

MONTECITO FIRE PROTECTION DISTRICT

Finance Committee Meeting Agenda

Monday, May 15, 2017 at 2:00 p.m.

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

Agenda Items May Be Taken Out of the Order Shown

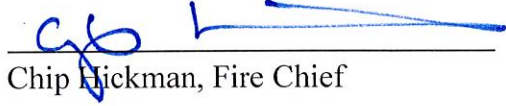
1. Public comment: Any person may address the Finance Committee at this time on any non-agenda matter that is within the subject matter jurisdiction of the Montecito Fire Protection District; 30 minutes total time is allotted for this discussion.
2. Time Certain, 2:00 p.m. – Receive presentation from PARS/Highmark representative regarding the PARS Pension Rate Stabilization Program (PRSP).
3. Consider making recommendation to approve Resolution 2017-01, Approving the Adoption of the Public Agencies Post-Employment Benefits Trust and Administrative Services Contract.
4. Review CalPERS Annual Valuation Report as of June 30, 2015 for Miscellaneous and Safety Plans.
5. Discuss CalPERS discount rate change and projected pension contribution increases.
 - a. Consider making recommendation to establish a pension liabilities funding plan.
6. Review Draft Preliminary Budget for FY 2017-18.
7. Review PARS OPEB Trust Program statement for February and March 2017.
8. Review and make recommendation for approval of March and April 2017 financial statements.
9. Fire Chief's Report.
10. Requests for items to be included in the next Finance Committee Meeting.
11. Adjournment.

The next meeting is scheduled for Monday, June 12, 2017 at 2:00 p.m.

Montecito Fire Protection District
Agenda for Finance Committee Meeting, May 15, 2017
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This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950. The date of the posting is May 11, 2017.

MONTECITO FIRE PROTECTION DISTRICT



Chip Hickman, Fire Chief

Agenda Item #2

Pension Rate Stabilization Program (PRSP)



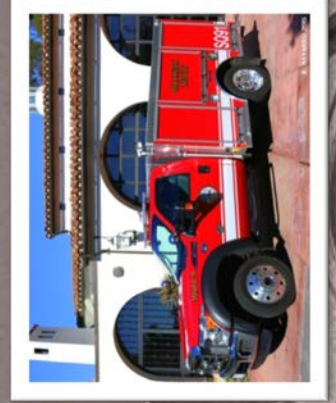
Montecito Fire Protection District

May 15, 2017

PUBLIC
AGENCY
RETIREMENT
SERVICES

PARS

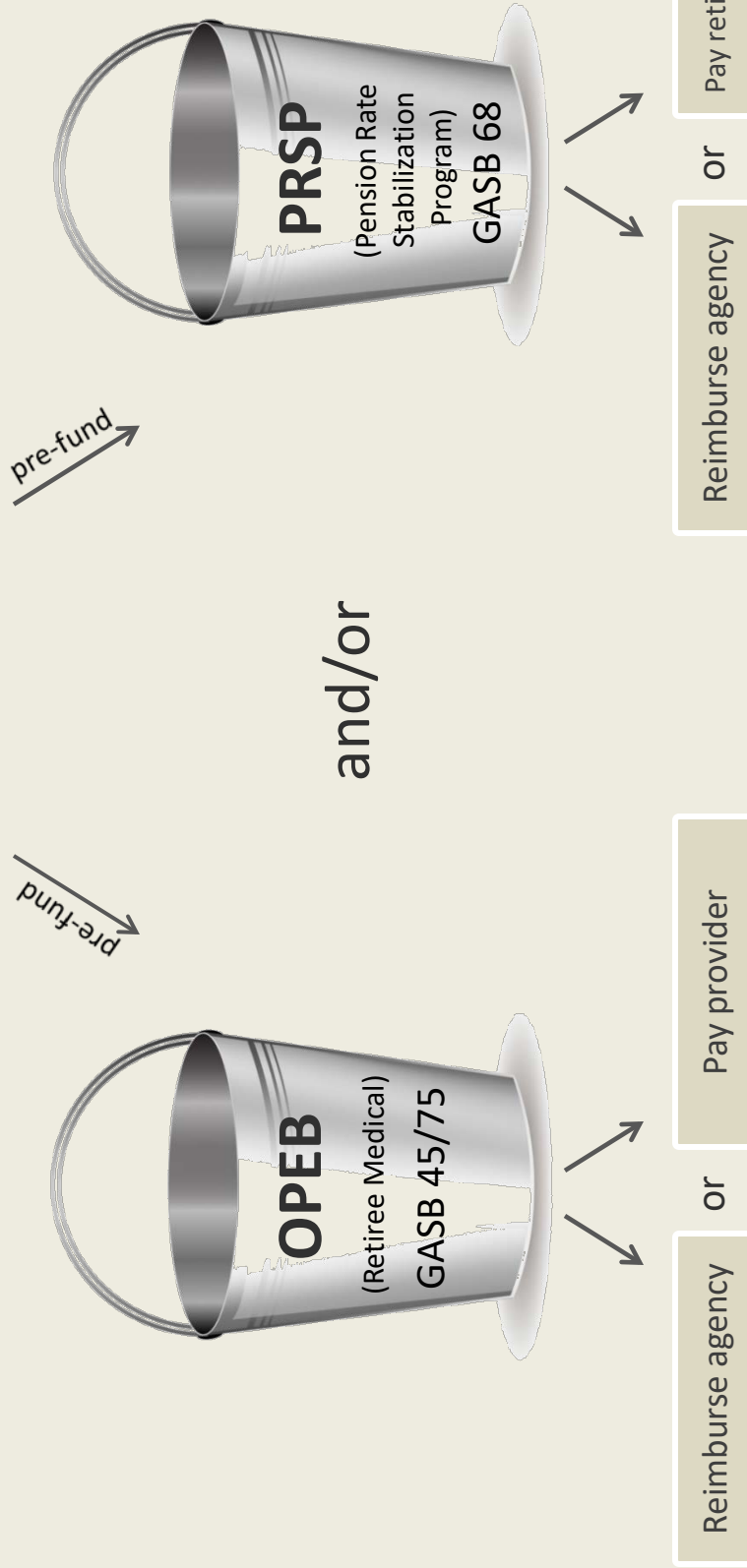
TRUSTED SOLUTIONS. LASTING RESULTS.



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



- 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.

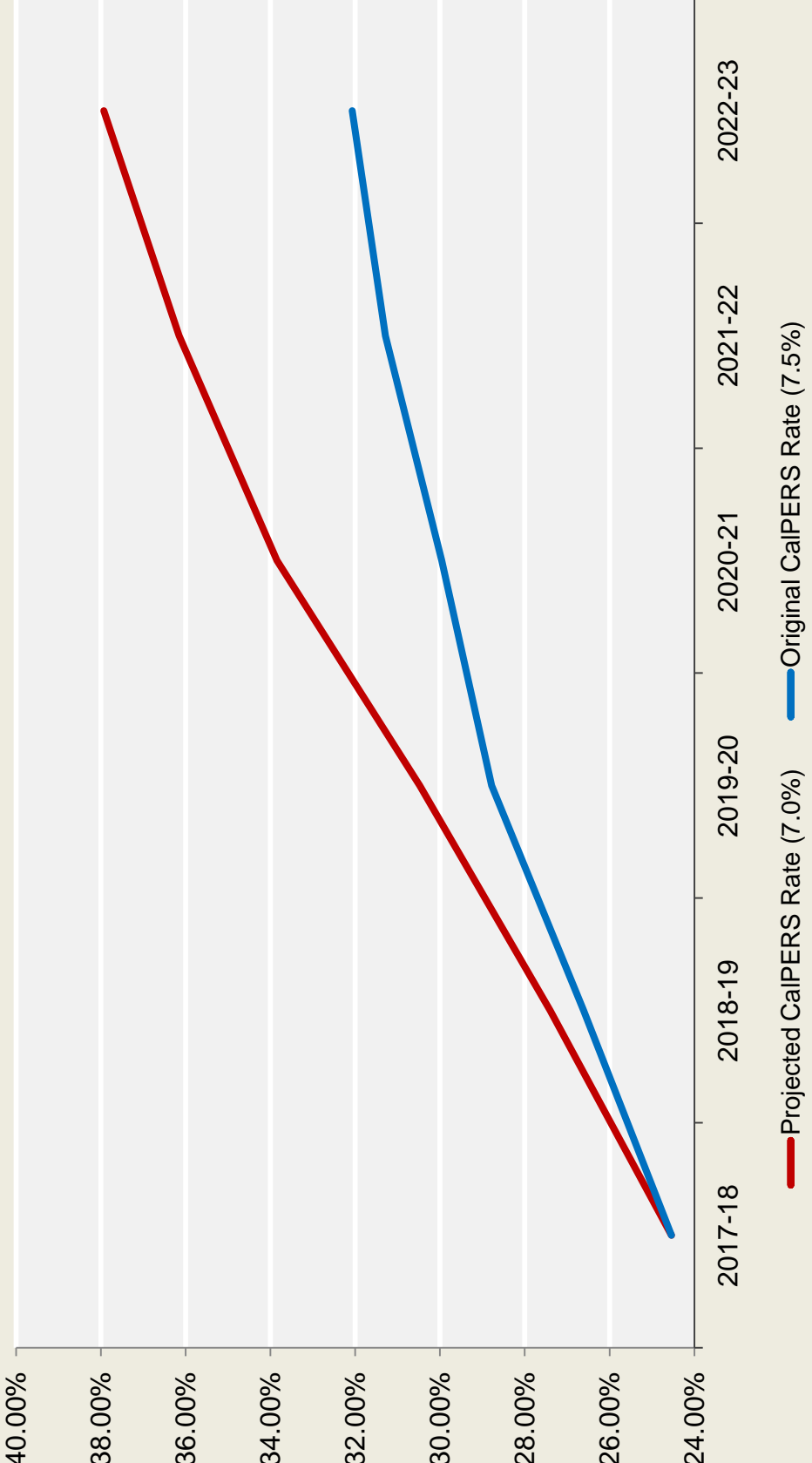
As of June 30, 2015, Montecito Fire Protection District's CalPERS pension plan is as follows:

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

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

Projected Future CalPERS Contributions – Misc.

