION DISTRICT  
FIRE ASSIGNMENTS BILLING DETAIL  
FY 2016-17**

Fire Name, #	Invoice #	Period Covered	Invoice Date	Agency	Total Due	Date Received	Amount Received
River Complex, CA-SHF-002066	20156190	08/05/15	08/23/16	USFS	\$ 13,932.55	03/02/17	\$ 13,932.55
Sherpa Fire, CA-LPF-001643	2016-06R	06/15-06/27/16	08/31/16	USFS	1,343.45	09/23/16	1,343.45
Sand Fire, CA-ANF-003008 (932)	2016-07R	07/25-07/26/16	09/02/16	USFS	2,038.00	11/29/16	2,038.00
Clark Fire, CA-INF-001415	2016-08	08/06-08/10/16	09/02/16	USFS	9,861.32	12/06/16	9,861.32
Erskine Fire, CA-CND-001415	20160502	06/24-07/03/16	09/21/16	Cal-OES	6,283.00	11/22/16	6,283.00
Deer Fire, CA-KRN-024109	20160637	07/01-07/05/16	09/26/16	Cal-OES	38,705.18	11/22/16	38,705.18
Horseshoe Fire, CA-INF-001415	2016-09	08/06-08/10/16	09/02/16	USFS	10,655.23	12/07/16	10,655.23
Pine Fire, CA-LPF-001986	20160722	07/02-07/16/16	09/28/16	USFS	40,054.85	01/03/17	40,054.85
Sage Fire, CA-LAC-198015	20163058	07/09-07/12/16	01/21/17	Cal-OES	26,533.09	05/01/17	26,533.09
Sand Fire, CA-ANF-003008 (E-92)	20160982	07/24-07/25/16	10/25/16	Cal-OES	14,493.01		
Sand Fire, CA-ANF-003008	20161228	07/23-07/29/16	10/31/16	USFS	59,462.53	04/07/17	59,462.53
Soberanes Fire, CA-BEU-003422 (JB)	20162387	07/28-08/14/16	01/11/17	Cal-OES	24,213.87	03/22/17	24,213.87
Goose Fire, CA-FKU-010852	20161186	07/31-08/02/16	10/28/16	Cal-OES	23,759.88	12/12/16	23,759.88
Pilot Fire, CA-BDF-010205	20161296	08/07-08/13/16	11/02/16	USFS	115,396.76	02/27/17	115,396.76
Mineral Fire, CA-FKU-011358	20160891	08/11-08/15/16	10/19/16	Cal-OES	8,208.25	12/12/16	8,208.25
Chimney Fire, CA-SLU-008948	20161896	08/14-08/29/16	12/01/16	Cal-OES	356,902.01	01/23/17	356,902.01
Blue Cut Fire, CA-BDF-010468	20161632	08/16-08/18/16	11/15/16	USFS	16,772.92	03/22/17	16,772.92
Rey Fire, CA-LPF-002809 (STEN/921)	20163376-7	08/18-08/27/16	02/15/17	USFS	73,465.23		
Rey Fire, CA-LPF-002809	2016-12	08/18-08/21/16	09/30/16	USFS	50,348.46	12/27/16	50,348.46
Cedar Fire, SQF-002595 (921/932)	2016-13	08/17-09/08/16	09/30/16	USFS	48,584.33	02/16/17	48,584.33
Cedar Fire, SQF-002595	20162143	08/17-09/09/16	12/29/16	USFS	26,202.35		
Soberanes Fire, CA-BEU-003422	20162654	07/28-10/16/16	01/16/17	Cal-OES	340,124.13	05/01/17	340,124.13
Canyon Fire, CA-AFV-003193	20163142	09/17-09/21/16	01/22/17	USFS	69,405.13	04/27/17	69,405.13
Canyon Fire, CA-AFV-003193	2016-15	09/22-09/29/16	10/13/16	USFS	54,190.33	02/07/17	54,405.75
Soberanes Fire, CA-BEU-003422	2016-16	09/28-10/14/16	11/01/16	Cal-OES	123,354.89	12/30/16	30,124.94
Loma Fire, CA-SCU-006912	20163005	09/28-10/05/16	01/21/17	Cal-OES	29,014.35	05/01/17	29,014.35
Jacobson Fire, CA-SQF-003384 (914)	2016-17	10/22-10/27/16	11/01/17	USFS	23,922.26		
Jacobson Fire, CA-SQF-003384	20163096, 98	10/22-10/28/16	01/22/17	USFS	27,784.87	04/27/17	27,784.87
					<b>\$ 1,635,012.23</b>		<b>\$ 1,403,914.85</b>





**PRICE, POSTEL & PARMA LLP**  
*Counsellors at Law*

P.O. Box 99  
 Santa Barbara, CA 93102-0099

(805) 962-0011

TAX ID # 95-1782877

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

March 9, 2017  
 File: 12611  
 Invoice #: 138387  
 Billing Attorney: MSM

**ACCOUNT SUMMARY BALANCE**

RE: General Matters	\$315.00
Our File Number: 12611-00000	
RE: Ordinances	\$150.00
Our File Number: 12611-00022	
RE: Station Three	\$94.50 - Fund 3453
Our File Number: 12611-00059	
RE: Board Mtgs	\$661.50
Our File Number: 12611-00061	

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<b>Total Current Fees &amp; Costs</b>	<b>\$1,221.00</b>
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\*\*\*\*\*

- 94.50

**SUMMARY OF CURRENT BILLING**

\$ 1,126.50 Fund 3450

Current Fees	\$1,221.00
Current Disbursements	\$0.00

<b>Total Current Fees &amp; Costs</b>	<b>\$1,221.00</b>
---------------------------------------	-------------------

