

NORTH COUNTY FIRE PROTECTION DISTRICT

www.ncfireprotectiondistrict.org

330 S. Main Avenue

• Fallbrook, California 92028-2938

• Phone: (760) 723-2005

• Fax: (760) 723-2072

BOARD OF DIRECTORS

RUTH HARRIS
BOB HOFFMAN
FRED LUEVANO
KENNETH E. MUNSON
KATHLEEN THUNER

STEPHEN J. ABBOTT- Fire Chief/CEO - sabbott@ncfire.org
ROBERT H. JAMES - District Counsel Robert James - roberthjameslaw@gmail.com
LOREN A. STEPHEN-PORTER - Executive Assistant/Board Secretary - lstephen@ncfire.org

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
SUBJECT: BOARD MEETING PACKAGE
DATE: JANUARY 23, 2018

Enclosed is your Board package for the Regular January Board Meeting. We have tried to include the information you will need to effectively consider and act on agenda items. The Board meeting will be held at the normal meeting venue at **FALLBROOK PUBLIC UTILITY DISTRICT, 990 EAST MISSION ROAD, FALLBROOK, CALIFORNIA.**

Please note this month's meeting is scheduled for Tuesday, January 23, 2018, beginning at 5:00 p.m.

It is our goal to be prepared to respond accurately to Board questions and concerns. You can help us achieve this goal by contacting me prior to the Board meeting with your questions and concerns. This will allow time for the Staff and me to provide the appropriate information for review at the Board meeting.

To ensure a quorum is present, please call Loren in advance of the meeting if you will be unable to attend. She may be reached at (760) 723-2012.

Respectfully,



Stephen Abbott
Fire Chief/CEO



PROUDLY SERVING THE COMMUNITIES OF FALLBROOK,
BONSALL AND RAINBOW



NORTH COUNTY FIRE PROTECTION DISTRICT

AGENDA FOR REGULAR BOARD MEETING

JANUARY 23, 2018

5:00 p.m.

CALL TO ORDER
ROLL CALL
INVOCATION
PLEDGE OF ALLEGIANCE

FALLBROOK PUBLIC UTILITY DISTRICT
990 EAST MISSION ROAD
FALLBROOK CALIFORNIA

PUBLIC ACTIVITIES AGENDA

For those joining us for the Public Activities Agenda, please feel free to depart at the close of the agenda. We invite you to stay for the remainder of the business meeting.

1. **PUBLIC COMMENT — PRESIDENT MUNSON** (pgs. 1-2)
➤ **STANDING ITEM:** Members of the Public may directly address the Board of Directors on items of interest to the Public provided no action will be taken on non-agenda items. The Board President may limit comments to three minutes per speaker (Board of Directors Operations Policy § 4.7.2.1.2.).
2. **FOURTH QUARTER 2017 AWARDS FOR BOARD RECOGNITION PROGRAM — CHIEF ABBOTT AND B/S STEPHEN-PORTER** (pgs.3-10)
➤ **QUARTERLY ITEM:** Select employees to be acknowledged for their efforts in the Fourth Quarter 2017.

ACTION AGENDA

CONSENT ITEMS:

All items listed under the Consent Items are considered routine and will be enacted in one motion. There will be no separate discussion of these items prior to the Board action on the motion, unless members of the Board, Staff or public request specific items be removed from the Consent Agenda.

3. **APPROVE REGULAR BOARD MEETING MINUTES, DECEMBER 2017** (pgs. 11-20)
➤ **STANDING ITEM:** Review and approve minutes from December meeting as presented.
4. **REVIEW AND ACCEPT FINANCIAL REPORT FOR DECEMBER 2017** (pgs. 21-42)
➤ **STANDING ITEM:** Review and Accept Financial Report for December as presented.
5. **REVIEW AND ACCEPT POLICIES & PROCEDURES** (pgs. 43-60)
STANDING ITEM: Review and approve the following:
 - 5.1. **Budget and Fund Management: Reserve Fund Balance Reporting:** New policy to address how Reserves are managed and maintained.
 - 5.2. **Budget and Fund Management: Single Role EMS Personnel Compensation:** Modification to recently approved policy. Clarifies guidelines for overtime and hours.
 - 5.3. **Job Descriptions: Fire Service Assistant:** Revised Hydrant Assistant job description to include other fire prevention duties.
6. **REVIEW AND ACCEPT 2ND QUARTER OVERTIME TRACKING REPORT** (pgs. 61-64)
➤ **QUARTERLY REPORT:** Review and accept report that indicates a slight increase in annual and sick leave, current overtime expenditures at 181% expended with outstanding reimbursements with mutual aid of \$204,211., which reduces the overtime expenses to 151%. With other reimbursements for Lilac Fire and Strike Team, overtime expenditures would be reduced to 56% of budget.
7. **REVIEW AND ACCEPT ANNUAL FIRE PREVENTION REPORT** (pgs. 65-70)
➤ **Annual Report:** Report shows increase of 382 Plan Reviews with revenue increase of 171%, 13,000 Weed Abatement notices mailed, and Mitigation Fees increased by 79%.

Note: The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, District business. If you need assistance to participate in this meeting, please contact the District Office 72 hours prior to the meeting at (760) 723-2012.



AGENDA FOR REGULAR BOARD MEETING

JANUARY 23, 2018

PAGE 2 OF 3

ACTION ITEMS:

All items listed under the Action Items Agenda will be presented and discussed prior to the Board taking action on any matter. Time Certain Items will commence precisely at the time announced in the Agenda.

8. **REVIEW AND ACCEPT FINANCIAL AUDIT FOR FY 2016/2017 — CHIEF MAROVICH AND CHIEF ABBOTT** (pgs. 71-140)
 - **ANNUAL ITEM:** Review and accept audit, auditor will be present to give an overview of the audit.
9. **AUTHORIZE EXTENSION OF CONTRACT FOR MEDICAL STANDBYS WITHIN DISTRICT EOA AND APPROVE RESOLUTION 2018-01 — B/C MAHR AND CHIEF ABBOTT** (pgs. 141-156)
 - **RECURRING ITEM:** Review and approve final extension of contract authorized by Resolution 2018-01 and authorize Chief Abbott to sign agreement, which permits Mercy Medical Transport to continue to provide limited medical standby for San Luis Rey Down Training Center, located within the District's Exclusive Operating Area. Agreement has been reviewed by District Counsel.
10. **REVIEW AND APPROVE ESTABLISHMENT OF COUNTY FUND AND RESOLUTION 2018-02 FOR WEED ABATEMENT TAX LIENS — FM KOCH AND CHIEF ABBOTT** (pgs. 157-160)
 - **NEW ITEM:** Review and Resolution 2018-02, which allows District to establish a fund with County to receive monies from tax liens for reimbursement from forced abatements.
11. **SET PUBLIC HEARING DATE/TIME CERTAIN MARCH 27, 2018 (5:15 P.M.) — FOR ADOPTION OF UPDATED FIRE PREVENTION FEES AND ORDINANCE — FIRE MARSHAL KOCH AND CHIEF ABBOTT** (pgs. 161-162)
 - **Recurring Action:** Recommendation to set public hearing date and time certain on March 27, 2018 for hearing as outlined.
12. **REQUEST TO MODIFY AND RENEW GENERAL COUNSEL AGREEMENT — CHIEF ABBOTT** (pgs. 163-166)
 - **New Item:** Request to modify and renew current General Counsel agreement, increasing monthly stipend/hourly rate.
13. **REVIEW AND APPROVE REQUEST BY CONTRACT SAFER EMPLOYEES TO COMPETE FOR FUTURE FIREFIGHTER/PARAMEDIC VACANCIES — CHIEF ABBOTT** (pgs. 167-170)
 - **New Item:** Request to permit SAFER employees to compete for future positions in which they have successfully performed in their current positions as Firefighter/Paramedics.

DISCUSSION AGENDA

No action shall be undertaken on any Discussion item. The Board may: acknowledge receipt of the information or report and make comments; refer the matter to Staff for further study or report; or refer the matter to a future agenda.

14. There are no Discussion Agenda Items for the January 23, 2018 meeting. (pgs. 171-172)

STANDING DISCUSSION ITEMS: All items listed under the Standing Discussion Items are presented every meeting.

- **LEGAL COUNSEL REPORT:** (pgs. 173-174)
 - "The Rule Against Gifts of Public Funds – Part 1"
- **WRITTEN COMMUNICATION:** (pgs. 175-239)
 - BOARD RECOGNITION PROGRAM
- **NEWS ARTICLES:** As attached. (pgs. 240-297)



AGENDA FOR REGULAR BOARD MEETING

JANUARY 23, 2018

PAGE 3 OF 3

● COMMENTS/QUESTIONS:

(pgs. 298-299)

● STAFF:

- Chief Abbott
- Other Staff

● BOARD

● BARGAINING GROUPS

● PUBLIC COMMENT

CLOSED SESSION

The Board will enter closed session to discuss items as outlined herein. As provided in the Government Code, the public will not be present during these discussions. At the end of the Closed Session, the Board shall publicly report any action taken in Closed Session (and the vote or abstention on that action of every member present) in accordance with Government Code § 54950 ET. seq.

CS-1. ANNOUNCEMENT — PRESIDENT MUNSON:

(pgs. 300-301)

- An announcement regarding the items to be discussed in Closed Session will be made prior to the commencement of Closed Session.