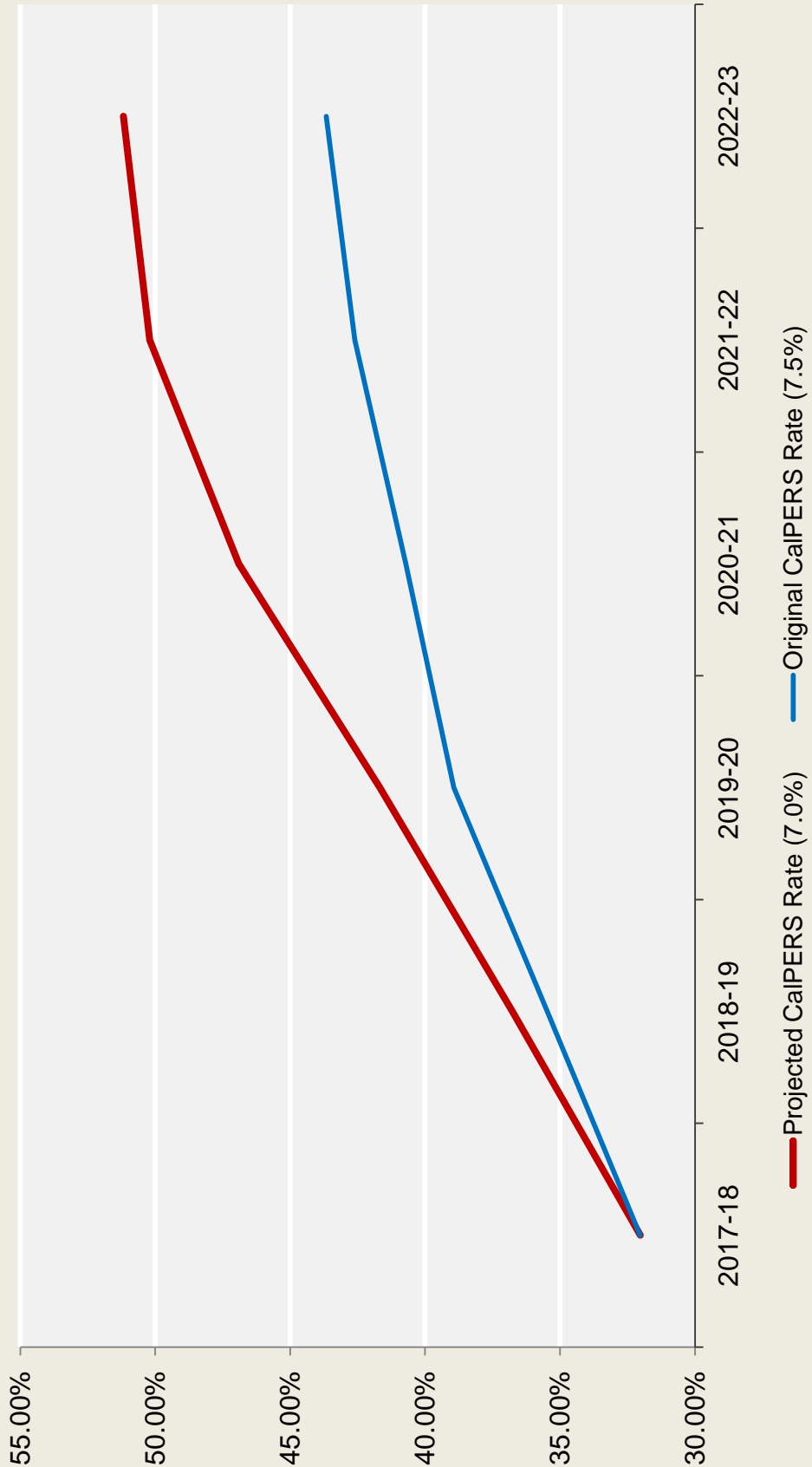
Employer Misc. Contributions are projected to increase from \$0.2M to \$0.4M over 6 years*, (79.2%↑)



* 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 (\$300 monthly minimum) (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 #3



STAFF REPORT

Prepared for: Montecito Fire Protection Finance Committee
Prepared by: Chief Hickman and Araceli Gil, District Accountant
Date: May 10, 2017
Topic: Consider Adoption of PARS Pension Rate Stabilization Program (PRSP)

Background

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 in the future. 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

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

Staff recommends the District contract with PARS to participate in the PRSP. If the Finance Committee agrees, the next step is a recommendation for approval of Resolution 2017-01 and the Administrative Services Contract (provided as attachments).

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 22nd day of May, 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

President of the Board of Directors
MONTECITO FIRE PROTECTION DISTRICT

ATTEST:

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:

<u>For Plan Assets from:</u>			<u>Annual Rate:</u>
\$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.

Agenda

Item #4



STAFF REPORT

Prepared for: Montecito Fire Protection Finance Committee

Prepared by: Araceli Gil, District Accountant

Date: May 10, 2017

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

Summary

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

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 Finance Committee do not need to take any action at the May meeting, but can address any questions or concerns and determine if a conference call with the plan’s actuary is necessary at the June meeting.



California Public Employees' Retirement System
 Actuarial Office
 P.O. Box 942709
 Sacramento, CA 94229-2709
 TTY: (916) 795-3240
 (888) 225-7377 phone – (916) 795-2744 fax
www.calpers.ca.gov

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). 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
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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

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for the
MISCELLANEOUS PLAN
of the
MONTECITO FIRE PROTECTION
DISTRICT**

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

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

*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		Fiscal Year	
	2016-17 ¹		2017-18	
Development of Normal Cost as a Percentage of Payroll				
Base Total Normal Cost for Formula	19.764%		19.807%	
Surcharge for Class 1 Benefits ³				
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 ⁴	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
Estimated Employer Contributions Based on Projected Payroll				
Plan's Estimated Employer Normal Cost	\$	129,283	\$	150,317
Plan's Payment on Amortization Bases ²		<u>79,647</u>		<u>96,055</u>
Total Employer Contribution ⁵	\$	208,930	\$	246,372

¹ 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.

² See page 8 for a breakdown of the Amortization Bases.

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

⁴ 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.

⁵ 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

		June 30, 2014		June 30, 2015
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.

	Required Contribution	Projected Future Employer Contributions				
Fiscal Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Normal Cost %	14.922%	14.9%	14.9%	14.9%	14.9%	14.9%
UAL \$	\$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				
Totals		3,576,010		3,420,932		2,874,784
Estimated Savings				155,078		701,226

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.

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment (\$)
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.

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



California Public Employees' Retirement System
 Actuarial Office
 P.O. Box 942709
 Sacramento, CA 94229-2709
 TTY: (916) 795-3240
 (888) 225-7377 phone – (916) 795-2744 fax
www.calpers.ca.gov

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). 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
(CalPERS ID: 1337420437)
Annual Valuation Report as of June 30, 2015
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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.

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Changes since the Prior Year's Valuation

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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

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for the
SAFETY PLAN
of the
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**(CalPERS ID: 1337420437)
(Rate Plan: 34)**

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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 ¹		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

*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		Fiscal Year	
	2016-17 ¹		2017-18	
Development of Normal Cost as a Percentage of Payroll				
Base Total Normal Cost for Formula		25.636%		25.824%
Surcharge for Class 1 Benefits ³				
a) FAC 1		1.033%		1.033%
b) PRSA		1.645%		1.645%
Phase out of Normal Cost Difference ⁴		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
Estimated Employer Contributions Based on Projected Payroll				
Plan's Estimated Employer Normal Cost	\$	1,126,917	\$	1,104,290
Plan's Payment on Amortization Bases ²		607,569		768,475
Total Employer Contribution ⁵	\$	1,734,486	\$	1,872,765

¹ 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.

² See page 8 for a breakdown of the Amortization Bases.

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

⁴ 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.

⁵ 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

		June 30, 2014		June 30, 2015
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.

	Required Contribution	Projected Future Employer Contributions				
Fiscal Year	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Normal Cost %	19.520%	19.5%	19.5%	19.5%	19.5%	19.5%
UAL \$	\$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	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				
Totals		32,591,753		29,992,093		25,203,886
Estimated Savings				2,599,659		7,387,867

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.

Fiscal Year	Employer Normal Cost	Unfunded Liability Payment (\$)
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.

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

Agenda Item #5



STAFF REPORT

Prepared for: Montecito Fire Protection Finance Committee
Prepared by: Chief Hickman and Araceli Gil, District Accountant
Date: May 10, 2017
Topic: CalPERS Discount Rate Change and Pension Prefunding Plan

Summary

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

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

The CalPERS decision to change the discount rate will increase required pension contributions at a higher rate than previously anticipated. Staff recommends 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

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.

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 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%

Agenda Item #6



STAFF REPORT

Prepared for: Montecito Fire Protection Finance Committee
Prepared by: Chief Hickman and Araceli Gil, District Accountant
Date: May 11, 2017
Topic: Draft Preliminary Budget for Fiscal Year 2017-18

Summary

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

Discussion

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 approximately \$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 also 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.