**SUMMARY OF PAST DUE BALANCES**

Previous Balance	\$3,195.00
Payments - Thank You	\$3,195.00
<b>TOTAL PAST DUE</b>	<b>\$0.00</b>
<b>TOTAL BALANCE DUE</b>	<b>\$1,221.00</b>



PRICE, POSTEL & PARMA LLP

Counsellors at Law

P.O. Box 99
Santa Barbara, CA 93102-0099

(805) 962-0011

TAX ID # 95-1782877

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

April 13, 2017
File: 12611
Invoice #: 139231
Billing Attorney: MSM

ACCOUNT SUMMARY BALANCE

Table with 2 columns: Description and Amount. Rows include RE: General Matters (\$4,221.00), RE: Ordinances (\$100.00), and RE: Board Mtgs (\$1,512.00).

Total Current Fees & Costs \$5,833.00

\*\*\*\*\*

SUMMARY OF CURRENT BILLING

Table with 2 columns: Description and Amount. Rows include Current Fees (\$5,833.00), Current Disbursements (\$0.00), and Total Current Fees & Costs (\$5,833.00).

SUMMARY OF PAST DUE BALANCES

Table with 2 columns: Description and Amount. Rows include Previous Balance (\$1,126.50), Payments - Thank You (\$1,126.50), TOTAL PAST DUE (\$0.00), and TOTAL BALANCE DUE (\$5,833.00).

Cochrane Property Management, Inc.

Period: 01 Mar 2017-31 Mar 2017

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 03/01/2017			15,078.55
03/01/2017	Leslie Muller	eCheck receipt	3C32-A5D0	1257 - Rent Income - March 2017	1,350.00		16,428.55
03/02/2017	Larry Todd Edwards	eCheck receipt	F70B-5026	1255 - Rent Income - March 2017	1,718.00		18,146.55
03/02/2017	Brandon Bennewate	eCheck receipt	FE1B-0960	1259 - Rent Income - March 2017	1,287.00		19,433.55
03/15/2017	Montecito Water District	Payment	ACH	Water/Sewer - monthly water 01-1256-03: 1/26/17 - 2/24/17 (11 HCF)		74.34	19,359.21
03/30/2017	Cochrane Property Management, Inc.	Check	18867	Administrative Fee - Monthly service fee - min \$5 - March 2017 - Monthly service fee - min \$5		5.00	19,354.21
03/30/2017	Cochrane Property Management, Inc.	Check	18867	Property Mgmt Fees - Property Mgmt Fees for 03/2017		261.30	19,092.91
03/31/2017	MarBorg Industries	Check	18868	Trash/Recycling - March & April mo trash/recycling/ green waste		186.86	18,906.05
03/31/2017	O'Conner Pest Control (SB)	Check	18869	Pest Control - 2/13/17 mo rodent service - 30 bait stations		92.00	18,814.05
03/31/2017	Peyton/Scapes	Check	18870	1255 - Gardening/Landscaping - 2/28/17 mo gardening 1255 - March 2017		55.00	18,759.05
03/31/2017	Peyton/Scapes	Check	18870	1257 - Gardening/Landscaping - 2/28/17 mo gardening 1257 - March 2017		55.00	18,704.05
03/31/2017	Peyton/Scapes	Check	18870	1259 - Gardening/Landscaping - 2/28/17 mo gardening 1259 - March 2017		55.00	18,649.05
03/31/2017	Rayne Water Conditioning	Check	18871	1257 - Water/Sewer - 3/8/17 Monthly water softening		49.00	18,600.05
03/31/2017	Rayne Water Conditioning	Check	18871	1255 - Water/Sewer - 3/8/17 Monthly water softening		77.00	18,523.05
03/31/2017	Rayne Water Conditioning	Check	18871	1259 - Water/Sewer - 3/8/17 Monthly water softening		49.00	18,474.05
				Ending Cash Balance			18,474.05
<b>Total</b>					<b>4,355.00</b>	<b>959.50</b>	

**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:** 03/01/2017 to 03/31/2017

Account Name	Selected Period	% of Selected Period	Fiscal Year To Date	% of Fiscal Year To Date
<b>Operating Income &amp; Expense</b>				
<b>Income</b>				
<b>Income</b>				
Rent Income	4,355.00	100.00	13,065.00	100.00
<b>Total Income</b>	<b>4,355.00</b>	<b>100.00</b>	<b>13,065.00</b>	<b>100.00</b>
<b>Total Operating Income</b>	<b>4,355.00</b>	<b>100.00</b>	<b>13,065.00</b>	<b>100.00</b>
<b>Expense</b>				
<b>Office Expenses</b>				
Administrative Fee	5.00	0.11	15.00	0.11
<b>Total Office Expenses</b>	<b>5.00</b>	<b>0.11</b>	<b>15.00</b>	<b>0.11</b>
<b>Repair &amp; Maintenance</b>				
Gardening/ Landscaping	165.00	3.79	495.00	3.79
Pest Control	92.00	2.11	386.00	2.95
<b>Total Repair &amp; Maintenance</b>	<b>257.00</b>	<b>5.90</b>	<b>881.00</b>	<b>6.74</b>
Property Mgmt Fees	261.30	6.00	783.90	6.00
<b>Utilities</b>				
Water/Sewer	249.34	5.73	932.83	7.14
Trash/Recycling	186.86	4.29	373.72	2.86
<b>Total Utilities</b>	<b>436.20</b>	<b>10.02</b>	<b>1,306.55</b>	<b>10.00</b>
<b>Total Operating Expense</b>	<b>959.50</b>	<b>22.03</b>	<b>2,986.45</b>	<b>22.86</b>
<b>NOI - Net Operating Income</b>	<b>3,395.50</b>	<b>77.97</b>	<b>10,078.55</b>	<b>77.14</b>
Total Income	4,355.00	100.00	13,065.00	100.00
Total Expense	959.50	22.03	2,986.45	22.86
<b>Net Income</b>	<b>3,395.50</b>	<b>77.97</b>	<b>10,078.55</b>	<b>77.14</b>
<b>Other Items</b>				
Prepaid Rent	0.00		-1,350.00	
<b>Net Other Items</b>	<b>0.00</b>		<b>-1,350.00</b>	
<b>Cash Flow</b>	<b>3,395.50</b>		<b>8,728.55</b>	
<b>Beginning Cash</b>	<b>15,078.55</b>		<b>9,745.50</b>	
<b>Beginning Cash + Cash Flow</b>	<b>18,474.05</b>		<b>18,474.05</b>	
<b>Actual Ending Cash</b>	<b>18,474.05</b>		<b>18,474.05</b>	