CS-2. EVALUATION OF PERFORMANCE — GOVERNMENT CODE § 54957

- FIRE CHIEF/CEO DISTRICT NEGOTIATOR:
DISTRICT COUNSEL JAMES

CS-3. REPORT FROM CLOSED SESSION — PRESIDENT MUNSON:

ADJOURNMENT

SCHEDULED MEETINGS

The next regularly scheduled Board meeting is: **Tuesday, February 27, 2018, 5:00 p.m. at FPUD.**

CERTIFICATION OF AGENDA POSTING

I certify that this Agenda was posted in accordance with the provisions of the Government Code § 54950 et. seq. The posting locations were: [1] the entrance of North County Fire Protection District Administrative Offices, [2] Fallbrook Public Utility District Administrative Offices and [3] the Roy Noon Meeting Hall. The Agenda was also available for review at the Office of the Board Secretary, located at located at 330 S. Main Avenue, Fallbrook (760) 723-2012. Materials related to an item on this Agenda submitted to the District after distribution of the agenda packet, are available for public inspection in the Office of the Board Secretary, located at 330 S. Main Avenue, Fallbrook (760) 723-2012, during normal business hours or may be found on the District website at <http://www.ncfireprotectiondistrict.org>, subject to the Staff's ability to post the documents before the meeting. The date of posting was **January 19, 2018.**

Board Secretary Loren Stephen-Porter:



Date: January 19, 2018



**NORTH COUNTY FIRE
PROTECTION DISTRICT
FIRE CHIEF/CEO**

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: JANUARY 23, 2018
SUBJECT: PUBLIC COMMENT

PUBLIC COMMENT:

1. *Members of the Public may directly address the Board of Directors on items of interest to the Public provided no action will be taken on non-agenda items. The Board President may limit comments to three minutes per speaker (Board of Directors Operations Policy § 4.7.2.1.2).*

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**NORTH COUNTY FIRE
PROTECTION DISTRICT
FIRE CHIEF/CEO**

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO AND B/S STEPHEN-PORTER
DATE: JANUARY 23, 2018
SUBJECT: EMPLOYEE RECOGNITION PROGRAM REPORT – SELECTION OF INDIVIDUALS

ACTION AGENDA

RECOMMENDATION:

Staff recommends the Board select individual(s) to be recognized for their efforts during the Fourth Quarter of 2017.

BACKGROUND:

In 2007, the Board instituted a Program designed to recognize excellent performance by members of the organization. On a quarterly basis, the Board selects employees to be recognized, based on feedback received during the quarter. The District has been fortunate to receive positive feedback on a number of employees' activities this past quarter, upon which they may make their selection from the individuals and groups below.

SECOND QUARTER RECOGNITION – INFORMATION RECEIVED ON INDIVIDUALS:

For the Fourth Quarter of 2017, the Board received information on the following individuals/crews for their outstanding efforts:

- **11-22-17 – THANK YOU LETTER FOR MEDICAL AID:**
E111:
Captain Choi
Engineer Russell
FF/PM Lewis
- **11-9-2017 – LETTER OF RECOGNITION:**
Captain Choi for completion of Captain's probationary period.
- **11-9-2017 – LETTER OF RECOGNITION:**
Captain Choi for leadership of Explorer Post 2740.
- **10-25-2017 – LETTER OF RECOGNITION:**
D/C Mahr and B/C Krumwiede for collaborative efforts in with Foundation for Senior Care.
- **10-21-17 THANK YOU FOR MEDICAL AID (01-03-2015):**
Captain McReynolds
Engineer Itzaina
FF/PM Quinn
FF/PM Alter-Reitz

- **10-05-2017 – THANK YOU NOTE FOR MEDICAL AID:**

E 112:

Captain Fieri
Engineer Itzaina
FF/PM Harlin

FISCAL ANALYSIS:

The previous quarter awards are within budgetary standards.

SUMMARY:

The Staff joins the Board in acknowledging the extraordinary efforts of these members and requests the Board select three individuals/groups/crews for recognition at the Regular August Board Meeting to stay within budgetary standards.

Dear Choi, Lewis & Russell - "1/22/17

I was extolling the virtues of the paramedics team that came to our aid ON 1/3 when my friend said " I didnt know the paramedics did ALL that" and her husband said " they don't. This is Fallbrook."

WE ARE SOO fortunate to HAVE SUCH CARING, COMPETENT AND DEDICATED EMT'S.

Thank you for all the follow up calls & thanks for INSISTING DUANE GO TO EMERGENCY.

Duane is in SCRIPPS Rehab. He'll be home TUESDAY, 1/28.

Your team is just ONE more reason why our decision to move to Fallbrook 25 years ago WAS the best move we could have made.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL - FORMS

ADMINISTRATION
ADMINISTRATIVE FORMS

SECTION 290.161
SEPTEMBER 9, 2015
PAGE 1 OF 1

LETTER OF RECOGNITION

To: Captain John Choi
From: Fred Schoenheit
Date: November 9, 2017
Re: Outstanding Performance on Final Probationary Performance Review

John Choi,

This Letter of Recognition documents your actions on: November 9, 2017

The actions being recognized are:

This letter is to recognize Captain John Choi's excellent performance in his final Captains probationary performance evaluation in the categories of attendance, attitude, cooperation, physical fitness, public relations and training. John has learned much during his probationary year as Captain and goes the extra mile for his crew and the public alike. Job well done.

Our Mission is to enhance the quality of life in our community by meeting our community's expectations through excellence in public safety and service. Your actions on the above date are a true example of our Mission.

I understand this document will be held in my personnel file for one year.

JOHN CHOI

Employee Name

Employee Name

[Signature]

Employee Signature

11/10/17

Date

[Signature]

Author's Signature

[Signature]

Supervisor's Signature

11-20-17

Date

[Signature]

Fire Chief/CEO's Signature

11-21-17

Date



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL - FORMS

ADMINISTRATION
ADMINISTRATIVE FORMS

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SEPTEMBER 9, 2015
PAGE 1 OF 1

LETTER OF RECOGNITION

To: Chief Abbott
From: B/C McReynolds
Date: October 25, 2017
Re: John Choi Explorer Advisor

John Choi,

This Letter of Recognition documents your actions on: October 1, 2017

The actions being recognized are:

Extrodinary leadership as the lead advisor of North County Fire Protection District Post 2740 from 2014-2017. A few of John's many accomplishments during his tenure is being directly responsible for organizing the North Zone Fire Explorer Academy, Countless hours of commitment managing the program, and raising the post to a San Diego/Imperial County gold standard post.

Our Mission is to enhance the quality of life in our community by meeting our community's expectations through excellence in public safety and service. Your actions on the above date are a true example of our Mission.

I understand this document will be held in my personnel file for one year.

John Choi
Employee Name


Employee Signature

October 27, 2017
Date


Author's Signature


Supervisor's Signature

10/27/17
Date


Fire Chief/CEO's Signature

10-27-17
Date



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL - FORMS

ADMINISTRATION
ADMINISTRATIVE FORMS

SECTION 290.161
SEPTEMBER 9, 2015
PAGE 1 OF 1

LETTER OF RECOGNITION

To: D/C Kevin Mahr, B/C Barry Krumwiede
From: Stephen Abbott, CEO/Fire Chief
Date: October 25, 2017
Re: Notice of Outstanding Work Performance

Chiefs Mahr and Krumwiede,

This Letter of Recognition documents your actions on: October 11, 2017

The actions being recognized are:

For your many years of collaborative team efforts in orchestrating fall prevention and related health services referral efforts with the Foundation for Senior Care and the Fallbrook Regional Health District. Your efforts have earned the respect of the regional healthcare community as manifest by the resolution received by the District from 5th District Supervisor Bill Horn. In so doing you are not only fulfilling the ageing in place initiative of Live Well San Diego, but expanding the role and relevance of NCFPD to the community at large. Efforts such as these exemplify the vision of the District, which is "to be a trusted and respected public safety leader, committed to ensuring the safest community possible through service, collaboration, and innovation."

Our Mission is to enhance the quality of life in our community by meeting our community's expectations through excellence in public safety and service. Your actions on the above date are a true example of our Mission.

I understand this document will be held in my personnel file for one year.

Kevin Mahr [Signature] 10-27-17
Employee Name Employee Signature Date

[Signature] [Signature] 10-25-17
Author's Signature Supervisor's Signature Date
Fire Chief/CEO's Signature Date

R. M. REYNOLDS
B. ITZAINA
M. QUINN
E. ALTER-REITZ

ON DUTY STATION 4 - JAN 3
2015



Dear Station #4, A-Crew 10/21/17

My name is

I got injured when I played
Rugby on 1/30/15.

I'm fully recovered now although
I still have some numbness on
the knee.

Thanks

I never had a chance to say
Thank you very much to you.

It's a long over due.
Thank you very much!

Best,

MEDIC ENGINE 1112 (NOT SURE NEW DESIGNATOR)

ANTHONY FRIERI

JOE HARLIN

BRENT ITZAINBA

Dear Chief Abbott,

10/5/17

Many thanks for sending the
3 paramedics Anthony, Joe, + Brent
to East Ridge on Tues, 10/3. We
had a good group who thoroughly
enjoyed the program. There were
some good questions as well. The
young men were prepared and
charming so we all enjoyed them.
Sincerely,

1 December 12, 2017

2 **REGULAR MEETING OF THE BOARD OF DIRECTORS OF**
3 **THE NORTH COUNTY FIRE PROTECTION DISTRICT**

4 President Munson called the meeting to order at 5:00 p.m.

5 **THE INVOCATION GIVEN BY Chaplian Helman**

6 **ALL RECITED THE PLEDGE OF ALLEGIANCE.**

7 **ROLL CALL:**

8 **Present:** Directors Harris, Hoffman, Luevano, Munson and Thuner.

9 **Absent:** None.

10 **Staff Present:** Fire Chief/CEO Abbott, Attorney James and Board Secretary Stephen-
11 Porter. In the audience were: Deputy Chief Marovich, D/C Mahr, B/Cs Krumwiede,
12 McReynolds and Wilson, FM Koch and members of the public and Association.