Conclusion

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	Increase/ (Decrease)
REVENUES				
Taxes				
3010	Property Tax - Secured (3.71%)	15,615,365	15,056,760	558,605
3011	Property Tax - Unitary	131,405	131,405	-
3015	Property Tax - Escapes Secured (3.71%)	(29,537)	(28,480)	(1,057)
3020	Property Tax - Unsecured	630,025	649,510	(19,485)
3040	Property Tax - Prior Secured (3.71%)	30,755	29,655	1,100
3050	Property Tax - Prior Unsecured	18,065	18,065	-
3054	Supplemental Property Tax - Current	278,683	293,350	(14,667)
	Total Taxes Revenue	16,674,761	16,150,265	524,496
Use of Money and Property				
3380	Interest Income	19,445	22,835	(3,390)
3409	Rental Property Income	52,260	52,260	-
	Total Use of Money and Property	71,705	75,095	(3,390)
Intergovernmental Revenue - State				
3750	State-Emergency Assistance (Fire Asgmt)	325,000	325,000	-
4220	Homeowners Property Tax Relief	82,975	82,975	-
	Total Intergovernmental Revenue - State	407,975	407,975	-
Intergovernmental Revenue - Federal				
4476	Federal Emergency Assistance (Fire Asgmt)	130,000	130,000	-
	Total Intergovernmental Revenue - Federal	130,000	130,000	-
Charges for Services				
5105	Reimbursement for District Services	190,315	185,995	4,320
	AMR First Response Payment	102,675	98,355	-
	CSFD Dispatch Services	87,640	87,640	-
	Total Charges for Services	190,315	185,995	4,320
Miscellaneous Revenue				
5909	Other Miscellaneous Revenue	7,500	6,000	1,500
	Westmont Payment	4,500	4,400	-
	Other	3,000	1,600	-
	Total Miscellaneous Revenue	7,500	6,000	1,500
	TOTAL GENERAL FUND REVENUES	17,482,256	16,955,330	526,926

**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	Increase/ (Decrease)
EXPENDITURES				
Salaries & Employee Benefits				
6100	Regular Salaries	7,554,420	7,369,515	184,905
	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	97,554
6550	FICA/Medicare	124,995	101,949	23,046
6600	Insurance Contributions	1,800,750	1,635,805	164,945
	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	(145)
6900	Workers Compensation Insurance	<u>575,000</u>	<u>525,000</u>	<u>50,000</u>
	Total Salaries & Employee Benefits	13,697,545	13,177,240	520,305
Services & Supplies				
7030	Clothing and PPE	47,000	102,950	(55,950)
	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	(10,300)
	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	Increase/ (Decrease)
7070	Household Supplies	31,000	32,500	(1,500)
	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	11,500
	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	(32,000)
7322	Consulting and Management Fees	3,350	3,350	-
7324	Audit and Accounting Fees	25,000	23,250	1,750
7348	Instruments & Equip. < \$5,000	85,000	97,575	(12,575)
	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	9,300
	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	(6,700)
	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	3,000
7450	Office Expense	27,500	27,500	-
	Operational	27,500	27,500	

**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		Increase/ (Decrease)
7460	Professional and Special Services		328,200		311,750	16,450
	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	4,600
7530	Publications & Legal Notices		6,000		3,000	3,000
7546	Administrative Tax Expense		240,000		200,000	40,000
7580	Rents & Leases (Gibraltar)		4,500		4,400	100
7630	Small Tools & Instruments		20,100		9,600	10,500
	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	(28,500)
	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	19,500
	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	-	5,000	-	-
	Total Services & Supplies		1,769,650		1,797,475	(27,825)

**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	Increase/ (Decrease)
Capital Assets				
8300	Equipment	464,200	403,100	61,100
	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	
	Total Capital Assets	464,200	403,100	61,100
	TOTAL EXPENDITURES	15,931,395	15,377,815	553,580
OTHER FINANCING USES				
Other Financing Sources				
5910	Transfer from Land & Building Fund (3653)	-	-	-
5919	Sale of Capital Assets	-	-	-
	Total Other Financing Sources	-	-	-
Other Financing Uses				
7901	Transfer To Pension Obligation Fund (3651)	155,000	456,000	(301,000)
7901	Transfer To Capital Reserves Fund (3652)	460,000	352,000	108,000
7901	Transfer To Land & Building Fund (3653)	860,000	834,000	26,000
	Total Other Financing Uses	1,475,000	1,642,000	(167,000)
	Other Financing Sources & Uses	(1,475,000)	(1,642,000)	
	Net Financial Impact	75,861	(64,485)	
Fund 3650 Fund Balance Detail				
	Reserves: Catastrophic	2,243,000		
	Reserves: Economic Uncertainties	3,430,000		
	Fund Balance - Unrestricted Residual (Estimate)	810,000		
	Net Financial Impact (Unrestricted Residual)	75,861		
	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	Final Budget FY 2016-17	Final Budget FY 2016-17	Increase/ (Decrease)
REVENUES				
Financing Sources				
5910	Transfer from General Fund (3650)	155,000	456,000	(301,000)
	TOTAL FUND REVENUES	155,000	456,000	(301,000)
EXPENDITURES				
Services & Supplies				
7460	Administration Fee	3,500	3,500	-
7830	Interest Expense	6,340	17,402	(11,062)
	Total Services & Supplies	9,840	20,902	(11,062)
OTHER FINANCING USES				
7910	Long Term Debt Principal Repayment	145,000	435,000	(290,000)
	Other Financing Uses	145,000	435,000	(290,000)
	TOTAL EXPENDITURES & TRANSFERS	154,840	455,902	(301,062)
	Net Financial Impact	160	98	
Fund 3651 Equity				
	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				
<u>Account</u>	<u>Line Item Description</u>	<u>Final Budget FY 2016-17</u>	<u>Prelim. Budget FY 2016-17</u>	<u>Increase/ (Decrease)</u>
REVENUES				
Use of Money and Property				
3380	Interest Income	10,000	10,000	-
	Total Use of Money and Property	10,000	10,000	-
Financing Sources				
5910	Transfer from General Fund (3650)	460,000	352,000	108,000
	Total Financing Sources	460,000	352,000	108,000
Other Financing Sources				
5919	Sale of Capital Assets	-	-	-
	Total Other Financing Sources	-	-	-
	TOTAL FUND REVENUES	470,000	362,000	108,000
EXPENDITURES				
Services & Supplies				
7363	Equipment Maintenance (Vehicles)	-	-	-
	Total Services & Supplies	-	-	-
Capital Assets				
8300	Apparatus (Engine 391 - Type 3)	432,000	-	-
	Vehicle (Battalion Chief 915)	80,000	60,000	-
	Total Capital Assets	512,000	60,000	452,000
	TOTAL EXPENDITURES	512,000	60,000	452,000
	Net Financial Impact	(42,000)	302,000	
Fund 3652 Equity				
	Beginning Fund Balance at 7/1/2017	2,646,649		
	Net Financial Impact	(42,000)		
	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	Final Budget FY 2016-17	Final Budget FY 2016-17	Increase/ (Decrease)
REVENUES				
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
	TOTAL FUND REVENUES	875,000	849,000	26,000
EXPENDITURES				
Capital Assets				
8100	Land	200,000	200,000	-
	Total Capital Assets	200,000	200,000	-
	TOTAL EXPENDITURES	200,000	200,000	-
	Net Financial Impact	675,000	649,000	26,000
Fund 3653 Equity				
	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		

Agenda

Item #7

MONTECITO FIRE PROTECTION DISTRICT
PARS OPEB Trust ProgramMonthly Account Report for the Period
2/1/2017 to 2/28/2017Stephen Hickman
Fire Chief
Montecito Fire Protection District
595 San Ysidro Rd.
Santa Barbara, CA 93108**Account Summary**

Source	Beginning Balance as of 2/1/2017	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 2/28/2017
OPEB	\$9,817,921.36	\$0.00	\$196,673.48	\$6,405.78	\$0.00	\$0.00	\$10,008,189.06
Totals	\$9,817,921.36	\$0.00	\$196,673.48	\$6,405.78	\$0.00	\$0.00	\$10,008,189.06

Investment Selection
Balanced HighMark PLUS**Investment Objective**

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

Investment Return

1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
			3-Years	5-Years	10-Years	
2.00%	4.66%	16.04%	4.54%	6.81%	-	1/19/2010

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

MONTECITO FIRE PROTECTION DISTRICT
PARS OPEB Trust Program**Monthly Account Report for the Period**
3/1/2017 to 3/31/2017Stephen Hickman
Fire Chief
Montecito Fire Protection District
595 San Ysidro Rd.
Santa Barbara, CA 93108**Account Summary**

Source	Beginning Balance as of 3/1/2017	Contributions	Earnings	Expenses	Distributions	Transfers	Ending Balance as of 3/31/2017
OPEB	\$10,008,189.06	\$0.00	\$52,657.52	\$4,181.44	\$0.00	\$0.00	\$10,056,665.14
Totals	\$10,008,189.06	\$0.00	\$52,657.52	\$4,181.44	\$0.00	\$0.00	\$10,056,665.14

Investment Selection**Balanced HighMark PLUS****Investment Objective**

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

Investment Return

1-Month	3-Months	1-Year	Annualized Return			Plan's Inception Date
			3-Years	5-Years	10-Years	
0.53%	4.36%	11.25%	4.86%	6.65%	-	1/19/2010

Information as provided by US Bank, Trustee for PARS; Not FDIC Insured; No Bank Guarantee; May Lose Value

Past performance does not guarantee future results. Performance returns may not reflect the deduction of applicable fees, which could reduce returns. Information is deemed reliable but may be subject to change.

Investment Return: Annualized rate of return is the return on an investment over a period other than one year multiplied or divided to give a comparable one-year return.