Cochrane Property Management, Inc.

Period: 01 Apr 2017-30 Apr 2017

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 04/01/2017			18,474.05
04/01/2017	Leslie Muller	eCheck receipt	58AA-6C56	1257 - Rent Income - April 2017	1,350.00		19,824.05
04/02/2017	Larry Todd Edwards	eCheck receipt	8C73-1494	1255 - Rent Income - April 2017	1,718.00		21,542.05
04/02/2017	Brandon Bennewate	eCheck receipt	9D2A-AB44	1259 - Rent Income - April 2017	1,287.00		22,829.05
04/19/2017	Montecito Water District	Payment	ACH	Water/Sewer - monthly water 01-1256-03: 2/24/17 - 3/27/17 (12 HCF)		74.34	22,754.71
04/19/2017	Cochrane Property Management, Inc.	Check	18872	Administrative Fee - Monthly service fee - min \$5 - April 2017 - Monthly service fee - min \$5		5.00	22,749.71
04/19/2017	Cochrane Property Management, Inc.	Check	18872	Property Mgmt Fees - Property Mgmt Fees for 04/2017		261.30	22,488.41
04/19/2017	O'Conner Pest Control (SB)	Check	18873	Pest Control - 3/13/17 mo rodent service - 30 bait stations		92.00	22,396.41
04/19/2017	O'Conner Pest Control (SB)	Check	18873	Pest Control - 3/10/17 quarterly pest control (ants, general pests, spiders, etc.)		110.00	22,286.41
04/19/2017	Peyton/Scapes	Check	18874	1255 - Gardening/Landscaping - 3/31/17 mo gardening 1255		55.00	22,231.41
04/19/2017	Peyton/Scapes	Check	18874	1257 - Gardening/Landscaping - 3/31/17 mo gardening 1257		55.00	22,176.41
04/19/2017	Peyton/Scapes	Check	18874	1259 - Gardening/Landscaping - 3/31/17 mo gardening 1259		55.00	22,121.41
04/19/2017	Rayne Water Conditioning	Check	18875	1257 - Water/Sewer - 4/5/17 Monthly water softening		49.68	22,071.73
04/19/2017	Rayne Water Conditioning	Check	18875	1255 - Water/Sewer - 4/5/17 Monthly water softening		78.07	21,993.66
04/19/2017	Rayne Water Conditioning	Check	18875	1259 - Water/Sewer - 4/5/17 Monthly water softening		49.68	21,943.98
04/19/2017	Montecito Fire Protection District (MFPD)	Check	18876	Owner Distribution - Owner payment for 04/2017		16,943.98	5,000.00
				Ending Cash Balance			5,000.00
<b>Total</b>					<b>4,355.00</b>	<b>17,829.05</b>	

**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:** 04/01/2017 to 04/30/2017

Account Name	Selected Period	% of Selected Period	Fiscal Year To Date	% of Fiscal Year To Date
<b>Operating Income &amp; Expense</b>				
<b>Income</b>				
<b>Income</b>				
Rent Income	4,355.00	100.00	17,420.00	100.00
<b>Total Income</b>	<b>4,355.00</b>	<b>100.00</b>	<b>17,420.00</b>	<b>100.00</b>
<b>Total Operating Income</b>	<b>4,355.00</b>	<b>100.00</b>	<b>17,420.00</b>	<b>100.00</b>
<b>Expense</b>				
<b>Office Expenses</b>				
Administrative Fee	5.00	0.11	20.00	0.11
<b>Total Office Expenses</b>	<b>5.00</b>	<b>0.11</b>	<b>20.00</b>	<b>0.11</b>
<b>Repair &amp; Maintenance</b>				
Gardening/ Landscaping	165.00	3.79	660.00	3.79
Pest Control	202.00	4.64	588.00	3.38
<b>Total Repair &amp; Maintenance</b>	<b>367.00</b>	<b>8.43</b>	<b>1,248.00</b>	<b>7.16</b>
Property Mgmt Fees	261.30	6.00	1,045.20	6.00
<b>Utilities</b>				
Water/Sewer	251.77	5.78	1,184.60	6.80
Trash/Recycling	0.00	0.00	373.72	2.15
<b>Total Utilities</b>	<b>251.77</b>	<b>5.78</b>	<b>1,558.32</b>	<b>8.95</b>
<b>Total Operating Expense</b>	<b>885.07</b>	<b>20.32</b>	<b>3,871.52</b>	<b>22.22</b>
<b>NOI - Net Operating Income</b>	<b>3,469.93</b>	<b>79.68</b>	<b>13,548.48</b>	<b>77.78</b>
Total Income	4,355.00	100.00	17,420.00	100.00
Total Expense	885.07	20.32	3,871.52	22.22
<b>Net Income</b>	<b>3,469.93</b>	<b>79.68</b>	<b>13,548.48</b>	<b>77.78</b>
<b>Other Items</b>				
Prepaid Rent	0.00		-1,350.00	
Owner Distribution	-16,943.98		-16,943.98	
<b>Net Other Items</b>	<b>-16,943.98</b>		<b>-18,293.98</b>	
<b>Cash Flow</b>	<b>-13,474.05</b>		<b>-4,745.50</b>	
<b>Beginning Cash</b>	<b>18,474.05</b>		<b>9,745.50</b>	
<b>Beginning Cash + Cash Flow</b>	<b>5,000.00</b>		<b>5,000.00</b>	
<b>Actual Ending Cash</b>	<b>5,000.00</b>		<b>5,000.00</b>	