13
14 **PUBLIC ACTIVITIES AGENDA**

15 1. **PUBLIC COMMENT:** President Munson addressed the audience and inquired whether
16 there were any public comments regarding items not on the Agenda. Chief Abbott informed
17 the Board that due to the Lilac Fire, an Emergency Board meeting was required. Directors
18 Harris, Luevano and Munson attended the meeting. The purpose of the meeting was to
19 make a Declaration of a Local Emergency, which would allow the District to receive
20 appropriate funding from fighting the Lilac Fire. The approval of the action and minutes
21 Declaring a Local Emergency is therefore time sensitive and requires the Board act
22 expeditiously. On a motion by Vice President Thuner, which was seconded by Director
23 Hoffman, the Board unanimously found that the matter arose after the posting of the agenda.
24 On a motion by Vice President Thuner, which was seconded by Director Harris, the Board
25 unanimously found that the matter was time sensitive and agreed to place it on the Action
26 Agenda after Item 12. Thereafter, Chief Abbott brought forward Chief Marovich for
27 recognition for completion of the Executive Fire Officer Training Program. He noted that the
28 program is four years long and sponsored by the National Fire Academy, from which
29 approximately only fifty percent of applicants complete. His framed certification of

30 completion was presented and he was congratulated by the Board and Staff. In addition,
31 Chief Abbott recognized Nick Schuler and Jason Malrich from San Diego Cal Fire for their
32 heroic leadership on the recent Lilac Fire. He thanked the Board and the community for the
33 tremendous support the District received, especially Director Harris who lost her home in
34 the conflagration. Chiefs Schuler and Abbott agreed the departments have a great working
35 relationship and the response by cooperators and investigators was prompt. Discussion
36 ensued regarding the fire origin, injuries and damages. There being no further comments,
37 the Public Comment Section was closed.

38 2. PRESENTATION OF AWARDS FOR BOARD RECOGNITION PROGRAM — B/S STEPHEN-
39 PORTER AND CHIEF ABBOTT: At the October Board meeting, the Board selected the following
40 individual to be recognized for his extraordinary efforts: JULY 12, 2017 – WOW CUSTOMER
41 SERVICE: Engineer/AC Tom Harrington. Members noted that Engineer Harrington's actions
42 were exemplary of him and the carrying organization the District strives to be. Engineer
43 Harrington was presented with an award and congratulated by the Board and Staff.

44 **ACTION AGENDA**

45 **PRIORITY ACTION ITEMS:**

46 3. BOARD ELECTIONS OF OFFICERS FOR 2018 – CHIEF ABBOTT AND COUNSEL JAMES: Chief
47 Abbott informed those present that this is the time of the year the Board is to select officers
48 for the coming year. The new officers are to assume office at the end of the meeting.
49 President Munson turned the meeting over to District Counsel for the election of the officers.
50 District Counsel James called for nominations for President, with Director Thuner nominating
51 Director Munson, which was seconded by Director Hoffman. Director Munson accepted the
52 nomination. There no further nominations, Director Munson was elected to President for the
53 year 2018. District Counsel asked for nominations for the election for Vice President.
54 Director Hoffman nominated Director Luevano, which was seconded by Director Munson.
55 Director Luevano accepted the nomination. As there were no other nominations for Vice
56 President, Director Luevano was elected to Vice President for the year 2018.

57 **CONSENT ITEMS:**

- 59 4. REVIEW AND ACCEPT REGULAR BOARD MEETING FOR OCTOBER 2017
60 5. REVIEW AND ACCEPT FINANCIAL REPORT FOR OCTOBER 2017
61 6. REVIEW AND ACCEPT POLICIES & PROCEDURES

62 President Munson inquired whether there were any questions on Consent Items. There
63 being no discussion, President Munson asked for a motion to approve the Consent Agenda.
64 On a motion by Director Harris, seconded by Director Hoffman, the motion to approve the
65 Consent Agenda Items as presented, passed unanimously.

66 **ACTION ITEMS:**

67 7. APPROVE REVENUE MEASURE FEASIBILITY ANALYSIS AD HOC COMMITTEE FINDINGS &
68 RECOMMENDATIONS — CHIEF ABBOTT: Chief Abbott presented Dr. Manross from Strategy
69 Research Institute. Dr. Manross gave an overview of the study, noting several key issues:
70 the likelihood of success for a measure if placed on the ballot now; the awareness of the
71 voters in the District's service area; the awareness of the voters to the financial challenges
72 of the District; the confidence of the voters in the District's provision of services; and the
73 voters' willingness to support new taxes or fees. He also noted that the voters, if apprised
74 of the factors that would impact the level of fire protection and paramedic services in the
75 District, the District may be successful in a measure. He recommended the District wait to
76 propose the measure at this time, to design and launch a comprehensive, compelling public
77 outreach effort to inform the voters of the need for monies being sought, how they would be
78 spent and consequences for not being able to address the District's pressing fiscal
79 challenges. At the conclusion of the presentation, a lengthy discussion ensued. On a motion
80 by Director Hoffman, seconded by Director Luevano, the motion to postpone action on a
81 Revenue Measure at this time, with either a Board workshop or the Ad Hoc Committee to
82 make recommendations on how to proceed passed unanimously.

83 8. APPROVE REVISED MEETING SCHEDULE FOR NORTH COUNTY FIRE PROTECTION DISTRICT
84 BOARD MEETINGS FOR THE YEAR 2018 — CHIEF ABBOTT AND B/S STEPHEN-PORTER: Chief
85 Abbott presented the revised meeting schedule to the Board for approval. He noted since it
86 is an election year and at least one Director has stated they will not be running for office in
87 this election, an additional meeting will be required in December for Orientation and Ethics

88 training. A second Regular Board Meeting is already scheduled to handle regular business.
89 On a motion by Director Harris, seconded by Director Hoffman, the motion to approve the
90 revised meeting scheduled passed unanimously.

91 9. RESOLUTION TO AUTHORIZE FIRE CHIEF TO SEEK REIMBURSEMENT FOR DISASTER-
92 RELATED COSTS — CHIEF ABBOTT: Chief Abbott presented Resolution 2017-16 to receive
93 reimbursement through the California Disaster Assistant Act, which will allow the District to
94 recover a portion of its costs associated with response for approved disasters, such as the
95 January 2017 floods. The Resolution will allow recovery on like disasters for the next three
96 years. On a motion by Director Luevano, seconded by Director Harris, the motion to approve
97 Resolution 2017-16 and sign OES Form 130 passed unanimously.

98 10. APPROVE PURCHASE AND FINANCE CONTRACT FOR PHYSIO CONTROL 15 LEAD EKG
99 MONITOR PURCHASE — CHIEF MAHR AND CHIEF ABBOTT: Chief Mahr presented a request to
100 purchase and finance 10 new LIFEPAK 15 12-LEAD EKG monitors is \$303,331.34, noting
101 our current fleet is well beyond its 7-year life span, having been purchased in 2003. The
102 District has the opportunity to take advantage of a zero percent finance option, spreading
103 the obligation over five annual payments of \$60,666.27, with a portion of the annual
104 obligation being offset by the \$12,980.00 currently being spent on the maintenance contracts
105 for our existing fleet of EKG monitors. The first annual installment is being deferred and will
106 not be due until after July 1, 2018. On a motion by Vice President Thuner, seconded by
107 Director Luevano, the motion to approve purchase and finance 10 LIFEPAK15 12-LEAD
108 EKG monitors as presented passed unanimously.

109 11. APPROVE PURCHASE OF NEW 2018 LIFELINE AMBULANCE — CHIEF MAHR AND CHIEF
110 ABBOTT: Chief Mahr presented a recommendation to purchase a new 2018 Lifeline
111 Ambulance utilizing Assistance to Firefighters Grant (AFG) funds. With the closure of
112 Fallbrook Hospital, the District has recognized that our fleet of ambulances are experiencing
113 a higher rate of utilization. This ultimately equates to shorter length of service life for each
114 unit. The District was fortunate to receive a grant through AFG for this purchase. AFG
115 funding will pay for \$186,488.00 of the expenses associated with the purchase, with the

116 District's portion of the payment being \$18,649.00. An additional \$5,361.00 is required to
117 install a Stryker Gurney Retention System, which is required on all District ambulances.

118 On a motion by Director Harris, seconded by Director Luevano, the motion to approve the
119 purchase of the Lifeline Ambulance through AFG and Capital Equipment Replacement
120 Reserve Funding passed unanimously.

121 **12. APPROVAL OF JOB DESCRIPTION AND RECLASSIFICATION OF ADMINISTRATIVE SPECIALIST-**
122 **IT SUPPORT — CHIEF MAROVICH AND CHIEF ABBOTT:** Chief Marovich presented the request
123 to approve the job description and reclassify the current Administrative Specialist to
124 Administrative Specialist-IT. He noted with the dissolution of the contract for onsite
125 computer support with the City of Oceanside, the Administrative Specialist has been
126 handling these functions since the transition that occurred on September 1, 2017, in addition
127 to their regular duties. Approval of the reclassification will allow the District to appropriately
128 compensate this individual for the level and complexity of services they willing undertaken
129 for the greater continuity in operations. On a motion by Director Luevano, seconded by Vice
130 President Thuner, the motion to approve the job description for Administrative Specialist-IT
131 and reclassification of the current Administrative Specialist to that classification passed
132 unanimously.