Account balances are inclusive of Trust Administration, Trustee and Investment Management fees

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

Month	Beginning Balance	Contributions	Earnings	Expenses	Ending Balance	1-M %
April 2016	8,274,401.76	-	79,199.95	1,723.83	8,351,877.88	0.96%
May 2016	8,351,877.88	-	66,595.80	3,358.79	8,415,114.89	0.80%
June 2016	8,415,114.89	823,478.00	12,223.83	3,430.12	9,247,386.60	0.15%
July 2016	9,247,386.60	-	281,630.04	5,568.98	9,523,447.66	3.05%
August 2016	9,523,447.66	-	45,572.47	1,984.05	9,567,036.08	0.48%
September 2016	9,567,036.08	-	42,304.49	5,846.57	9,603,494.00	0.44%
October 2016	9,603,494.00	-	(119,882.18)	2,000.73	9,481,611.09	-1.25%
November 2016	9,481,611.09	-	96,928.53	3,978.27	9,574,561.35	1.02%
December 2016	9,574,561.35	-	78,934.58	4,002.15	9,649,493.78	0.82%
January 2017	9,649,493.78	-	170,422.28	1,994.70	9,817,921.36	1.77%
February 2017	9,817,921.36	-	196,673.48	6,405.78	10,008,189.06	2.00%
March 2017	10,008,189.06	-	52,657.52	4,181.44	10,056,665.14	0.53%
Total		823,478.00	1,003,260.79	44,475.41		

Agenda

Item #8

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
Income:					
Tax Revenue	-	-	-	-	-
Interest income	-	-	-	-	-
Other:					
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>
Expenses:					
Warrants and Claims	(169,273.92)	-	-	(94.50)	(169,368.42)
Payroll	(886,962.89)	-	-	-	(886,962.89)
Other:					
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>
Difference to reconcile	19,050.57	-	-	94.50	19,145.07
Reconciliation:					
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>
Difference to reconcile	460,619.87	-	-	-	460,619.87
Reconciliation:					
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
Fund 3650 - General		
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

Payee	Description	Amount
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
	Fund 3650 Total	169,273.92
Fund 3653 - Land & Building		
Price Postel & Parma	Legal services - Station 3, February	94.50
	Fund 3653 Total	94.50

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

Payee	Description	Amount
Fund 3650 - General		
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

Payee	Description	Amount
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
	Fund 3650 Total	<u>426,471.79</u>

**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
Grand Total	<u>\$ 886,962.89</u>	<u>\$ 923,062.97</u>

**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
		Payroll 3/16/17		24,706.97	19,393.67	-	5,313.30	

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
			Payroll 3/31/17	25,134.69	17,078.55	-	8,056.14	
			Grand Total	49,841.66	36,472.22	-	13,369.44	
			% of Total	100.0%	73.2%	0.0%	26.8%	

**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			
			Payroll 4/14/17	44,312.37	33,809.30	-	10,503.07	
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				
			Payroll 5/1/17	34,014.40	25,308.58	-	-	8,705.82	
			Grand Total	78,326.77	59,117.88	-	-	19,208.89	
			% of Total	100.0%	75.5%	0.0%	0.0%	24.5%	

**MONTECITO FIRE PROTECTION DISTRICT
OVERTIME SUMMARY**

Fiscal Year 2015-16

Month Paid	Constant Staffing	Fire Assignments	Overtime	Total OT
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
TOTAL	720,278.91	794,241.56	110,433.61	1,624,954.08

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

Fiscal Year 2016-17

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

Budget	750,000.00	455,000.00	125,000.00
% of Budget	63.8%	179.7%	67.4%

Variance Report
Finance Committee - May 15, 2017

Report	Line Item	Variance Explanation
1 Balance Sheet	0130	Cash held with Cochrane Property Management for rental property units. A disbursement was issued in May for the balance over \$5,000.
2 Balance Sheet	0211	Property tax revenue impounded by the Auditor-Controller's Office due to large assessment appeals that have not been settled.
3 Balance Sheet	1015 & 1210	The EFT and accounts payable account reflects expenses entered by February 28, but disbursement payment wasn't completed until March. See Cash Reconciliation for vendor details.
4 Financial Status	Taxes Total	In general, approximately 95% of property tax revenues are distributed by April. Additional distributions for Account 3011,3015, 3054 are expected by June 30th.
5 Financial Status	3750 & 4476	Due to a busy fire season, the District exceeded the budgeted revenue for state and federal fire assignments. Please see the Fire Assignments spreadsheet for details.
6 Financial Status	6301	The overtime reimbursable account exceeds the budgeted amount due to a busy fire season. A budget amendment will be presented in June to adjust the budgeted amount.
7 Financial Status	7050	The communications account will fall under budget this fiscal year. Start up costs and monthly fees for a new phone system were budgeted for 12 months, but the new system won't be implemented until May.
8 Financial Status	7200	Maintenance expenses for building and grounds is higher than expected this fiscal year. Several unexpected maintenance projects caused the overage.
9 Financial Status	7205	The Wildland Specialists are involved in ongoing hazard mitigation projects in the Fuel Treatment Networks. Based on outstanding projects, this account will likely fall far under budget. Next year's budget will reflect the expected short fall.
10 Financial Status	7348, 7650, 8300	This line item accounts for various budgeted expenses, which have not been purchased yet.
11 Financial Status	7460	Professional services expenditures are lower than expected YTD. The Public Information/Education project was budgeted for \$80,000 and the project will be ongoing through the fiscal year end.
12 Financial Status	7546	Admin fee paid to the SB County Tax Collector's office. See correspondence in Fire Chief's section regarding this expense.
13 Financial Status	7671	A flyer and mailing for hazard abatement is budgeted under this account and the project will be completed in May.
14 Financial Trend	6600	Health insurance expenses are higher than in past years because the District increased the employer-paid portion on July 1, 2016, in an effort to keep up with rising insurance premiums.
15 Financial Trend	7030	Expenses in 2016 are higher than in past years due to the purchase of turnouts for \$34,000. A second order will be placed this fiscal year.
16 Financial Trend	8300	Expenses in 2016 are higher than in past years due to the purchase of a cardiac monitor, radios and a completed DOC A/V project. Other budgeted items have not been purchased yet.

Balance Sheet

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund; Page Break At = Fund

Fund 3650 -- Montecito Fire Protection Dist

	Beginning Balance 7/1/2016	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 4/30/2017
Assets & Other Debits				
Assets				
0110 -- Cash in Treasury	6,641,431.11	17,270,961.94	13,141,208.33	10,771,184.72
0112 -- Deposits in Transit	0.00	2,038.00	2,038.00	0.00
0115 -- Treasury FMV Adjustment	17,772.21	2,766.08	23,284.88	-2,746.59
0120 -- Imprest Cash	500.00	0.00	0.00	500.00
0130 -- Cash with Fiscal Agents	12,417.96	30,060.87	23,724.78	18,754.05
0211 -- Prop Tax Impounds Receivable	82,969.00	0.00	0.00	82,969.00
0230 -- Accounts Receivable	265,326.00	0.00	265,326.00	0.00
0240 -- Interest Receivable	10,995.48	22,382.53	33,378.01	0.00
Total Assets	7,031,411.76	17,328,209.42	13,488,960.00	10,870,661.18
Liabilities, Equity & Other Credits				
Liabilities				
1010 -- Warrants Payable	0.00	4,461,880.01	4,461,880.01	0.00
1015 -- EFT Payable	23,108.95	1,475,295.83	1,482,210.31	30,023.43
1020 -- Salaries & Benefits Payable	337,000.00	337,000.00	0.00	0.00
1210 -- Accounts Payable	12,850.40	5,942,111.17	5,957,498.29	28,237.52
1240 -- Accrued Expenses	91,234.00	91,234.00	0.00	0.00
1400 -- Deposits	3,000.00	0.00	0.00	3,000.00
1730 -- Unidentified Deposits	0.00	1,561,907.09	1,561,907.09	0.00
Total Liabilities	467,193.35	13,869,428.10	13,463,495.70	61,260.95
Equity				
2120 -- Fund Balance-Restricted	17,772.21	17,772.21	0.00	0.00
2130 -- Fund Balance-Committed	1,200,500.00	0.00	0.00	1,200,500.00
2200 -- Fund Balance-Residual	5,345,946.20	32,215,227.39	36,478,181.42	9,608,900.23
Total Equity	6,564,218.41	32,232,999.60	36,478,181.42	10,809,400.23

Balance Sheet

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653
Layout Options: Summarized By = Fund; Page Break At = Fund

Fund 3650 -- Montecito Fire Protection Dist

	Beginning Balance 7/1/2016	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 4/30/2017
Total Liabilities, Equity & Other Credits	7,031,411.76	46,102,427.70	49,941,677.12	10,870,661.18

Balance Sheet

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund; Page Break At = Fund

Fund 3651 -- Montecito Fire Pension Oblig

	Beginning Balance 7/1/2016	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 4/30/2017
Assets & Other Debits				
Assets				
0110 -- Cash in Treasury	198.05	455,371.67	455,361.64	208.08
0115 -- Treasury FMV Adjustment	0.53	0.03	0.68	-0.12
0240 -- Interest Receivable	0.29	9.38	9.67	0.00
Total Assets	198.87	455,381.08	455,371.99	207.96
Liabilities, Equity & Other Credits				
Liabilities				
1010 -- Warrants Payable	0.00	2,960.00	2,960.00	0.00
1015 -- EFT Payable	0.00	49,294.00	49,294.00	0.00
1210 -- Accounts Payable	0.00	52,254.00	52,254.00	0.00
Total Liabilities	0.00	104,508.00	104,508.00	0.00
Equity				
2120 -- Fund Balance-Restricted	0.53	0.53	0.00	0.00
2140 -- Fund Balance-Assigned	198.34	0.00	0.00	198.34
2200 -- Fund Balance-Residual	0.00	911,364.32	911,373.94	9.62
Total Equity	198.87	911,364.85	911,373.94	207.96
Total Liabilities, Equity & Other Credits	198.87	1,015,872.85	1,015,881.94	207.96