# Agenda Item #5







P.O. Box 942709 Sacramento, CA 94229-2709  
888 CalPERS (or 888-225-7377)  
TTY: (877) 249-7442 | Fax: (916) 795-3005  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

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California Public Employees' Retirement System

May 10, 2017

CalPERS ID #1337420437

Ms. Araceli Gil  
District Accountant  
Montecito Fire Protection District  
595 San Ysidro Road  
Santa Barbara, CA 93108

Dear Ms. Gil:

Thank you for returning the Resolution of Intention to amend your CalPERS retirement contract to provide Section 20516 (Employees Sharing Additional Cost) of an additional 2% for classic local miscellaneous members and classic local safety members.

Also provided are the following documents necessary to complete the proposed amendment:

1. Amendment to Contract.
2. Resolution, Form CON-13. This Resolution must be adopted by affirmative vote of a majority of the members of the governing body no earlier than twenty days after the adoption of the Resolution of Intention. Failure to comply may result in the delay of the anticipated effective date of the amendment.
3. Certification of Final Action of Governing Body, Form CON-5.

Your agency adopted the Resolution of Intention on April 24, 2017, therefore, the earliest date the final Resolution could have been adopted was May 14, 2017, pursuant to Government Code Section 20471. There are no exceptions to this law.

Montecito Fire Protection District

-2-

May 10, 2017

The effective date of this amendment cannot be earlier than the first day of a payroll period following the adoption of the final Resolution. Please insert the effective date on the last page of the Amendment to Contract.

The following documents must be submitted through my|CalPERS and the original documents must be returned to this office by mail. ORIGINAL SIGNATURES ARE REQUIRED ON ALL CONTRACTS.

1. Amendment to Contract, two original executed sets.
2. Resolution, Form CON-13.
3. Certification of Final Action of Governing Body, Form CON-5.

Please notify your personnel/payroll staff and any others who submit payroll or membership documents to CalPERS on behalf of the agency, such as county courts and port districts, of the following information as of the effective date of the amendment to the contract:

**Once the contract amendment has been completed, there may be a delay in getting the amendment on my|CalPERS. CalPERS requests that you hold payroll from the effective date of the amendment to the contract until the system is updated accordingly. Holding payroll means that the total required member contribution amount should still be collected from the member, but payroll detail should not be reported to CalPERS until the system has been updated to reflect the contract amendment changes. Your agency must also still submit the required contribution payment to CalPERS even when instructed to hold payroll detail reporting.**

The classic local miscellaneous member contribution rate will be 16.5% of reportable earnings.

The classic local safety member contribution rate will be 17.5% of reportable earnings.

**Please do not retype the Amendment to Contract and/or agreement documents. Only documents provided by this office will be accepted. If you have any questions regarding any documents, please contact this office prior to presenting to your governing body for adoption. Another contract amendment cannot be started until this amendment is completed or cancelled.**

A copy of the contract will be returned for your records after it has been executed by CalPERS.

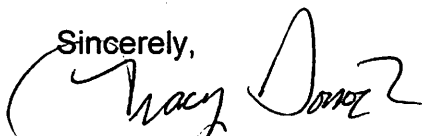
Montecito Fire Protection District

-3-

May 10, 2017

We are here to assist you. If you have any questions or would like additional information, please visit our website [www.calpers.ca.gov](http://www.calpers.ca.gov), or you may contact us toll free at **888 CalPERS** or **(888-225-7377)**.

Sincerely,

A handwritten signature in black ink, appearing to read "Tracy Donoghue". The signature is written in a cursive style with a large, sweeping initial "T".

Tracy Donoghue  
Employer Representative  
Public Agency Contract Services

TD:cf

Enclosures





California  
Public Employees' Retirement System



## **AMENDMENT TO CONTRACT**

**Between the  
Board of Administration  
California Public Employees' Retirement System  
and the  
Board of Directors  
Montecito Fire Protection District**



The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective July 1, 1944, and witnessed July 11, 1944, and as amended effective October 1, 1951, March 1, 1958, June 1, 1958, February 1, 1960, July 1, 1961, February 1, 1969, November 1, 1972, October 1, 1973, August 1, 1977, February 16, 1978, January 15, 1980, June 1, 1981, October 16, 1982, October 16, 1984, December 16, 1986, October 1, 1988, October 16, 1990, September 1, 1991, January 1, 2001, May 1, 2001, October 1, 2001, July 1, 2002, December 1, 2012 and January 1, 2017 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 16 are hereby stricken from said contract as executed effective January 1, 2017, and hereby replaced by the following paragraphs numbered 1 through 16 inclusive:
1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 60 for classic local miscellaneous members, age 62 for new local miscellaneous members, age 55 for classic local safety members and age 57 for new local safety members.