133 **12-A. APPROVAL OF MINUTES AND DECLARATION OF LOCAL EMERGENCY — CHIEF ABBOTT:**
134 Chief Abbott informed the Board that due to the Lilac Fire, at 3:50 p.m. in the District
135 Operations Center, President Munson convened an Emergency meeting of the Board of
136 Directors, in order to approve a Declaration of a Local Emergency due to the Lilac Fire,
137 which started at 11:40 a.m. on December 7, 2017. At that time, the fire had burned in excess
138 of 2000 acres, with two civilian fire injuries, two structures destroyed and multiple other
139 structures threatened. All Directors were contacted, with a quorum of Directors Munson,
140 Luevano and Harris being able to attend. All Directors in attendance were in concurrence
141 to make a Declaration of a Local Emergency. On a motion by Director Harris, which was
142 seconded by Director Hoffman, the Board unanimously ratified the Declaration of the Local
143 Emergency and approved the Minutes of the December 7, 2017 Emergency Board meeting.

DISCUSSION AGENDA

13. There were no Discussion Items for the December 12, 2017 Board meeting.

STANDING DISCUSSION ITEMS:

● LEGAL COUNSEL REPORT: Counsel James presented his letter "When is an Employee Not Acting as an Employee: The Coming and Going Rule? – Part 2." Brief discussion ensued, with examples noted. This is informational only, no action required.

● WRITTEN COMMUNICATIONS: Brief discussion ensued regarding the items, Board members noting the heartfelt communications. Informational only, no action required.

● BOARD RECOGNITION PROGRAM: See Item No. 3.

● NEWS ARTICLES: Brief discussion ensued regarding articles. This is informational only, no action required.

● COMMENTS:

● STAFF REPORTS/UPDATES:

● STEPHEN ABBOTT, FIRE CHIEF/CEO: Chief Abbott informed the Board the Lilac Fire is 92% contained at this time. At the conclusion of the fire, he will have statistics on the number of homes, injuries, etc. to share. He noted that the State is requesting that the President make a Declaration of Emergency for the fires within the state; this would reduce District costs to 6%. There is transition meeting for the District to assume control of the fire. Chief Abbott thanked and lauded everyone involved in fighting and supporting the fire. He noted there were many harrowing stories and there was a long list of people, donations and community involvement in support of the District and the efforts to combat the fire. He especially thanked Director Harris, who lost her home in the fire, but remained in the DOC and engaged through the fire. Chief Abbott informed the Board he had another Coffee with the Chief, with two attendees from CERT. He is looking for another venue to reach more people. Chief Abbott updated the Board on the current activity in Division 3, with run time at 7:40 and 12 calls for the measured period. Property taxes receipts were above projections for this period. Finance is working on a Financial Reserves policy, which dovetails with the Rainbow Division consolidation. The Rainbow Advisory Board is discussing whether to continue as an advisory body, with their main concern that funds collected in their area,

174 benefit their Division. Vice President Thuner offered to accompany Chief Abbott to their next
175 Board meeting to discuss. Informational only, no further action required.

176 ● **CHIEF OFFICERS AND OTHER STAFF:** **CHIEF MAHR:** Chief Mahr noted the District
177 planned to assume control of the Lilac Fire. He thanked the Board for the continuing support
178 of Staff. He noted that the PIOs have been networking with the community, including taking
179 food and water to those who were displaced. **CHIEF MAROVICH:** Chief Marovich informed
180 the Board the District will be meeting with OES to determine the financial impact to the
181 District from the fire.

182 ● **BOARD:** **DIRECTOR HARRIS:** Director Harris wanted to thank everyone for their hard
183 work on the Lilac Fire and for their support, including the Board and the PIOs for keeping
184 the community informed. **DIRECTOR LUEVANO:** Director Luevano stated he could not thank
185 the Staff enough for their handling of the Lilac Fire. He also appreciated the improvements
186 to the website. **DIRECTOR HOFFMAN:** Director Hoffman informed the Board he spent
187 approximately six hours Chief McReynolds to educate himself about the District. He realized
188 how great the employees are and he learned a great deal. He discussed the injuries from
189 the Lilac Fire and inquired if there were ways to be more forceful with fire prevention
190 activities. **DIRECTOR MUNSON:** Director Munson echoed the remarks of the other Board
191 members and suggested that we use some of these ideas during public campaign to
192 emphasize public safety and District needs.

193 ● **BARGAINING GROUPS:** **A/P GREG MANN:** Incoming A/P Mann thanked everyone for
194 their participation in the Lilac fire, noting in thirty years, the District had never had a more
195 cooperative relationship with Cal Fire or had more resources, especially from far away. He
196 noted we had crews from Idaho, Arizona, Texas and Utah; with no drops in service and all
197 District areas running and safe for the 7-8 days of the fire. He noted this was the first time
198 he had an opportunity to work with Type 1 Incident Command Team. He informed the Board
199 how much help they had been on the fire, including the clean-up and the sifters. A/P Mann
200 thanked outgoing A/P Jones for his hard work, intelligence and stats work on behalf of the
201 District and the Association and for agreeing to remain on the Board of the Association. A/P
202 Mann looks forward to working collaborative with the Board and District to achieve their

203 mutual interest.

- 204 ● PUBLIC COMMENT: No comments.

206 **CLOSED SESSION**

207 At 7:30 p.m., President Munson inquired whether there was a motion to adjourn to Closed
208 Session. There being no objection, President Munson read the items to be discussed in
209 Closed Session and the Open Session was closed. A short break ensued after the reading
210 of the Closed Session Items. At 7:40 p.m., and the Board entered Closed Session to hear:

211 CS-1. ANNOUNCEMENT — PRESIDENT MUNSON: An announcement regarding the items to be
212 discussed in Closed Session will be made prior to the commencement of Closed Session.

213 CS-2. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 —
214 Management Group Negotiations – Chief Abbott:

215 NCFPD MANAGEMENT GROUP

DISTRICT NEGOTIATORS:

216 CHIEF ABBOTT, DISTRICT COUNSEL JAMES

217 CS-3. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — Non-
218 Safety Group Negotiations – Chief Abbott:

219 FFA NON-SAFETY GROUP NEGOTIATORS

DISTRICT NEGOTIATORS:

220 CHIEF ABBOTT, DISTRICT COUNSEL JAMES

221 CS-4. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — Safety
222 Group Negotiations – Chief Abbott:

223 FFA SAFETY GROUP NEGOTIATORS

DISTRICT NEGOTIATORS:

224 CHIEF ABBOTT, DISTRICT COUNSEL JAMES

225 CS-5. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 —
226 UNREPRESENTED INDIVIDUALS – EXECUTIVE ASSISTANT/ BOARD SECRETARY AND FIRE MARSHAL:

DISTRICT NEGOTIATORS:

228 CHIEF ABBOTT, DISTRICT COUNSEL JAMES

229 CS-6. EVALUATION OF PERFORMANCE — GOVERNMENT CODE § 54957 — FIRE CHIEF/CEO:

230 DISTRICT NEGOTIATOR: DISTRICT COUNSEL JAMES

231 CS-7. REPORT FROM CLOSED SESSION — PRESIDENT MUNSON

ADJOURNMENT

A motion was made at 8:30 p.m. by Director Harris and seconded by Vice President Thuner, to adjourn the meeting and reconvene on January 23, 2018, at 17:00. The motion carried unanimously.

Respectfully submitted,



Loren Stephen-Porter
Board Secretary

Minutes approved at the Board of Director's Meeting on: January 23, 2018



**NORTH COUNTY FIRE
PROTECTION DISTRICT
ADMINISTRATION - BUDGET & FINANCE**

TO: BOARD OF DIRECTORS
FROM: DFC CHIEF STEVEN MAROVICH, HR/FS CHERIE JUUL AND CHIEF ABBOTT
DATE: JANUARY 23, 2018
SUBJECT: REVENUE & EXPENDITURES AS OF DECEMBER 31, 2017 (50%)

FALLBROOK DIVISION

Revenue Sources	Budgeted	Collected	Over/Under	% of Budget
Property Taxes	13,905,000.00	5,632,744.01	(8,272,255.99)	41%
Ambulance and Collections	1,700,000.00	872,454.22	(827,545.78)	51%
GEMT-State Supplement	100,000.00	190,776.79	90,776.79	191%
Prevention Fees	130,000.00	134,088.00	4,088.00	103%
Tower Lease Agreements	85,000.00	42,793.77	(42,206.23)	50%
Other Revenue Sources	110,000.00	8,235.51	(101,764.49)	7%
Interest	25,000.00	12,840.83	(12,159.17)	51%
Rainbow Div Admin Fees	66,250.00	12,499.98	(53,750.02)	19%
Cost Recovery	60,000.00	33,139.14	(26,860.86)	55%
Strike Team Reimbursements	-	204,210.59	204,210.59	-
Other Reimbursements	449,006.00	74,383.28	(374,622.72)	17%
Mitigation Fees & Interest	200,000.00	245,772.37	45,772.37	123%
Donations & Grants	935,322.00	335,267.93	(600,054.07)	36%
Annexation fees	-	-	-	-
Transfers & Loans	760,000.00	-	(760,000.00)	0%
Total Revenue:	18,525,578.00	7,799,206.42	(10,726,371.58)	42%
	Budgeted	Spent	Over/Under	% of Budget
TTL Expenditures YTD thru 12/31/2017	18,525,578.00	9,033,091.36	(9,492,486.64)	49%
Revenue over Expenditures		(1,233,884.94)		

RAINBOW DIVISION

Revenue Sources	Budgeted	Collected	Over/Under	% of Budget
Property Taxes	242,000.00	105,169.80	(136,830.20)	43%
Other Revenue	-	-	-	-
Mitigation Fees & Interest		99.36	99.36	-
Grants	37,940.00		(37,940.00)	
Transfers & Loans			-	
Total Revenue:	279,940.00	105,269.16	(174,670.84)	38%
	Budgeted	Spent	Over/Under	% of Budget
Expenditures YTD thru 12/31/2017	297,940.00	98,982.08	(198,957.92)	33%
Revenue over Expenditures		6,287.08		