Balance Sheet

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund; Page Break At = Fund

Fund 3652 -- Montecito Fire Cap Outlay Res

	Beginning Balance 7/1/2016	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 4/30/2017
Assets & Other Debits				
Assets				
0110 -- Cash in Treasury	2,371,342.99	15,569.31	27,592.47	2,359,319.83
0115 -- Treasury FMV Adjustment	6,345.62	393.67	8,069.53	-1,330.24
0240 -- Interest Receivable	3,106.78	12,462.53	15,569.31	0.00
Total Assets	2,380,795.39	28,425.51	51,231.31	2,357,989.59
Liabilities, Equity & Other Credits				
Liabilities				
1015 -- EFT Payable	27,540.64	27,540.64	0.00	0.00
Total Liabilities	27,540.64	27,540.64	0.00	0.00
Equity				
2120 -- Fund Balance-Restricted	6,345.62	6,345.62	0.00	0.00
2140 -- Fund Balance-Assigned	2,346,909.13	0.00	0.00	2,346,909.13
2200 -- Fund Balance-Residual	0.00	376,467.36	387,547.82	11,080.46
Total Equity	2,353,254.75	382,812.98	387,547.82	2,357,989.59
Total Liabilities, Equity & Other Credits	2,380,795.39	410,353.62	387,547.82	2,357,989.59

Balance Sheet

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund; Page Break At = Fund

Fund 3653 -- Montecito Fire Land & Building

	Beginning Balance 7/1/2016	Year-To-Date Debits	Year-To-Date Credits	Ending Balance 4/30/2017
Assets & Other Debits				
Assets				
0110 -- Cash in Treasury	4,527,103.85	30,506.16	39,408.26	4,518,201.75
0115 -- Treasury FMV Adjustment	12,114.35	753.93	15,415.79	-2,547.51
0240 -- Interest Receivable	6,612.58	23,893.58	30,506.16	0.00
Total Assets	4,545,830.78	55,153.67	85,330.21	4,515,654.24
Liabilities, Equity & Other Credits				
Liabilities				
1015 -- EFT Payable	0.00	35,153.80	35,153.80	0.00
1210 -- Accounts Payable	0.00	35,153.80	35,153.80	0.00
1240 -- Accrued Expenses	32,286.00	32,286.00	0.00	0.00
Total Liabilities	32,286.00	102,593.60	70,307.60	0.00
Equity				
2120 -- Fund Balance-Restricted	12,114.35	12,114.35	0.00	0.00
2140 -- Fund Balance-Assigned	4,501,430.43	0.00	0.00	4,501,430.43
2200 -- Fund Balance-Residual	0.00	915,940.05	930,163.86	14,223.81
Total Equity	4,513,544.78	928,054.40	930,163.86	4,515,654.24
Total Liabilities, Equity & Other Credits	4,545,830.78	1,030,648.00	1,000,471.46	4,515,654.24

Financial Status

As of: 4/30/2017 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	4/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
Revenues				
Taxes				
3010 -- Property Tax-Current Secured	15,056,760.00	14,816,749.47	-240,010.53	98.41 %
3011 -- Property Tax-Unitary	131,405.00	-373.20	-131,778.20	-0.28 %
3015 -- PT PY Corr/Escapes Secured	-28,480.00	0.00	28,480.00	0.00 %
3020 -- Property Tax-Current Unsecd	649,510.00	649,991.63	481.63	100.07 %
3040 -- Property Tax-Prior Secured	29,655.00	21,864.61	-7,790.39	73.73 %
3050 -- Property Tax-Prior Unsecured	18,065.00	0.00	-18,065.00	0.00 %
3054 -- Supplemental Pty Tax-Current	293,350.00	0.00	-293,350.00	0.00 %
Taxes	16,150,265.00	15,488,232.51	-662,032.49	95.90 %
Use of Money and Property				
3380 -- Interest Income	22,835.00	19,082.89	-3,752.11	83.57 %
3381 -- Unrealized Gain/Loss Invstmnts	-17,774.00	-20,518.80	-2,744.80	115.44 %
3409 -- Other Rental of Bldgs and Land	52,260.00	39,195.00	-13,065.00	75.00 %
Use of Money and Property	57,321.00	37,759.09	-19,561.91	65.87 %
Intergovernmental Revenue-State				
3750 -- State-Emergency Assistance	325,000.00	458,072.32	133,072.32	140.95 %
4220 -- Homeowners Property Tax Relief	82,975.00	70,221.05	-12,753.95	84.63 %
Intergovernmental Revenue-State	407,975.00	528,293.37	120,318.37	129.49 %
Intergovernmental Revenue-Federal				
4476 -- Federal Emergency Assistance	130,000.00	559,221.08	429,221.08	430.17 %
Intergovernmental Revenue-Federal	130,000.00	559,221.08	429,221.08	430.17 %
Charges for Services				
5105 -- Reimb for District Services	185,995.00	114,462.73	-71,532.27	61.54 %
Charges for Services	185,995.00	114,462.73	-71,532.27	61.54 %

Financial Status

As of: 4/30/2017 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	4/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
Miscellaneous Revenue				
5895 -- Other-Donations	0.00	100,000.00	100,000.00	--
5909 -- Other Miscellaneous Revenue	6,000.00	6,562.53	562.53	109.38 %
Miscellaneous Revenue	6,000.00	106,562.53	100,562.53	1,776.04 %
Revenues				
	16,937,556.00	16,834,531.31	-103,024.69	99.39 %
Expenditures				
Salaries and Employee Benefits				
6100 -- Regular Salaries	7,369,515.00	5,532,317.27	1,837,197.73	75.07 %
6300 -- Overtime	125,000.00	116,780.38	8,219.62	93.42 %
6301 -- Overtime - Reimbursable	455,000.00	812,886.31	-357,886.31	178.66 % 6
6310 -- Overtime - Constant Staffing	750,000.00	409,537.03	340,462.97	54.60 %
6400 -- Retirement Contribution	2,203,416.00	1,836,618.85	366,797.15	83.35 %
6550 -- FICA/Medicare	101,949.00	95,150.97	6,798.03	93.33 %
6600 -- Health Insurance Contrib	1,635,805.00	1,494,626.14	141,178.86	91.37 %
6700 -- Unemployment Ins Contribution	11,555.00	6,082.26	5,472.74	52.64 %
6900 -- Workers Compensation	525,000.00	474,148.78	50,851.22	90.31 %
Salaries and Employee Benefits	13,177,240.00	10,778,147.99	2,399,092.01	81.79 %
Services and Supplies				
7030 -- Clothing and Personal	102,950.00	96,159.39	6,790.61	93.40 %
7050 -- Communications	109,800.00	64,347.00	45,453.00	58.60 % 7
7060 -- Food	2,500.00	1,904.71	595.29	76.19 %
7070 -- Household Supplies	32,500.00	30,401.31	2,098.69	93.54 %
7090 -- Insurance	31,000.00	25,661.93	5,338.07	82.78 %
7120 -- Equipment Maintenance	35,000.00	22,895.17	12,104.83	65.41 %
7200 -- Structure & Ground Maintenance	32,050.00	38,444.03	-6,394.03	119.95 %
7205 -- Fire Defense Zone	268,000.00	131,449.89	136,550.11	49.05 % 8

Financial Status

As of: 4/30/2017 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	4/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
7322 -- Consulting & Mgmt Fees	3,350.00	2,396.70	953.30	71.54 %
7324 -- Audit and Accounting Fees	23,250.00	21,276.00	1,974.00	91.51 %
7348 -- Instruments & Equip. < \$5000	97,575.00	35,160.80	62,414.20	36.03 % 10
7363 -- Equipment Maintenance	60,200.00	64,917.32	-4,717.32	107.84 %
7400 -- Medical, Dental and Lab	44,800.00	40,503.20	4,296.80	90.41 %
7430 -- Memberships	9,500.00	11,731.00	-2,231.00	123.48 %
7450 -- Office Expense	27,500.00	18,458.49	9,041.51	67.12 %
7460 -- Professional & Special Service	311,750.00	190,680.63	121,069.37	61.16 % 11
7507 -- ADP Payroll Fees	7,500.00	5,553.51	1,946.49	74.05 %
7510 -- Contractual Services	57,000.00	34,752.08	22,247.92	60.97 %
7530 -- Publications & Legal Notices	3,000.00	5,174.46	-2,174.46	172.48 %
7546 -- Administrative Expense	200,000.00	238,346.00	-38,346.00	119.17 % 12
7580 -- Rents/Leases-Structure	4,400.00	3,716.88	683.12	84.47 %
7630 -- Small Tools & Instruments	9,600.00	13,124.34	-3,524.34	136.71 %
7650 -- Special Departmental Expense	82,000.00	17,211.17	64,788.83	20.99 % 10
7671 -- Special Projects	18,500.00	5,978.54	12,521.46	32.32 % 13
7730 -- Transportation and Travel	25,000.00	14,954.28	10,045.72	59.82 %
7731 -- Gasoline-Oil-Fuel	63,000.00	29,410.29	33,589.71	46.68 %
7732 -- Training	87,750.00	41,312.25	46,437.75	47.08 %
7760 -- Utilities	48,000.00	38,325.99	9,674.01	79.85 %
Services and Supplies	1,797,475.00	1,244,247.36	553,227.64	69.22 %
Capital Assets				
8300 -- Equipment	403,100.00	111,592.14	291,507.86	27.68 % 10
Capital Assets	403,100.00	111,592.14	291,507.86	27.68 %
Expenditures	15,377,815.00	12,133,987.49	3,243,827.51	78.91 %

Financial Status

As of: 4/30/2017 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	4/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
Other Financing Sources & Uses				
Other Financing Uses				
7901 -- Oper Trf (Out)	1,642,000.00	455,362.00	1,186,638.00	27.73 %
Other Financing Uses	1,642,000.00	455,362.00	1,186,638.00	27.73 %
Other Financing Sources & Uses	-1,642,000.00	-455,362.00	1,186,638.00	27.73 %
Changes to Fund Balances				
Decrease to Restricted	17,774.00	17,772.21	-1.79	99.99 %
9797 -- Unrealized Gains	17,774.00	17,772.21	-1.79	99.99 %
Decrease to Restricted	17,774.00	17,772.21	-1.79	99.99 %
Changes to Fund Balances	17,774.00	17,772.21	-1.79	99.99 %
Montecito Fire Protection Dist	-64,485.00	4,262,954.03	4,327,439.03	-6,610.77 %