2. Public Agency shall participate in the Public Employees' Retirement System from and after July 1, 1944 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.
3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:
  - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
  - (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.
  - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
  - a. Local Fire Fighters (herein referred to as local safety members);
  - b. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
  - a. **POLICE OFFICERS.**

6. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment before and not on or after July 1, 2002 shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
7. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member in employment on or after July 1, 2002 shall be determined in accordance with Section 21354.3 of said Retirement Law (3% at age 60 Full).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).
9. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local safety member shall be determined in accordance with Section 21363.1 of said Retirement Law (3% at age 55 Full).
10. The percentage of final compensation to be provided for each year of credited prior and current service as a new local safety member shall be determined in accordance with Section 7522.25(d) of said Retirement Law (2.7% at age 57 Full).
11. Public Agency elected and elects to be subject to the following optional provisions:
  - a. Section 21573 (Third Level of 1959 Survivor Benefits).
  - b. Sections 21624 and 21626 (Post-Retirement Survivor Allowance).
  - c. Section 21222.1 (One-Time 5% Increase - 1970). Legislation repealed said Section effective January 1, 1980.
  - d. Section 20965 (Credit for Unused Sick Leave).
  - e. Section 21325 (One-Time 3% to 15% Increase For Local Safety Members Who Retired or Died Prior to January 1, 1974). Legislation repealed said Section effective January 1, 2002.
  - f. Section 20042 (One-Year Final Compensation) for classic members only.
  - g. Section 20692 (Employer Paid Member Contributions Converted to Payrate During the Final Compensation Period) for classic local miscellaneous members only.
  - h. Section 21328 (One-Time 1% to 6% Increase For Local Miscellaneous Members Who Retired or Died Prior to January 1, 1998).

i. **Section 20516 (Employees Sharing Cost of Additional Benefits):**

Section 21354.3 (3% @ 60 Full formula) effective July 1, 2002 for classic local miscellaneous members.

From and after July 1, 2002 and until January 1, 2017, the classic miscellaneous employees of Public Agency shall be assessed an additional 4.5% of their compensation for a total contribution rate of 12.5% pursuant to Government Code Section 20516.

Section 21363.1 (3% @ 55 Full formula) effective January 1, 2001 for classic local safety members.

From and after January 1, 2001 and until January 1, 2017 the classic fire employees of Public Agency shall be assessed an additional 4.5% of their compensation for a total contribution rate of 13.5% pursuant to Government Code Section 20516.

j. **Section 20516 (Employees Sharing Additional Cost):**

From and after January 1, 2017 and until the effective date of this amendment to contract, 6.5% for classic local miscellaneous members and classic local safety members.

From and after the effective date of this amendment to contract, 8.5% for classic local miscellaneous members and classic local safety members.

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

12. Public Agency, in accordance with Government Code Section 20834, shall not be considered an "employer" for purposes of the Public Employees' Retirement Law. Contributions of the Public Agency shall be fixed and determined as provided in Government Code Section 20834, and such contributions hereafter made shall be held by the Board as provided in Government Code Section 20834.
13. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members and local safety members of said Retirement System.



- 14. Public Agency shall also contribute to said Retirement System as follows:
  - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21573 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members and local safety members.
  - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
  - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
- 15. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.
- 16. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

BOARD OF ADMINISTRATION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BOARD OF DIRECTORS  
MONTECITO FIRE PROTECTION  
DISTRICT

BY \_\_\_\_\_  
ARNITA PAIGE, CHIEF  
PENSION CONTRACTS AND PREFUNDING  
PROGRAMS DIVISION  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY \_\_\_\_\_  
PRESIDING OFFICER

\_\_\_\_\_  
Witness Date

Attest:  
\_\_\_\_\_  
Clerk



**MONECITO FIRE PROTECTION DISTRICT**

**RESOLUTION  
AUTHORIZING AN AMENDMENT TO THE CONTRACT**

No. 2017-02

WHEREAS, the Board of Administration of the California Public Employees' Retirement System and the Board of Directors of the Montecito Fire Protection District entered into a contract effective on July 1, 1944 providing for the participation of said public agency in the California Public Employees' Retirement System; and

WHEREAS, it is now desirable to take advantage of certain benefits provided under said Retirement System and not included in said contract;

NOW, THEREFORE, BE IT RESOLVED, that said governing body authorized, and it does hereby authorize, an amendment to said contract, a copy of said amendment attached hereto and by such reference made a part hereof as though herein set out in full; and

NOW, THEREFORE, BE IT FURTHER RESOLVED, that the presiding officer of said governing body is hereby authorized, empowered and directed to execute said amendment for and on behalf of said public agency.

Adopted this 22 day of May, 2017.

\_\_\_\_\_  
Presiding Officer

Attest:

\_\_\_\_\_  
Clerk/Secretary

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
Pension Contract Management Services & Prefunding Programs  
P.O. Box 942703  
Sacramento, CA 94229-2703  
888 CalPERS (or 888-225-7377)

**CERTIFICATION  
OF  
FINAL ACTION OF GOVERNING BODY**

I hereby certify that the Board of Directors of the  
(governing body)  
Montecito Fire Protection District  
(public agency)

considered and adopted on May 22, 2017, by an affirmative vote of a  
(date)  
majority of the members of said Governing Body, **Ordinance / Resolution** No. 2017-02  
approving the attached contractual agreement between the Governing Body of said Agency  
and the Board of Administration of the California Public Employees' Retirement System, a  
certified copy of said **Ordinance / Resolution** in the form furnished by said Board of  
Administration being attached hereto.