NORTH COUNTY FIRE PROTECTION DISTRICT
Tax Apportionments FY 17-18

DATE	APP #	GROSS	REFUNDS & ADJUSTMENTS	FY 17/18 NET	FY 17/18 RUNNING	FY 16/17 NET	FY 16/17 RUNNING	
8/31/2017	1	209,859.07	1,331.86	208,527.21	208,527.21	201,672.85	201,672.85	
9/30/2017	2	80,019.22	2,758.64	77,260.58	285,787.79	57,578.90	259,251.75	
10/3/2017	3	155,732.37	14,642.08	141,090.29	426,878.08	146,620.09	405,871.84	
10/31/2017	4	668,381.08	20,694.18	647,686.90	1,074,564.98	362,089.22	767,961.06	
12/31/2017	5	4,518,752.27	10,442.82	4,508,309.45	5,582,874.43	4,460,789.45	5,228,750.51	
1/31/2018	6			-	5,582,874.43	2,202,909.46	7,431,659.97	
2/28/2018	7			-	5,582,874.43	467,470.26	7,899,130.23	
3/30/2018				-	-	-	-	
4/30/2018	8			-	5,582,874.43	3,396,121.20	11,295,251.43	
5/1/2018	9			-	5,582,874.43	1,588,550.67	12,883,802.10	
5/30/2018	10			-	5,582,874.43	98,599.64	12,982,401.74	
6/30/2018	11			-	5,582,874.43	221,071.59	13,203,473.33	
7/31/2018	12			-	5,582,874.43	40,404.74	13,243,878.07	
TOTAL YTD		5,632,744.01	49,869.58	5,582,874.43	5,582,874.43	5,228,750.51	5,228,750.51	
							Net Rev Increase	
							6.77%	

NORTH COUNTY FIRE PROTECTION DISTRICT
AMBULANCE REVENUE FY 2017-2018

MONTH	BILLED	CONTRACTUAL WRITE DOWNS	TOTAL AR		BAD DEBT WRITE-OFFS	REFUNDS	ADJ AR	DEPOSITS RECIEVED	BILLING FEES	FY 17-18		FY 16-17	
			FY 17-18	FY 16-17						NET REVENUE	NET REVENUE		
7/31/2016	467,059.46	240,104.83	226,954.63	194,455.68	40,150.48	2,862.45	183,941.70	156,437.77	9,026.20	147,411.57	129,619.78	129,619.78	129,619.78
8/31/2016	453,237.89	264,548.71	188,689.18	206,660.02	21,753.15	2,115.60	164,820.43	177,275.53	10,334.44	166,941.09	157,791.57	157,791.57	157,791.57
9/30/2016	421,143.85	248,376.87	172,766.98	174,865.48	45,354.95	2,392.24	125,019.79	138,051.92	8,563.92	129,488.00	130,898.93	130,898.93	130,898.93
10/31/2016	440,666.96	252,852.67	187,814.29	187,346.76	36,372.86	587.92	150,853.51	160,358.88	9,426.48	150,932.49	147,654.64	147,654.64	147,654.64
11/30/2016	402,180.53	238,396.02	163,784.51	150,270.24	52,528.63	-	111,257.88	153,215.83	9,025.61	144,190.22	151,019.87	151,019.87	151,019.87
12/31/2016	455,341.69	252,454.29	202,887.40	213,013.12	14,342.41	5,603.19	182,941.80	141,509.31	8,018.46	133,480.85	120,819.75	120,819.75	120,819.75
1/31/2017			-	239,099.75			-				152,777.01		152,777.01
2/28/2017			-	225,731.74			-				155,686.27		155,686.27
3/31/2017			-	176,896.05			-				144,172.28		144,172.28
4/30/2017			-	164,116.56			-				145,178.26		145,178.26
5/31/2017			-	149,843.13			-				159,911.80		159,911.80
6/30/2017			-	188,377.18			-				135,495.00		135,495.00
TOTAL:	2,639,630.38	1,496,733.39	1,142,896.98	1,126,611.30	210,500.48	13,561.40	918,835.11	926,849.34	54,395.12	872,454.22	837,804.54	837,804.54	837,804.54
					Net A/R Change		1.45%			New Revenue Change			4.14%

NORTH COUNTY FIRE PROTECTION DISTRICT
MONTHLY INVESTMENT REPORT

December 31, 2017

	BALANCE	INTEREST RATE	
FALLBROOK			
County of San Diego/General Fund	305,340.82	0.01%	Operating
County of San Diego/Capital Reserve	378,713.72	0.01%	Capital Reserves
County of San Diego/Fire Mitigation Fund	769,313.10	0.01%	Mitigation Fees
Local Agency Investment Fund	19,076.34	0.78%	LAIF
Workers' Comp JPA	456,967.28	0.26%	PASIS Funds
Bank of America/PASIS	37,000.86	0.01%	
Petty Cash	500.00	0.00%	
First National/Benefit Fund	153,300.20	0.70%	
First National/Payroll	400,085.57	0.70%	
First National/Accounts Payable	256,416.16	0.69%	
First National/Accounts Receivable	182,623.20	0.69%	
Wells Fargo/Accounts Receivable	CLOSED	0.00%	Funds transferred to Pa
Pacific Western Bank/Accounts Receivable	1,070,363.00	0.00%	
TOTAL	4,029,700.25		
RAINBOW			
County of San Diego/General Fund	403,288.19	0.01%	Operating
County of San Diego/Fire Mitigation Fund	16,316.56	0.01%	Mitigation
Petty Cash	500.00	0.00%	
TOTAL	420,104.75		

**NORTH COUNTY FIRE PROTECTION DISTRICT
COST RECOVERY FY 2017/2018**

<u>Month</u>	<u>Billed</u>	<u>Collected</u>	<u>YTD % Collected</u>	<u>Billing Fees</u>	<u>Net Revenue</u>	<u>FY 16/17 Net Revenue</u>
7/31/2017	8,155.00	6,353.32	77.91%	1,270.66	5,082.66	4,877.13
8/30/2017	6,825.00	6,607.50	96.81%	1,321.50	5,286.00	7,592.08
9/30/2017	8,874.31	8,689.31	97.92%	1,737.86	6,951.45	3,060.00
10/31/2017	9,390.00	9,205.00	98.03%	1,841.00	7,364.00	6,328.47
11/30/2017	7,946.00	7,080.80	89.11%	1,416.16	5,664.64	1,616.00
12/31/2017	3,488.00	3,488.00	100.00%	697.60	2,790.40	8,474.40
1/31/2018						5,840.00
2/28/2018						5,802.69
3/31/2018						6,444.74
4/30/2018						7,562.00
5/31/2018						5,310.45
6/30/2018						6,474.10
TOTAL:	44,678.31	41,423.93	92.72%	8,284.79	33,139.14	31,948.08
					Net Rev Increase	3.73%

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North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
Personnel						
00-102-0-5010-01-003	CEO/Fire Chief	13,284.62	87,506.73	172,700.00	85,193.27	50.7%
00-102-0-5010-01-004	Deputy Fire Chief	12,357.86	79,920.11	164,669.00	84,748.89	48.5%
00-104-0-5010-01-009	Division Chief/Operations	12,070.48	60,748.83	156,916.00	96,167.17	38.7%
00-109-0-5010-01-009	Admin BC	11,434.80	41,106.15	148,652.00	107,545.85	27.7%
00-104-0-5010-01-010	Battalion Chiefs	30,572.20	216,607.65	403,849.00	187,241.35	53.6%
00-104-0-5010-01-011	Captains/Captain Medics	121,519.98	785,692.00	1,590,091.00	804,399.00	49.4%
00-104-0-5010-01-012	Engineers/Engineer Medics	108,104.16	700,720.93	1,419,815.00	719,094.07	49.4%
00-104-0-5010-01-013	Firefighters/FF Medics	124,409.42	785,085.87	1,761,550.00	976,464.13	44.6%
	TOTAL	433,753.52	2,757,388.27	5,818,242.00	3,060,853.73	47.4%
	TOTAL SAFETY SALARIES	433,753.52	2,757,388.27	5,818,242.00	3,060,853.73	47.4%
MISC. (Non-Safety) Salaries						
00-102-0-5010-01-005	Executive Assistant	7,022.02	45,027.09	91,286.00	46,258.91	49.3%
00-102-0-5010-01-007	HR/Finance Specialist	11,893.22	76,275.16	154,611.00	78,335.84	49.3%
00-103-0-5010-01-010	Fire Marshal	8,502.54	54,987.25	110,533.00	55,545.75	49.7%
00-103-0-5010-01-022	Fire Protection Specialist	6,173.90	40,130.25	80,261.00	40,130.75	50.0%
00-108-0-5010-01-018	Mechanic III	7,147.92	46,266.25	92,924.00	46,657.75	49.8%
00-102-0-5010-01-025	Administrative Specialist	4,778.07	26,817.88	53,827.00	27,009.12	49.8%
00-108-0-5010-01-029	Mechanic II	5,505.26	35,603.24	71,568.00	35,964.76	49.7%
	TOTAL MISC. (Non-Safety)	51,022.93	325,107.12	655,010.00	329,902.88	49.6%