Financial Status

As of: 4/30/2017 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 3651 -- Montecito Fire Pension Oblig

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	4/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
Revenues				
Use of Money and Property				
3380 -- Interest Income	0.00	9.38	9.38	--
3381 -- Unrealized Gain/Loss Invstmnts	-2.00	-0.65	1.35	32.50 %
Use of Money and Property	-2.00	8.73	10.73	-436.50 %
Revenues	-2.00	8.73	10.73	-436.50 %
Expenditures				
Services and Supplies				
7460 -- Professional & Special Service	3,500.00	2,960.00	540.00	84.57 %
Services and Supplies	3,500.00	2,960.00	540.00	84.57 %
Other Charges				
7830 -- Interest Expense	17,402.00	17,402.00	0.00	100.00 %
Other Charges	17,402.00	17,402.00	0.00	100.00 %
Expenditures	20,902.00	20,362.00	540.00	97.42 %
Other Financing Sources & Uses				
Other Financing Sources				
5910 -- Oper Trf (In)-General Fund	456,000.00	455,362.00	-638.00	99.86 %
Other Financing Sources	456,000.00	455,362.00	-638.00	99.86 %
Other Financing Uses				
7910 -- Long Term Debt Princ Repayment	435,000.00	434,999.64	0.36	100.00 %
Other Financing Uses	435,000.00	434,999.64	0.36	100.00 %
Other Financing Sources & Uses	21,000.00	20,362.36	-637.64	96.96 %

Financial Status

As of: 4/30/2017 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 3651 -- Montecito Fire Pension Oblig

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	4/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	2.00	0.53	-1.47	26.50 %
Decrease to Restricted	2.00	0.53	-1.47	26.50 %
Changes to Fund Balances	2.00	0.53	-1.47	26.50 %
Montecito Fire Pension Oblig	98.00	9.62	-88.38	9.82 %

Financial Status

As of: 4/30/2017 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 3652 -- Montecito Fire Cap Outlay Res

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	4/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
Revenues				
Use of Money and Property				
3380 -- Interest Income	10,000.00	12,462.53	2,462.53	124.63 %
3381 -- Unrealized Gain/Loss Invstmnts	-6,346.00	-7,675.86	-1,329.86	120.96 %
Use of Money and Property	3,654.00	4,786.67	1,132.67	131.00 %
Revenues	3,654.00	4,786.67	1,132.67	131.00 %
Expenditures				
Capital Assets				
8300 -- Equipment	60,000.00	51.83	59,948.17	0.09 %
Capital Assets	60,000.00	51.83	59,948.17	0.09 %
Expenditures	60,000.00	51.83	59,948.17	0.09 %
Other Financing Sources & Uses				
Other Financing Sources				
5910 -- Oper Trf (In)-General Fund	352,000.00	0.00	-352,000.00	0.00 %
Other Financing Sources	352,000.00	0.00	-352,000.00	0.00 %
Other Financing Sources & Uses	352,000.00	0.00	-352,000.00	0.00 %
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	6,346.00	6,345.62	-0.38	99.99 %
Decrease to Restricted	6,346.00	6,345.62	-0.38	99.99 %
Changes to Fund Balances	6,346.00	6,345.62	-0.38	99.99 %
Montecito Fire Cap Outlay Res	302,000.00	11,080.46	-290,919.54	3.67 %

Financial Status

As of: 4/30/2017 (83% Elapsed)
Accounting Period: CLOSED

Selection Criteria: Fund = 3650-3653

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 3653 -- Montecito Fire Land & Building

Line Item Account	6/30/2017 Fiscal Year Adjusted Budget	4/30/2017 Year-To-Date Actual	6/30/2017 Fiscal Year Variance	6/30/2017 Fiscal Year Pct of Budget
Revenues				
Use of Money and Property				
3380 -- Interest Income	15,000.00	23,893.58	8,893.58	159.29 %
3381 -- Unrealized Gain/Loss Invstmnts	-12,116.00	-14,661.86	-2,545.86	121.01 %
Use of Money and Property	2,884.00	9,231.72	6,347.72	320.10 %
Revenues	2,884.00	9,231.72	6,347.72	320.10 %
Expenditures				
Capital Assets				
8100 -- Land	200,000.00	7,122.26	192,877.74	3.56 %
Capital Assets	200,000.00	7,122.26	192,877.74	3.56 %
Expenditures	200,000.00	7,122.26	192,877.74	3.56 %
Other Financing Sources & Uses				
Other Financing Sources				
5910 -- Oper Trf (In)-General Fund	834,000.00	0.00	-834,000.00	0.00 %
Other Financing Sources	834,000.00	0.00	-834,000.00	0.00 %
Other Financing Sources & Uses	834,000.00	0.00	-834,000.00	0.00 %
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	12,116.00	12,114.35	-1.65	99.99 %
Decrease to Restricted	12,116.00	12,114.35	-1.65	99.99 %
Changes to Fund Balances	12,116.00	12,114.35	-1.65	99.99 %
Montecito Fire Land & Building	649,000.00	14,223.81	-634,776.19	2.19 %
Net Financial Impact	886,613.00	4,288,267.92	3,401,654.92	483.67 %

Financial Trend

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund; Columns = 3yr

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	4/30/2015 Year-To-Date Actual	4/30/2016 Year-To-Date Actual	4/30/2017 Year-To-Date Actual
Revenues			
Taxes			
3010 -- Property Tax-Current Secured	13,489,083.39	14,140,388.91	14,816,749.47
3011 -- Property Tax-Unitary	-305.66	-353.49	-373.20
3015 -- PT PY Corr/Escapes Secured	0.00	-486.36	0.00
3020 -- Property Tax-Current Unsecd	631,309.28	656,931.35	649,991.63
3040 -- Property Tax-Prior Secured	-102.20	119.31	21,864.61
3050 -- Property Tax-Prior Unsecured	0.00	56.05	0.00
3054 -- Supplemental Pty Tax-Current	16,261.83	90,001.67	0.00
3056 -- Supplemental Pty Tax-Prior	-2,580.20	1,207.57	0.00
Taxes	14,133,666.44	14,887,865.01	15,488,232.51
Use of Money and Property			
3380 -- Interest Income	8,514.38	11,775.29	19,082.89
3381 -- Unrealized Gain/Loss Invstmnts	5,045.33	4,866.48	-20,518.80
3409 -- Other Rental of Bldgs and Land	37,896.93	34,840.00	39,195.00
Use of Money and Property	51,456.64	51,481.77	37,759.09
Intergovernmental Revenue-State			
3750 -- State-Emergency Assistance	473,885.38	411,114.45	458,072.32
4220 -- Homeowners Property Tax Relief	71,711.29	70,528.17	70,221.05
Intergovernmental Revenue-State	545,596.67	481,642.62	528,293.37
Intergovernmental Revenue-Federal			
4476 -- Federal Emergency Assistance	57,365.80	891,451.98	559,221.08
Intergovernmental Revenue-Federal	57,365.80	891,451.98	559,221.08
Charges for Services			
5105 -- Reimb for District Services	135,411.26	113,233.17	114,462.73
Charges for Services	135,411.26	113,233.17	114,462.73

Financial Trend

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund; Columns = 3yr

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	4/30/2015 Year-To-Date Actual	4/30/2016 Year-To-Date Actual	4/30/2017 Year-To-Date Actual
Miscellaneous Revenue			
5895 -- Other-Donations	0.00	0.00	100,000.00
5909 -- Other Miscellaneous Revenue	29,463.96	2,993.04	6,562.53
Miscellaneous Revenue	29,463.96	2,993.04	106,562.53
Revenues	14,952,960.77	16,428,667.59	16,834,531.31
Expenditures			
Salaries and Employee Benefits			
6100 -- Regular Salaries	5,058,833.84	5,596,941.38	5,532,317.27
6300 -- Overtime	1,119,024.92	51,807.34	116,780.38
6301 -- Overtime - Reimbursable	0.00	691,154.43	812,886.31
6310 -- Overtime - Constant Staffing	0.00	507,847.72	409,537.03
6400 -- Retirement Contribution	1,420,906.51	1,801,727.38	1,836,618.85
6475 -- Retiree Medical OPEB	1,073,424.00	2,470,434.00	0.00
6550 -- FICA/Medicare	83,024.67	92,831.16	95,150.97
6600 -- Health Insurance Contrib	1,165,634.22	1,273,158.05	1,494,626.14
6700 -- Unemployment Ins Contribution	8,310.71	8,245.60	6,082.26
6900 -- Workers Compensation	549,639.95	432,983.89	474,148.78
Salaries and Employee Benefits	10,478,798.82	12,927,130.95	10,778,147.99
Services and Supplies			
7030 -- Clothing and Personal	11,976.04	6,902.47	96,159.39
7050 -- Communications	75,472.76	66,718.98	64,347.00
7060 -- Food	2,083.34	365.13	1,904.71
7070 -- Household Supplies	17,893.63	19,567.45	30,401.31
7090 -- Insurance	30,051.15	27,333.00	25,661.93
7120 -- Equipment Maintenance	29,097.17	18,678.44	22,895.17
7200 -- Structure & Ground Maintenance	34,953.01	29,889.58	38,444.03