Adoption of the retirement benefit increase/change was not placed on the consent  
calendar.

\_\_\_\_\_  
Clerk/Secretary

\_\_\_\_\_  
Title

Date \_\_\_\_\_

# Agenda Item #6



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

Held at Fire District Headquarters, 595 San Ysidro Road April 24, 2017 at 2:00 p.m.

Director van Duinwyk called the meeting to order at 2:00 p.m.

**Present:** Director van Duinwyk, Director Venable, Director Easton, Director Lee. Chief Hickman and District Counsel Mark Manion were also present.

**Absent:** Director Powell

- 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 allotted for this discussion.)**

Chief Hickman introduced B Shift personnel.

- 2. TIME CERTAIN: 2:00 Receive presentation from Craig Fechter of Fechter & Company regarding Annual Financial Report for Fiscal Year Ended June 30, 2016.**

Craig Fechter provided a power point presentation regarding the Annual Financial Report for Fiscal Year Ended June 30, 2016.

- 3. Consider acceptance of Fechter & Company's Annual Financial Report for the Fiscal Year Ended June 30, 2016.**

The Motion to accept Fechter & Company's Annual Financial Report for the Fiscal Year Ended June 30, 2016 made by Director Lee, seconded by Director Easton and unanimously passed.

- 4. Adopt Resolution of Intention to Approve an Amendment to Contract between the Board of Administration of CalPERS and the Board of Directors Montecito Fire Protection District.**

Motion to adopt Resolution of Intention to approve an amendment to contract between the Board of Administration of CalPERS and the Board of Directors Montecito Fire Protection District made by Director Easton, seconded by Director Lee. The Roll call vote was as follows:

Ayes: M. Lee, P. van Duinwyk, S. Easton, J. Venable

Nays: None

Abstain: None

- 5. Discussion item: Update regarding Station 3.**

**a. Consider providing direction to Fire Chief to engage with potential site property owner.**

Chief Hickman provided an update regarding the potential site for station 3, stating that the sale has fallen out of escrow. The Chief asked if the Board would like staff to send a letter to the owner re-stating interest, or provide any other direction. Motion to direct the Fire Chief to send a letter to the Petan Group made by Director Easton, seconded by Director Venable and unanimously passed.

**6. Approval of Minutes of the March 27, 2017 Regular Meeting.**

Motion to approve the minutes of the March 27, 2017 Regular Meeting made by Director Venable, seconded by Director Lee and unanimously passed.

**7. Fire Chief's report.**

Chief Hickman provided an update regarding a significant call last month. The Chief stated that on April 12, Division Chief Taylor provided a presentation to the Montecito Planning Commission regarding Accessory Dwelling Units. Chief Hickman stated that Wildland Specialist Kellogg provided two tours to the Montecito Planning Commission regarding hazardous mitigation at Casa Dorinda. The Chief mentioned that on May 15, following the finance meeting, he would leave for CSDA Legislative Days in Sacramento. Chief Hickman noted that on April 20, the Department hosted a job fair for Westmont women athletes.

**8. Board of Director's report.**

There were no items to report at this meeting.

**9. Suggestions from Directors for items other than regular agenda items to be included for the May 22, 2017 Regular Board meeting.**

Director Easton requested a closed session regarding station 3.

The Meeting Adjourned at 3:22 p.m.

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President Peter van Duinwyk

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Secretary John Venable



# Agenda

## Item #7



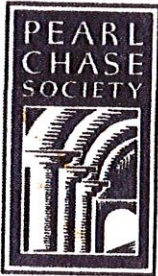
6 April

Dear Capt. Lauritson.

Thank you for your kindness in advising us what Smoke Alarms we should have and then generously installing them! Now we feel safe - we thank you and our children thank you ~~as~~ well.

With very best wishes

Jacqueline Browne



# THE CAPITAL

"Preserving Santa Barbara's historic sites of enduring community value"

Vol. 20, No. 5 • [www.PearlChaseSociety.org](http://www.PearlChaseSociety.org) • May 2017

## PEARL CHASE SOCIETY MAY SCHEDULED MEETINGS OF INTEREST

### PEARL CHASE SOCIETY

**Board Meetings** are typically held the first Thursday of the month at the MacVeagh House on the grounds of the Natural History Museum. Next meeting: May 4

**Preservation Committee Meetings** are now held at 4 pm on the fourth Thursday of the month at Wood Glen Hall, 3010 Foothill Road. Next meeting: May 25

### CITY OF SANTA BARBARA

City meetings are broadcast live on City TV channel 18 and streamed live at [www.santabarbaraca.gov/Government/Video](http://www.santabarbaraca.gov/Government/Video), where they are also archived and viewable on demand.

**City Council Meetings** are held on Tuesdays at 2 pm at Council Chambers, City Hall: May 2, 9, 16, 23

**Planning Commission Meetings** are held on the first, second and third Thursdays of the month at 1 pm at Council Chambers, City Hall: May 4, 11, 18

**Historic Landmarks Commission Meetings** are held every other Wednesday at 1:30 pm at the David Gebhard Public Meeting Room, 630 Garden Street: May 3, 17, 31

**Architectural Board of Review Meetings** are held Mondays at 3 pm at the David Gebhard Public Meeting Room, 630 Garden Street. Full Board meets on May 8, 22

### COUNTY OF SANTA BARBARA

County Board of Supervisor Meetings and Planning Commission meetings are broadcast live on CSBTv20. They are also streamed at [www.countyofsb.org/ceo/media02.aspx](http://www.countyofsb.org/ceo/media02.aspx), where they are also archived and viewable on demand.