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
Personnel						
	SAFER					
00-104-0-5010-01-014	SAFER I	8,437.92	75,096.55	153,115.00	78,018.45	49.0%
00-104-0-5010-01-015	SAFER II	8,573.62	50,691.75	111,456.00	60,764.25	45.5%
00-106-0-5010-01-014	SAFER Salary	7,403.13	52,624.79	120,450.00	67,825.21	43.7%
	TOTAL SAFER	24,414.67	178,413.09	385,021.00	206,607.91	46.3%
	LT					
00-106-0-5010-01-000	Regular Salaries	14,806.25	105,249.57	206,424.00	101,174.43	51.0%
	TOTAL LT	14,806.25	105,249.57	206,424.00	101,174.43	51.0%
	PART-TIME					
00-103-0-5010-01-023	PT Fire Protection Specialist (PT)	-	-	32,759.00	32,759.00	0.0%
00-103-0-5010-15-000	Admin Assistant (PT)	3,242.20	14,887.08	23,945.00	9,057.92	62.2%
00-103-0-5010-24-000	Fire Svcs Asst/Hydrant Maint	1,388.63	4,053.02	14,750.00	10,696.98	27.5%
00-105-0-5010-01-000	MSO	2,530.88	17,960.19	39,657.00	21,696.81	45.3%
	TOTAL PART-TIME	7,161.71	36,900.29	111,111.00	74,210.71	33.2%
	TOTAL PERSONNEL	531,159.08	3,403,058.34	7,175,808.00	3,772,749.66	47.4%

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
Overtime						
00-102-0-5010-06-000	Overtime/Admin	453.76	26,224.56	13,770.00	(12,454.56)	190.4%
00-103-0-5010-06-000	Overtime/Admin	887.22	2,336.06	3,173.00	836.94	73.6%
00-103-0-5010-07-000	Overtime/Fire & Arson	-	-	3,173.00	3,173.00	0.0%
00-104-0-5010-02-000	FLSA 56 Hour Adjustment	10,818.64	75,600.13	140,805.00	65,204.87	53.7%
00-104-0-5010-02-001	SAFER I FLSA	-	-	4,161.00	4,161.00	0.0%
00-104-0-5010-03-000	Overtime Promotional Testing	-	180.00	5,647.00	5,467.00	3.2%
00-104-0-5010-04-000	Association Leave	-	619.92	8,470.00	7,850.08	7.3%
00-104-0-5010-05-000	Overtime/Ambulance Callback	112.45	2,050.95	3,438.00	1,387.05	59.7%
00-104-0-5010-06-000	Lead Medic	614.40	4,046.80	7,329.00	3,282.20	55.2%
00-104-0-5010-07-000	Overtime/Other	2,079.54	3,986.97	15,866.00	11,879.03	25.1%
00-104-0-5010-08-000	Rainbow Coverage	-	-	-	-	0.0%
00-104-0-5010-09-000	Overtime/Replacement	87,304.42	487,644.32	470,610.00	(17,034.32)	103.6%
00-104-0-5010-17-000	Orientation Mentorship	-	-	-	-	0.0%
00-104-0-5010-17-000	Vacancy	18,781.84	102,029.55	-	-	0.0%
00-104-0-5010-09-001	Admin	595.56	4,436.93	20,916.00	16,479.07	21.2%
00-104-0-5010-11-000	Workers Comp	-	773.76	80,000.00	79,226.24	1.0%
00-104-0-5010-10-000	Overtime/Strike Team	108,055.18	743,232.81	-	(743,232.81)	0.0%
00-104-0-5010-15-000	Overtime/Fire Callback	5,150.49	17,427.30	6,275.00	(11,152.30)	277.7%
00-105-0-5010-06-000	Overtime/Admin/Other	129.87	599.91	4,183.00	3,583.09	14.3%
00-106-0-5010-02-000	FLSA 53/56 Hour Adjustment	3,469.51	10,347.76	14,000.00	3,652.24	73.9%
00-106-0-5010-02-001	SAFER FLSA Adjustment	-	-	7,000.00	7,000.00	0.0%
00-106-0-5010-06-000	Overtime/Full Time Coverage	-	3,218.46	15,687.00	12,468.54	20.5%
00-106-0-5010-09-000	Replacement Reserve SL/AL	-	1,062.00	21,000.00	19,938.00	5.1%
00-106-0-5010-13-000	Drills & Training	-	-	2,500.00	2,500.00	0.0%
00-106-0-5010-14-000	Overtime Admin - Explorers	362.47	1,576.99	10,458.00	8,881.01	15.1%
00-107-0-5010-06-000	Communication - Overtime	-	773.42	2,103.00	1,329.58	36.8%
00-108-0-5010-06-000	Overtime/Admin	-	1,453.52	4,231.00	2,777.48	34.4%
00-109-0-5010-07-000	Overtime/Training	4,746.70	14,317.03	44,447.00	30,129.97	32.2%
Total Overtime		243,562.05	1,503,939.15	909,242.00	(594,697.15)	165.4%

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
Other Pay						
00-102-0-5030-45-000	Total Medicare Tax	1,197.05	7,474.60	129,411.00	121,936.40	5.8%
00-102-0-5030-08-000	Total Social Security Tax	60.27	621.41	14,357.00	13,735.59	4.3%
00-102-0-5010-16-000	A/L & S/L Reimbursement	-	165,403.02	575,000.00	409,596.98	28.8%
00-104-0-5010-16-000	Holiday Time Adjustment	18,055.78	126,175.21	234,533.00	108,357.79	53.8%
00-104-0-5010-16-001	SAFER I Holiday Time Adjustment	-	-	6,944.00	6,944.00	0.0%
00-102-0-5050-00-000	Total Uniforms	2,467.16	11,879.71	47,950.00	36,070.29	24.8%
00-106-0-5050-00-000	Reserve Uniforms	-	3,357.87	8,000.00	4,642.13	42.0%
	Total Other Pay	21,780.26	314,911.82	1,016,195.00	701,283.18	31.0%
Benefits						
00-102-0-5020-00-000	Retirement (Misc - Classic)	4,390.56	23,986.08	74,538.00	50,551.92	32.2%
00-102-0-5020-00-001	PEPRA Retirement (Misc-PEPRA)	1,383.95	7,097.10	13,871.00	6,773.90	51.2%
00-102-0-5020-00-102	Classic UAL (Misc.)	-	217,965.00	225,991.00	8,026.00	96.4%
00-102-0-5020-00-103	PEPRA UAL (Misc.)	-	52.00	39.00	(13.00)	133.3%
00-104-0-5020-00-000	Retirement (Safety-Classic)	81,171.73	519,437.85	1,175,559.00	656,121.15	44.2%
00-104-0-5020-00-001	PEPRA (Safety - PEPRA)	11,231.35	52,718.86	81,685.00	28,966.14	64.5%
00-104-0-5020-00-002	SAFER I Retirement	1,684.08	7,258.80	32,135.00	24,876.20	22.6%
00-104-0-5020-00-003	SAFER II Retirement	1,684.08	9,040.79	22,409.00	13,368.21	40.3%
00-104-0-5020-00-102	Classic UAL (Safety)	-	811,237.00	841,108.00	29,871.00	96.4%
00-104-0-5020-00-103	PEPRA UAL Safety	-	174.00	132.00	(42.00)	131.8%
00-106-0-5020-00-000	Retirement	-	11,265.67	26,276.00	15,010.33	42.9%
00-106-0-5020-00-002	SAFER Retirement	309.42	2,011.23	34,822.00	32,810.77	5.8%
00-102-0-5030-40-000	Flexible Plan Insurance	111,786.43	381,420.29	1,461,420.00	1,079,999.71	26.1%
	Total Benefits	213,641.60	2,043,664.67	3,989,985.00	1,946,320.33	51.2%
Workers Compensation						
00-102-0-5100-42-000	Worker's Compensation	18,186.30	293,554.57	590,000.00	296,445.43	49.8%
	Total Worker's Compensation	18,186.30	293,554.57	590,000.00	296,445.43	49.8%

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
Board Administration						
00-101-0-5010-14-000	Board Members	-	2,300.00	7,500.00	5,200.00	30.7%
00-101-0-5043-00-000	Elections	-	-	-	-	0.0%
00-101-0-5150-00-000	Memberships/Subscriptions	-	7,592.00	7,900.00	308.00	96.1%
00-101-0-5170-72-000	Office Supplies	-	648.08	2,000.00	1,351.92	32.4%
00-101-0-5180-83-000	Legal Fees	-	13,404.31	21,000.00	7,595.69	63.8%
00-101-0-5180-84-000	Negotiations/Labor	-	420.00	4,000.00	3,580.00	10.5%
00-101-0-5190-00-000	Advertising/Legal Notices	-	-	4,000.00	4,000.00	0.0%
00-101-0-5230-30-000	Employee Recognition	-	324.45	5,000.00	4,675.55	6.5%
00-101-0-5230-31-000	Meetings and Travel	-	100.00	9,000.00	8,900.00	1.1%
00-101-0-5230-32-000	Community Relations	-	-	150.00	150.00	0.0%
00-101-0-5230-38-000	Professional Development	-	-	2,365.00	2,365.00	0.0%
00-101-0-5340-00-000	Refunds and Interest	8,941.59	40,400.74	100,000.00	59,599.26	40.4%
00-101-0-5340-01-000	LAFCO Assessment Fee	-	9,176.02	7,907.00	(1,269.02)	116.0%
Total Board Administration		8,941.59	74,365.60	170,822.00	96,456.40	43.5%