Financial Trend

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund; Columns = 3yr

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	4/30/2015 Year-To-Date Actual	4/30/2016 Year-To-Date Actual	4/30/2017 Year-To-Date Actual
7205 -- Fire Defense Zone	26,095.29	79,702.74	131,449.89
7322 -- Consulting & Mgmt Fees	2,345.61	2,228.40	2,396.70
7324 -- Audit and Accounting Fees	22,657.00	22,145.00	21,276.00
7348 -- Instruments & Equip. < \$5000	6,100.10	42,765.58	35,160.80
7363 -- Equipment Maintenance	31,761.01	52,478.33	64,917.32
7400 -- Medical, Dental and Lab	16,178.64	34,899.65	40,503.20
7430 -- Memberships	8,728.00	8,176.50	11,731.00
7450 -- Office Expense	25,785.00	14,093.52	18,458.49
7460 -- Professional & Special Service	226,315.94	202,103.22	190,680.63
7506 -- Administrative Expense (SBC)	0.00	0.00	0.00
7507 -- ADP Payroll Fees	5,222.38	5,625.35	5,553.51
7510 -- Contractual Services	30,769.27	28,658.53	34,752.08
7530 -- Publications & Legal Notices	1,272.96	2,373.88	5,174.46
7546 -- Administrative Expense	140,370.00	201,070.00	238,346.00
7580 -- Rents/Leases-Structure	3,706.10	2,743.02	3,716.88
7630 -- Small Tools & Instruments	4,894.12	7,826.32	13,124.34
7650 -- Special Departmental Expense	69,453.61	32,231.98	17,211.17
7671 -- Special Projects	7,952.51	5,182.94	5,978.54
7730 -- Transportation and Travel	10,281.80	16,610.21	14,954.28
7731 -- Gasoline-Oil-Fuel	35,556.81	37,458.48	29,410.29
7732 -- Training	46,450.71	61,202.39	41,312.25
7760 -- Utilities	37,579.62	33,741.16	38,325.99
Services and Supplies	961,003.58	1,062,772.25	1,244,247.36
Other Charges			
7860 -- Contrib To Other Agencies	0.00	25,000.00	0.00
Other Charges	0.00	25,000.00	0.00

Financial Trend

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund; Columns = 3yr

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	4/30/2015 Year-To-Date Actual	4/30/2016 Year-To-Date Actual	4/30/2017 Year-To-Date Actual
Capital Assets			
8300 -- Equipment	66,126.46	10,400.21	111,592.14
			16
Capital Assets	66,126.46	10,400.21	111,592.14
Expenditures	11,505,928.86	14,025,303.41	12,133,987.49
Other Financing Sources & Uses			
Other Financing Sources			
5910 -- Oper Trf (In)-General Fund	0.00	2,459,473.00	0.00
5919 -- Sale Capital Assets-Prsnl Prop	0.00	32,214.00	0.00
Other Financing Sources	0.00	2,491,687.00	0.00
Other Financing Uses			
7901 -- Oper Trf (Out)	769,113.00	795,530.00	455,362.00
Other Financing Uses	769,113.00	795,530.00	455,362.00
Other Financing Sources & Uses	-769,113.00	1,696,157.00	-455,362.00
Changes to Fund Balances			
Decrease to Nonspendables			
9605 -- Prepaids/Deposits	0.00	0.00	0.00
Decrease to Nonspendables	0.00	0.00	0.00
Decrease to Restricted			
9797 -- Unrealized Gains	0.00	2,865.52	17,772.21
Decrease to Restricted	0.00	2,865.52	17,772.21
Increase to Nonspendables			
9605 -- Prepaids/Deposits	3,258.00	0.00	0.00
Increase to Nonspendables	3,258.00	0.00	0.00

Financial Trend

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund; Columns = 3yr

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	4/30/2015 Year-To-Date Actual	4/30/2016 Year-To-Date Actual	4/30/2017 Year-To-Date Actual
Increase to Restricted			
9797 -- Unrealized Gains	2,978.21	7,732.00	0.00
Increase to Restricted	2,978.21	7,732.00	0.00
Changes to Fund Balances	-6,236.21	-4,866.48	17,772.21
Montecito Fire Protection Dist	2,671,682.70	4,094,654.70	4,262,954.03
Net Financial Impact	2,671,682.70	4,094,654.70	4,262,954.03

Expenditure Trend

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund; Columns = 6mo, MTDActual

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	11/30/2016 Month-To-Date Actual	12/31/2016 Month-To-Date Actual	1/31/2017 Month-To-Date Actual	2/28/2017 Month-To-Date Actual	3/31/2017 Month-To-Date Actual	4/30/2017 Month-To-Date Actual
Expenditures						
Salaries and Employee Benefits						
6100 -- Regular Salaries	555,241.42	538,079.08	661,397.73	576,777.99	811,685.22	335,307.78
6300 -- Overtime	11,474.66	7,435.58	16,690.71	21,697.31	19,393.67	26,196.91
6301 -- Overtime - Reimbursable	55,107.23	0.00	0.00	0.00	0.00	0.00
6310 -- Overtime - Constant Staffing	40,959.31	51,279.13	23,830.58	29,462.34	5,313.30	90,652.34
6400 -- Retirement Contribution	118,710.10	120,783.89	146,201.57	120,037.43	181,560.62	61,172.12
6550 -- FICA/Medicare	9,295.30	8,235.88	9,358.54	8,327.22	131,774.71	-114,287.24
6600 -- Health Insurance Contrib	141,589.70	136,215.45	142,554.11	141,108.84	143,557.84	143,239.83
6700 -- Unemployment Ins Contribution	21.24	33.56	5,002.26	620.93	110.07	0.56
6900 -- Workers Compensation	0.00	-7,723.03	-11,183.74	-4,463.44	-12,856.43	0.00
Total Salaries and Employee Benefits	932,398.96	854,339.54	993,851.76	893,568.62	1,280,539.00	542,282.30
Services and Supplies						
7030 -- Clothing and Personal	1,926.10	1,147.02	0.00	711.62	38,151.81	15,871.30
7050 -- Communications	7,466.16	7,445.40	7,195.03	5,845.86	6,484.91	6,271.13
7060 -- Food	211.94	134.85	0.00	681.70	186.32	747.62
7070 -- Household Supplies	1,853.49	4,517.91	2,152.01	635.93	4,741.48	7,805.23
7090 -- Insurance	0.00	0.00	0.00	0.00	0.00	0.00
7120 -- Equipment Maintenance	380.85	3,904.45	7,378.11	517.00	6,319.55	693.00
7200 -- Structure & Ground Maintenance	3,541.51	5,819.54	1,569.00	8,969.00	4,452.32	7,901.25
7205 -- Fire Defense Zone	1,000.00	28,400.00	14,668.19	19,927.48	16,070.21	39,281.96
7322 -- Consulting & Mgmt Fees	1,065.20	0.00	532.60	0.00	0.00	798.90
7324 -- Audit and Accounting Fees	0.00	0.00	11,073.75	0.00	0.00	3,400.75
7348 -- Instruments & Equip. < \$5000	640.46	11,953.43	1,065.60	5,296.44	14,200.55	110.15
7363 -- Equipment Maintenance	20,220.19	-3,268.04	5,531.46	2,902.82	4,060.57	15,447.02
7400 -- Medical, Dental and Lab	3,704.74	5,631.59	1,345.15	0.00	556.28	879.89
7430 -- Memberships	105.00	6,910.00	257.00	1,195.00	779.00	-100.00
7450 -- Office Expense	578.93	2,275.65	1,606.88	2,638.61	2,755.34	1,522.63

Expenditure Trend

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund; Columns = 6mo, MTDActual

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	11/30/2016 Month-To-Date Actual	12/31/2016 Month-To-Date Actual	1/31/2017 Month-To-Date Actual	2/28/2017 Month-To-Date Actual	3/31/2017 Month-To-Date Actual	4/30/2017 Month-To-Date Actual
7460 -- Professional & Special Service	4,757.50	21,860.00	8,613.50	19,226.63	26,485.00	47,072.75
7507 -- ADP Payroll Fees	485.94	544.52	490.23	266.25	1,238.90	473.51
7510 -- Contractual Services	318.94	4,786.43	1,734.90	156.64	18.94	2,583.93
7530 -- Publications & Legal Notices	0.00	1,465.00	0.00	70.40	0.00	687.50
7546 -- Administrative Expense	0.00	0.00	0.00	0.00	0.00	238,346.00
7580 -- Rents/Leases-Structure	919.92	0.00	0.00	938.52	0.00	938.52
7630 -- Small Tools & Instruments	-69.25	734.40	649.00	0.00	422.63	1,513.38
7650 -- Special Departmental Expense	840.00	210.23	-117.25	114.10	2,432.60	1,211.40
7671 -- Special Projects	2,133.01	0.00	140.84	0.00	0.00	0.00
7730 -- Transportation and Travel	2,373.31	1,402.52	1,217.80	1,517.54	3,545.33	524.32
7731 -- Gasoline-Oil-Fuel	-2,099.94	3,905.47	4,583.04	2,418.46	5,048.92	4,605.26
7732 -- Training	922.57	5,172.68	4,855.87	7,088.25	5,380.20	5,668.94
7760 -- Utilities	8,185.89	2,539.63	8,176.79	896.51	4,185.78	2,506.15
Total Services and Supplies	61,462.46	117,492.68	84,719.50	82,014.76	147,516.64	406,762.49
Capital Assets						
8300 -- Equipment	0.00	0.00	22,650.00	23,149.36	5,548.96	17,608.57
Total Capital Assets	0.00	0.00	22,650.00	23,149.36	5,548.96	17,608.57
Total Expenditures	993,861.42	971,832.22	1,101,221.26	998,732.74	1,433,604.60	966,653.36
Other Financing Sources & Uses						
Other Financing Uses						
7901 -- Oper Trf (Out)	0.00	49,294.00	0.00	0.00	0.00	0.00
Total Other Financing Uses	0.00	49,294.00	0.00	0.00	0.00	0.00
Total Other Financing Sources & Uses	0.00	49,294.00	0.00	0.00	0.00	0.00
Total Montecito Fire Protection Dist	993,861.42	1,021,126.22	1,101,221.26	998,732.74	1,433,604.60	966,653.36
Total Report	993,861.42	1,021,126.22	1,101,221.26	998,732.74	1,433,604.60	966,653.36