**County Board of Supervisors Meetings** are held on three Tuesdays of the month at 9 am. The first and third meetings are held in Santa Barbara in the Board of Supervisors Hearing Room, 105 East Anapamu St., 4th Floor. The second meeting is (typically) held in Santa Maria at 511 East Lakeside Parkway. May 2, 16 (SB); May 9 (SM)

**County Planning Commission Meetings** are held three Wednesdays of the month at 9 am. The first and third meetings are held in Santa Barbara at 123 East Anapamu Street, Room 17, and the second meeting is (typically) held in Santa Maria at 511 East Lakeside Parkway: May 3, 31 (SB), May 10 (SM)

**County Historic Landmarks Advisory Commission Meetings** are held the second Monday of the month at 10 am at 123 East Anapamu, Room 17 (unless specified otherwise): May 8

## Society News and Notes *by Kelly Mahan Herrick*

At April's Pearl Chase Society board meeting, it was decided that the Maritime Museum will once again be the venue for the Society's annual meeting. PCS president Steve Dowty is currently working on procuring a local author to speak during the annual meeting; the date of the annual meeting will be announced in the coming weeks.

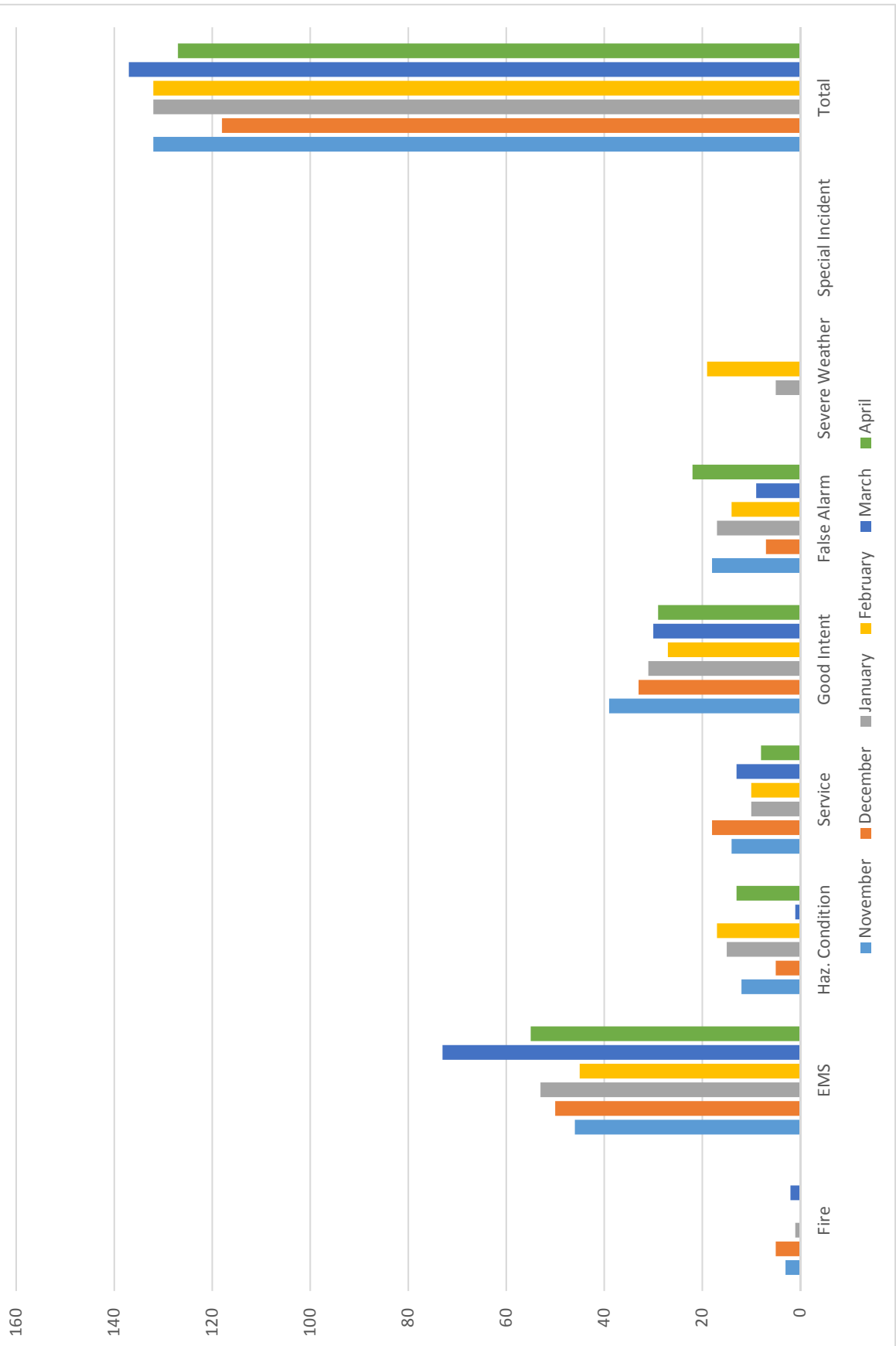
A guest speaker at the meeting was Mary Rose, an agent from the East Valley Preservation Association who is advocating for the protection of 2500 East Valley Road. The San Carlos Ranch on East Valley Road is a 237-acre site that was listed on the market for \$125 million and is now considerably reduced to \$85 million, causing more interest among developers who want to build over 90 units on the original historic Anna Jackson ranch property. Fearing that the site will be overdeveloped, the EVPA asks to see the developer's specific plan and wish to propose a county landmark designation for the 237-acre property. Because the developer is looking for lot line adjustments on the property, neighbors are concerned about density, overdevelopment and loss of the original historic landscape.