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
Administration						
00-102-0-5070-00-000	Ambulance Billing	9,025.61	54,634.48	110,000.00	55,365.52	49.7%
00-102-0-5100-43-000	Unemployment Insurance	-	-	5,000.00	5,000.00	0.0%
00-102-0-5130-66-000	Structures & Grounds	3,936.39	51,259.60	89,000.00	37,740.40	57.6%
00-102-0-5140-01-000	Personnel JPA-Academy	-	3,000.00	3,000.00	-	100.0%
00-102-0-5145-00-000	Personnel Recruitment	85.00	3,782.04	14,000.00	10,217.96	27.0%
00-102-0-5150-00-000	Memberships/Subscriptions	-	2,315.95	4,200.00	1,884.05	55.1%
00-102-0-5170-70-000	County Admin Costs	4,765.22	20,298.65	190,000.00	169,701.35	10.7%
00-102-0-5170-71-000	Bank Fees	30.00	310.95	1,000.00	689.05	31.1%
00-102-0-5170-72-000	Office Supplies	103.57	1,209.69	13,430.00	12,220.31	9.0%
00-102-0-5170-73-000	Postage	-	1,648.64	4,500.00	2,851.36	36.6%
00-102-0-5170-74-000	Printing	1.00	1,358.62	4,500.00	3,141.38	30.2%
00-102-0-5170-75-000	Square Bank Fees	30.80	252.91	-	-	0.0%
00-102-0-5180-81-000	Auditors	-	10,800.00	28,500.00	17,700.00	37.9%
00-102-0-5180-82-000	Professional Services	23,743.94	142,387.61	148,500.00	6,112.39	95.9%
00-102-0-5180-83-000	Computer Support	18,033.56	50,823.16	145,282.00	94,458.84	35.0%
00-102-0-5180-84-000	Computer Training	-	-	7,800.00	7,800.00	0.0%
00-102-0-5180-85-000	Computer Hardware/Software	-	18,562.99	60,000.00	41,437.01	30.9%
00-102-0-5200-00-000	Rents and Leases - Equipment	1,289.37	9,357.70	16,200.00	6,842.30	57.8%
00-102-0-5221-01-000	Office Furniture & Fixtures	-	568.37	6,500.00	5,931.63	8.7%
00-102-0-5230-19-000	Trauma Intervention Program	-	7,257.00	7,257.00	-	100.0%
00-102-0-5230-30-000	Employee Recognition	-	-	3,640.00	3,640.00	0.0%
00-102-0-5230-31-000	Disciplinary Training	-	-	7,257.00	7,257.00	0.0%
00-102-0-5230-37-000	Physicals/Wellness Program	30.00	768.42	33,580.00	32,811.58	2.3%
00-102-0-5230-38-000	Professional Development	108.49	3,756.81	16,500.00	12,743.19	22.8%
00-102-0-5230-39-000	Employee Asst. Program	1,060.00	2,800.00	7,000.00	4,200.00	40.0%
00-102-0-5230-40-000	Formal Education	-	-	-	-	0.0%
00-102-0-5230-41-000	Meetings and Misc Expense	-	-	5,000.00	5,000.00	0.0%
00-102-0-5230-49-000	PERs Medical Admin Fees	458.22	2,915.77	5,032.00	2,116.23	57.9%
00-102-0-5260-23-000	Water	2,833.63	14,160.50	23,880.00	9,719.50	59.3%
00-102-0-5260-24-000	Sewer	852.06	5,192.19	11,300.00	6,107.81	45.9%
00-102-0-5260-25-000	Trash	740.10	4,306.20	9,500.00	5,193.80	45.3%
00-102-0-5260-26-000	Gas & Electric	3,263.85	17,162.53	25,000.00	7,837.47	68.7%
Total Administration		70,390.81	430,890.78	1,006,358.00	575,467.22	42.8%

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
Fire Prevention						
00-103-0-5120-56-000	Hydrants	-	2,312.59	14,500.00	12,187.41	15.9%
00-103-0-5150-00-000	Memberships/Subscriptions	1,449.78	3,280.28	4,000.00	719.72	82.0%
00-103-0-5230-30-000	Fire Safety Council	890.89	890.89	1,000.00	109.11	89.1%
00-103-0-5230-31-000	CERT Program	-	-	1,900.00	1,900.00	0.0%
00-103-0-5230-32-000	Materials/Public Education	112.04	4,780.59	15,000.00	10,219.41	31.9%
00-103-0-5230-34-000	Required Weed Abatement	-	2,541.29	30,000.00	27,458.71	8.5%
00-103-0-5230-35-000	Investigative Supplies/Equip	-	-	1,500.00	1,500.00	0.0%
00-103-0-5230-36-000	Arson Investigative Training	-	-	1,500.00	1,500.00	0.0%
00-103-0-5230-38-000	Professional Development	-	2,256.54	5,500.00	3,243.46	41.0%
00-103-0-5230-38-001	Formal Education	783.00	1,552.50	3,078.00	1,525.50	50.4%
	Total Fire Prevention	3,235.71	17,614.68	77,978.00	60,363.32	22.6%
Emergency Services						
00-104-0-5080-00-000	Emer Incident Meals & Provisions	1,215.77	6,129.87	1,500.00	(4,629.87)	408.7%
00-104-0-5090-21-000	Kitchen/Janitorial Supplies	435.44	8,387.68	20,000.00	11,612.32	41.9%
00-104-0-5100-44-000	Facility/Vehicles-Insurance	-	86,578.19	87,400.00	821.81	99.1%
00-104-0-5120-12-000	Firefighting Equipment	948.56	15,245.90	59,543.00	55,968.10	6.0%
00-104-0-5125-00-000	Map Maintenance Program	-	3,562.00	13,500.00	9,938.00	26.4%
00-104-0-5150-00-000	Memberships/Subscriptions	29.90	3,413.90	5,600.00	2,186.10	61.0%
00-104-0-5221-00-000	Safety Equipment/PPE	4,270.65	31,124.52	66,750.00	35,625.48	46.6%
00-104-0-5221-01-000	Traffic Contollers	-	15,340.80	-	(15,340.80)	0.0%
00-104-0-5223-00-000	Disaster Preparedness	-	-	2,000.00	2,000.00	0.0%
00-104-0-5230-38-000	Professional Development	-	-	9,000.00	9,000.00	0.0%
	Total Emergency Services	6,900.32	169,782.86	265,293.00	95,510.14	64.0%

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
Emergency Med Services						
00-105-0-5140-00-000	Medical Supplies/Equipment	678.03	47,573.77	114,000.00	66,426.23	41.7%
00-105-0-5150-00-000	Memberships/Subscriptions	-	50.00	-	-50.00	0.0%
00-105-0-5180-82-000	Professional Services	-	-	-	0.00	0.0%
00-105-0-5221-00-000	Personal Protective Equipment	-	-	-	0.00	0.0%
00-105-0-5230-32-000	Material	-	1,328.40	1,500.00	171.60	88.6%
00-105-0-5230-33-000	EMS Equipment	-	-	2,000.00	2,000.00	0.0%
00-105-0-5230-34-000	Medical Licensing & Cert	459.50	2,316.00	8,250.00	5,934.00	28.1%
00-105-0-5230-35-000	Defib Maint & Maint Agmnt	-	4,070.87	35,848.00	31,777.13	11.4%
00-105-0-5230-36-000	Elec Data Agmnt/Maint	-	-	3,040.00	3,040.00	0.0%
00-105-0-5230-37-000	Equipment Maintenance	-	7,473.60	-	-7,473.60	0.0%
00-105-0-5230-38-000	Professional Development	-	300.00	5,000.00	4,700.00	6.0%
	Total Emergency Med Svcs	1,137.53	63,112.64	169,638.00	106,525.36	37.2%
Limited Term						
Firefighters/Volunteers						
00-106-0-5120-12-000	Explorer Materials & Equip	-	3,089.42	-	(3,089.42)	0.0%
00-106-0-5180-82-000	Medical & Pre-Emp Exams	-	1,470.00	4,000.00	2,530.00	36.8%
00-106-0-5230-38-000	Professional Development	2,120.00	4,240.00	1,500.00	(2,740.00)	282.7%
	Total Reserves	2,120.00	8,799.42	5,500.00	-3,299.42	160.0%
Communications						
00-107-0-5060-26-000	Pagers	-	-	650.00	650.00	0.0%
00-107-0-5060-27-000	Telephone/Cable TV/IP Tele	4,000.67	34,514.89	72,000.00	37,485.11	47.9%
00-107-0-5060-29-000	Verizon Data	-	-	15,000.00	15,000.00	0.0%
00-107-0-5060-30-000	MDC & AVL Maint Costs	-	-	15,500.00	15,500.00	0.0%
00-107-0-5120-52-000	Radios/Parts & Service	1,013.80	2,782.17	20,000.00	17,217.83	13.9%
00-107-0-5120-54-000	Alarm Services & Supplies	-	553.14	1,500.00	946.86	36.9%
00-107-0-5120-56-000	T-1 Phone Line Maintenance	-	2,730.86	4,800.00	2,069.14	56.9%
00-107-0-5120-69-000	RCS 800 MHz Maint. Fee	2,764.50	22,788.23	77,500.00	54,711.77	29.4%
00-107-0-5150-00-000	Memberships/Subscriptions	117.00	819.00	1,000.00	181.00	81.9%
00-107-0-5180-00-000	Dispatch Services	-	205,036.93	314,452.00	109,415.07	65.2%
00-107-0-5230-31-000	Meetings & Travel	-	-	500.00	500.00	0.0%
00-107-0-5230-38-000	Professional Development	-	-	-	-	0.0%
	Total Communications	7,895.97	269,225.22	522,902.00	253,676.78	51.5%