Expenditure Trend

As of: 4/30/2017
Accounting Period: CLOSED

Selection Criteria: Fund = 3650

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund; Columns = 6mo, MTDActual

Fund 3650 -- Montecito Fire Protection Dist

Line Item Account	11/30/2016 Month-To-Date Actual	12/31/2016 Month-To-Date Actual	1/31/2017 Month-To-Date Actual	2/28/2017 Month-To-Date Actual	3/31/2017 Month-To-Date Actual	4/30/2017 Month-To-Date Actual

**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		
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		
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
					\$ 1,635,012.23		\$ 1,348,367.41



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	

Total Current Fees & Costs	\$1,221.00
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- 94.50

SUMMARY OF CURRENT BILLING

\$ 1,126.50 Fund 3450

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

Total Current Fees & Costs	\$1,221.00
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SUMMARY OF PAST DUE BALANCES

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



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

RE: General Matters	\$4,221.00
Our File Number: 12611-00000	
RE: Ordinances	\$100.00
Our File Number: 12611-00022	
RE: Board Mtgs	\$1,512.00
Our File Number: 12611-00061	

Total Current Fees & Costs	\$5,833.00
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* * * * *

SUMMARY OF CURRENT BILLING

Current Fees	\$5,833.00
Current Disbursements	\$0.00
 Total Current Fees & Costs	 \$5,833.00

SUMMARY OF PAST DUE BALANCES

Previous Balance	\$1,126.50
Payments - Thank You	\$1,126.50
TOTAL PAST DUE	\$0.00
TOTAL BALANCE DUE	\$5,833.00

Agenda Item #9

COUNTY OF SANTA BARBARA

THEODORE FALLATI, CPA
Auditor-Controller

Betsy Schaffer, CPA
Assistant Auditor-Controller



County Administration Building
105 E. Anapamu Street, Rm. 303
Santa Barbara, CA 93101
(805) 568-2100

Auditor@co.santa-barbara.ca.us

Mailing Address:
P.O. Box 39
Santa Barbara, CA 93102-0039
Fax: (805) 568-2016

OFFICE OF THE AUDITOR-CONTROLLER

December 2, 2016

Subject: 2016-17 Property Tax Administrative Fees

California Revenue and Taxation Code Section 95.3 authorizes the County Auditor to annually determine property tax administration costs proportionately attributable to cities and special districts, and to charge each entity its proportionate share of costs as Property Tax Administration Fees. The Auditor is directed to withhold property taxes from each entity as payment of the fee.

A recent development that impacts the property tax administration costs is the replacement of computer systems used by the County Assessor, Treasurer, and Auditor-Controller offices to administer property taxes. Effective August 2, 2014, Phase I of the new property tax system was completed. The Phase I project costs totaled \$6.5 million and are being amortized (spread) over 5 years in accordance with generally accepted accounting principles. Each year's amortization will roughly total \$1.3 million and will be part of that respective year's property tax administration cost. Phase II of the new system is currently underway and as of June 30, 2016, these costs totaled \$2.2 million. When Phase II is completed, the total Phase II project costs will also be amortized over 5 years and included in each respective year's property tax administration cost.

Enclosed please find the calculations for the fiscal year 2016-17 Property Tax Administrative Fees which are based on fiscal year 2015-16 costs. The calculation is prepared in accordance with the guidelines issued by the California Accounting Standards and Procedures Committee that represents county auditors.

If you have any questions regarding this letter or the calculations, please contact Kyle Slattery in the County Auditor-Controller's Office at (805) 568-2134 or via email at kslattery@co.santa-barbara.ca.us

Sincerely,

Theodore A. Fallati

Theodore A. Fallati, CPA, CPFO
Auditor-Controller



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Auditor-Controller
Department No.: 061
For Agenda Of: 12/13/2016
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Theodore Fallati, CPA 568-2100
Director(s)
Contact Info: Kyle Slattery, CPA 568-2134

SUBJECT: Property Tax Administration Cost Recovery for 2016-17 (SB2557)

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

- a) Receive and file report prepared by the Santa Barbara County Auditor-Controller determining recoverable fiscal year (FY) 2016-17 Property Tax Administrative Costs (Exhibits I and II).
- b) Adopt the Resolution to recover property tax administrative costs pursuant to California Revenue and Taxation Code section 95.3.
- c) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA) pursuant to section 15378(b)(4) of the CEQA Guidelines, because they consist of government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text: The County is allowed to recover a portion of its costs attributable to assessing, collecting and allocating property tax revenues from cities, special districts and redevelopment agencies proportionate to the tax revenues received by these entities. School districts and the Education Revenue Augmentation Fund (ERAF) are exempt from paying their proportionate share of these costs. For FY 2016-17 the recoverable property tax administrative costs are \$2,893,400 which is approximately 22% of the total net costs as 58% is exempted for schools/ERAF, the County General Fund is not charged for its share of the costs (18%), and special districts are afforded a direct offset for other property tax fees charged (2%).

Page 2 of 3

Background:

Revenue and Taxation Code section 95.3 establishes the method and authorizes the County Auditor to annually determine property tax administrative costs proportionately attributable to cities and special districts and to recover from each such entity its proportionate share of costs by withholding the same from each entity's property tax distribution. Senate Bill 2557 established the methodology in 1990; however, several modifications to the methodology have been approved by the legislature in the years since.

- In FY 2004-05, the Sales Tax “flip” and the Vehicle License Fee “swap” were initiated by the State of California. The “flip” and “swap” reapportioned property tax revenues away from the educational revenue augmentation funds (ERAF) and to counties and cities. In August 2008, forty-seven cities in Los Angeles County brought a lawsuit against the County of Los Angeles regarding the calculation of the recoverable property tax administrative costs. The legal issue in dispute was whether counties can include “flip” and “swap” revenues in the calculation of administrative costs that counties recover from cities. In FY 2012-13, the Supreme Court of California issued an opinion in favor of the cities. Since FY 2012-13, the recoverable property tax administrative cost calculation has omitted the “flip” and “swap” revenues accordingly.
- The dissolution of the redevelopment agencies (RDAs), in Fiscal Year 2011-12, also impacted the recovery of property tax administrative costs. Per dissolution legislation, property tax administrative costs associated with the revenues (formally known as tax increment) flowing through the dissolution process continue to be recoverable per H&S 34183(a). Per the legislation, recoverable property tax administrative costs are identified for the revenues (former tax increment) flowing to the Redevelopment Property Tax Trust Fund (RPTTF) associated with each former RDA; however, the amounts are paid from the associated RPTTF, rather than withheld from RDA Successor Agency property tax distributions. The amount of recoverable property tax administrative costs associated with these revenues in FY 2016-17 is \$791,643.
- Another development that impacts the property tax administration costs is the replacement of computer systems used by the Assessor, Treasurer, and Auditor-Controller's offices. Effective August 2, 2014 the new property tax system became operational. The Phase I project costs totaled \$6.5 million; these accumulated costs will be amortized (spread) over 5 years in accordance with generally accepted accounting principles. Each year's amortization will roughly total \$1.3 million and it will be part of that respective year's property tax administration cost. Phase II of the project is currently underway and as of 6/30/2016, these costs total \$2.2 million.

Performance Measure:

The recommendation is primarily aligned with actions required by law or by routine business necessity.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

The costs of property tax administration and the allocation of administrative costs to the various taxing entities, including revenue adjustments, are shown in Exhibits I and II. The calculation is prepared in accordance with the guidelines issued by the California State Association of Auditors Accounting Standards and Procedures Committee, which represents county auditors.

Exhibit I (attached) shows the current and prior year administrative costs. The FY 16-17 administrative costs related to the collection of property taxes are \$12,988,110, a net increase of \$1,761,570 over the FY 15-16 costs of \$11,226,540. Amortization costs of \$1,260,025 for the new property tax system are included in the net increase of \$1,761,570. Due to the increase in administrative costs, the recoverable portion of the costs increased \$449,243 over the prior year.

Exhibit II (attached) is summarized below. For FY 16-17, the recoverable property tax administrative costs are \$2,893,400. Schools and the ERAF are exempted from paying \$7,536,406 of the costs and the County General Fund is not charged its share of the costs (\$2,319,086) to avoid the pyramiding of revenues and expenditures in the County's books and accounts. Rather, operations for all departments that perform administrative functions are funded from the County's General Fund.

<u>Entity</u>	<u>Administrative Cost</u>	<u>Not Recoverable</u>	<u>Direct Credit (1/4 of 1%)</u>	<u>Recoverable (SB 2557)</u>
County of SB	\$ 2,319,086	\$ (2,319,086)	\$ -	\$ -
Cities	678,852	-	-	678,852
Dependent Special Districts	1,045,837	-	(150,627)	895,210
Independent Special Districts	616,286	-	(88,591)	527,695
School Districts	5,916,577	(5,916,577)	-	-
ERAF	1,619,829	(1,619,829)	-	-
Redevelopment Property Tax Trust Funds	791,643	-	-	791,643
Total 16-17	<u>12,988,110</u>	<u>(9,855,492)</u>	<u>(239,218)</u>	<u>2,893,400</u>
Total 15-16	11,226,540	(8,553,056)	(229,327)	2,444,157
Change	<u>\$ 1,761,570</u>	<u>\$ (1,302,436)</u>	<u>\$ (9,891)</u>	<u>\$ 449,243</u>

Attachments:

- Exhibit I – Departmental Costs for Fiscal Year 2015-16
- Exhibit II – SB 2557 Property Tax Administrative Recoverable Costs for Fiscal Year 2016-17
- Resolution

Authored by:

Wyeth Jorgensen (568-2144)

cc:

Anne Rierson, County Counsel