Jill Zachary, the City Parks and Recreation Department Director, provided an updated Franceschi House Status Report. Jill presented three options that the city is exploring for the historic site: 1) full house restoration, 2) restoration of the house exterior only, and mothball treatment of the house interior, and 3) deconstruction of the house and building of an interpretive pavilion in its footprint. The city has no funds to provide any major restoration and considers that the original master plan is infeasible at this time. In addition, a soils report shows new challenges (shifting hillside conditions). The City's latest focus is an alternative plan: a "Pavilion" on the footprint of the original house after its deconstruction. The intent is to create a useable public space by improving public access, reinforcement of failing retaining walls, and storm water improvements. A ramp will be needed to access the "Pavilion." Historic elements of the house and many of its unique features would then be sheltered in the Pavilion. The cost depends on what improvements are implemented. Whatever is built or retained on the site will need maintenance and the City has little money for this. The challenging focus is to create the best project possible and one that is realistic to fund.

Rick Closson offered his home for a public gathering to discuss the three Franceschi House options as presented in Jill Zachary's conceptual plans regarding the house. The Board felt that this would be a good idea; stay tuned for details.

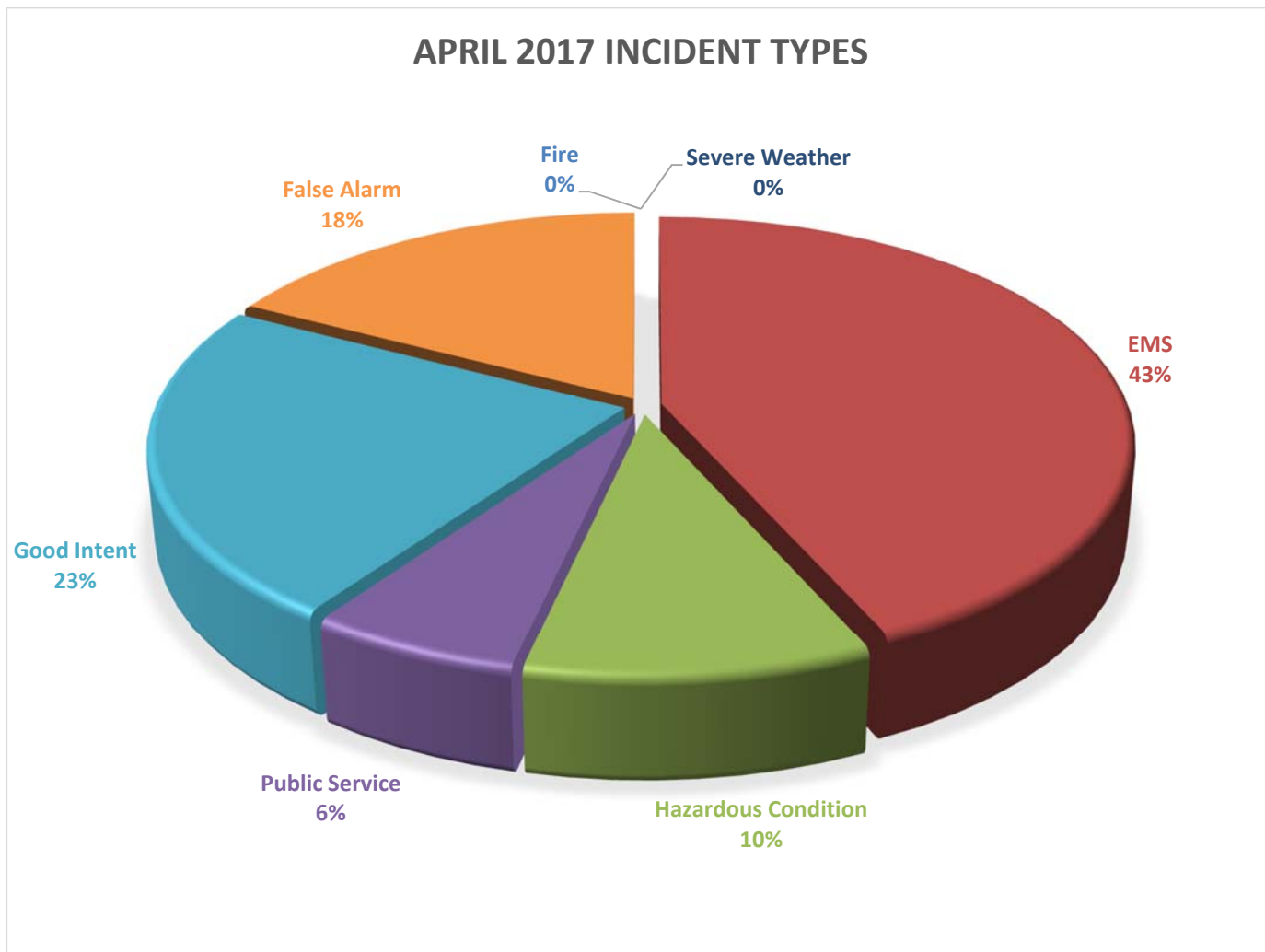
*The next Board Meeting is Thursday, May 4.*

INCIDENT TREND NOVEMBER 2016 - APRIL 2017



**APRIL 2017  
CALLS BY INCIDENT TYPE  
TOTAL INCIDENTS: 127**

FIRE: 0	EMS: 55
HAZARDOUS CONDITION: 13	PUBLIC SERVICE**: 8
GOOD INTENT*: 29	FALSE ALARM: 22
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.