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
Shop/Maintenance						
00-108-0-5090-22-000	Laundry/Linen Supplies	-	-	1,700.00	1,700.00	0.0%
00-108-0-5090-53-000	Hazmat Disposal & Permits	1,015.00	2,325.55	8,600.00	6,274.45	27.0%
00-108-0-5120-52-000	Parts & Accessories	6,088.17	52,375.97	101,200.00	48,824.03	51.8%
00-108-0-5120-53-000	Fuel	9,492.32	59,402.00	120,000.00	60,598.00	49.5%
00-108-0-5120-54-000	Oils & Lubricants	132.72	3,530.68	7,000.00	3,469.32	50.4%
00-108-0-5120-59-000	Sublet Repairs	935.45	5,658.73	24,000.00	18,341.27	23.6%
00-108-0-5150-00-000	Memberships/Subscriptions	-	-	80.00	80.00	0.0%
00-108-0-5180-52-000	Fleet Maint Software	900.00	900.00	3,300.00	2,400.00	27.3%
00-108-0-5220-00-000	Small Tools/Minor Equipment	355.37	836.51	4,100.00	3,263.49	20.4%
00-108-0-5230-38-000	Professional Development	-	218.00	7,000.00	6,782.00	3.1%
00-108-0-5230-39-000	Formal Education	-	-	450.00	450.00	0.0%
	Total Shop/Maintenance	18,919.03	125,247.44	277,430.00	152,182.56	45.1%
Training						
00-109-0-5150-00-000	Memberships/Subscriptions	-	50.00	500.00	450.00	10.0%
00-109-0-5230-20-000	Training Materials	128.00	647.07	10,000.00	9,352.93	6.5%
00-109-0-5230-38-000	Professional Development	2,660.00	16,412.25	50,000.00	33,587.75	32.8%
00-109-0-5230-39-000	Formal Education	-	4,643.50	41,000.00	36,356.50	11.3%
	Total Training	2,788.00	21,752.82	101,500.00	79,747.18	21.4%

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	Description	October Actual	Running Total	Annual Budget	Amount Remaining	% Used
General Fund Reserve						
00-120-0-5400-00-000	Contingency Fund	-	-	190,000.00	190,000.00	0%
00-120-0-5400-02-000	Transfer to Vehicle Reserve	-	-	500,000.00	500,000.00	0%
00-120-0-5400-03-000	Transfer to Facilities Reserve	-	-	-	-	-
00-120-0-5400-05-000	Equip Reserve - Defib Replacement	-	-	-	-	0%
00-120-0-5400-07-000	Transfer to Equip Reserve - MDC	-	-	-	-	0%
	Total General Fund Reserve	-	-	690,000.00	690,000.00	0%
Capital Expense						
00-200-0-5500-03-000	Building Repairs	-	-	125,000.00	125,000.00	0%
00-200-0-5500-04-000	Personal Protective Equip	-	-	-	-	0%
00-200-0-5500-05-000	EMS Equipment	-	-	-	-	0%
00-200-0-5500-06-000	Communication Equipment	3,111.50	30,982.27	70,000.00	39,017.73	44%
00-200-0-5500-55-000	Station 5 Loan	-	-	-	-	0%
00-200-0-5500-55-001	Station 5 Loan Payment #1	91,369.33	91,369.33	182,739.00	91,369.67	50%
00-200-0-5500-55-002	Station 5 Loan Payment #2	-	116,964.75	235,674.00	118,709.25	50%
00-200-0-5500-59-000	Station 4 Project	-	-	50,000.00	50,000.00	0%
00-200-0-5500-55-003	Admin Payment	-	-	85,751.00	85,751.00	0%
00-200-0-5500-56-000	ECAA/Solar Loan	6,287.70	8,487.07	12,575.00	4,087.93	67%
00-200-0-5500-56-001	ECAA/Solar Loan Payment	16,287.43	20,320.21	35,729.00	15,408.79	57%
00-200-0-5500-57-000	Hwy 76 Traffic Controllers	-	-	-	-	0%
00-200-0-5500-58-000	Apparatus Loan	-	-	91,324.00	91,324.00	0%
00-200-0-5500-58-001	Emergency Vehicles	-	17,901.83	668,137.00	650,235.17	3%
00-200-0-5500-59-001	Administrative Bldg Payment	-	7,145.89	-	-	-
	Total Capital Equipment	117,055.96	293,171.35	1,556,929.00	664,214.41	19%

GRAND TOTAL	\$1,267,714.21	\$9,033,091.36	\$18,525,578.00	\$9,492,486.64	48.8%
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RAINBOW FIRE PROTECTION DISTRICT
Tax Apportionments FY 17-18

DATE	APP #	GROSS	REFUNDS & ADJUSTMENTS	FY 17/18 NET	FY 17/18 RUNNING	FY 16/17 NET	FY 16/17 RUNNING	
8/31/2017	1	3,894.91	24.72	3,870.19	3,870.19	3,768.39	3,768.39	
9/30/2017	2	1,484.96	51.18	1,433.78	5,303.97	1,075.88	4,844.27	
10/3/2017	3	2,890.08	271.63	2,618.45	7,922.42	2,739.49	7,583.76	
10/31/2017	4	12,403.72	400.98	12,002.74	19,925.16	6,726.65	14,310.41	
12/31/2017	5	84,496.13	193.74	84,302.39	104,227.55	83,277.20	97,587.61	
1/31/2018	6			-	104,227.55	41,796.29	139,383.90	
2/28/2018	7			-	104,227.55	8,672.05	148,055.95	
3/30/2018				-	104,227.55	-	148,055.95	
4/30/2018	8			-	104,227.55	63,603.65	211,659.60	
5/1/2018	9			-	104,227.55	30,339.83	241,999.43	
5/30/2018	10			-	104,227.55	1,832.79	243,832.22	
6/30/2018	11			-	104,227.55	4,105.73	247,937.95	
7/31/2018	12			-	104,227.55	751.62	248,689.57	
TOTAL YTD		105,169.80	942.25	104,227.55	104,227.55	97,587.61	97,587.61	
							Net Rev Increase	
							6.80%	

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	2017-2018		2017-2018 Annual Budget	Amount Remaining	% Used
	October Actual	Running Total			
Rainbow General Fund					
11-000-0-5010-09-000		-	41,250.00	41,250.00	0%
11-000-0-5050-00-000		4,217.25	23,290.00	19,072.75	18%
11-000-0-5060-27-000		-	300.00	300.00	0%
11-000-0-5080-00-000		-	4,000.00	4,000.00	0%
11-000-0-5100-42-000		-	15,200.00	15,200.00	0%
11-000-0-5100-44-000		26,800.00	28,000.00	1,200.00	96%
11-000-0-5120-52-000		6,832.02	13,000.00	6,167.98	53%
11-000-0-5120-54-000	466.86	3,564.83	10,000.00	6,435.17	36%
11-000-0-5120-69-000	456.00	3,618.20	8,000.00	4,381.80	45%
11-000-0-5130-00-000	288.01	5,971.86	7,500.00	1,528.14	80%
11-000-0-5170-72-000	-	640.00	1,300.00	660.00	49%
11-000-0-5180-91-000	-	-	1,000.00	1,000.00	0%
11-000-0-5220-00-000	-	99.03	4,000.00	3,900.97	2%
11-000-0-5221-00-000	-	24,789.95	3,000.00	(21,789.95)	826%
11-000-0-5230-30-000	-	-	4,500.00	4,500.00	0%
11-000-0-5230-37-000	-	-	12,000.00	12,000.00	0%
11-000-0-5230-37-001	-	4,474.50	15,000.00	10,525.50	30%
11-000-0-5240-38-000	-	120.00	500.00	380.00	24%
11-000-0-5260-23-000	144.87	858.11	1,800.00	941.89	48%
11-000-0-5260-26-000	29.96	184.04	3,500.00	3,315.96	5%
11-000-0-5270-00-000	2,083.33	12,499.98	25,000.00	12,500.02	50%
11-000-0-5340-00-000	27.85	229.54	3,000.00	2,770.46	8%
11-000-0-5400-00-000	-	-	10,000.00	10,000.00	0%
Total Rainbow General Fund	3,496.88	94,899.31	235,140.00	140,240.69	40%

North County Fire Protection District

For the Sixth Month Ending December 31, 2017

Account	2017-2018		2017-2018 Annual Budget	Amount Remaining	% Used
	October Actual	Running Total			
Rainbow Capital Fund					
11-200-0-5370-00-386	-	-	6,000.00	6,000.00	0%
11-200-0-5370-00-387	-	-	5,000.00	5,000.00	0%
11-200-0-5420-00-000	-	-	38,800.00	38,800.00	0%
11-200-0-5500-02-000	-	2,315.79	5,000.00	2,684.21	46%
11-200-0-5500-03-000	-	-	-	-	0%
11-200-0-5500-04-000	-	-	5,000.00	5,000.00	0%
11-200-0-5500-06-000	1,416.30	1,766.98	3,000.00	1,233.02	59%
Total Rainbow Capital Fund	1,416.30	4,082.77	62,800.00	58,717.23	7%

GRAND TOTAL	\$ 4,913.18	\$ 98,982.08	\$ 297,940.00	\$ 198,957.92	33.22%
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Document Date	Document Number	Vendor Name	Transaction Description	Document Amount
12/1/2017	STMT 12/2017	Harry J. Wilson Insurance Center	LTD 12/2017	1,020.00
12/1/2017	1263882	MYERS-STEVEN & CO. INC.	LTD 12/2017	592.25
12/1/2017	S-330 AR	BRIAN MACMILLAN	Strike Team Ldr S-330AR	300.00
12/1/2017	0417565120117	TIME WARNER CABLE	12/11/17-1/10/18	129.96
12/1/2017	9797190383	VERIZON WIRELESS	11/2/17-12/01/17	77.34
12/1/2017	18NOCFPDN05	COUNTY OF SAN DIEGO - RCS	Fire radios 11/2017	6,332.00
12/1/2017	07-18-2017-01	Com-Tech Internal Auditing Group	Internal Investigation 07/2017	7,200.00
12/1/2017	091475679	XEROX - PASADENA	10/21/17-11/21/17	357.57
12/1/2017	091475678	XEROX - PASADENA	10/21/17-11/21/17	549.30
12/1/2017	STMT 12/2017	Employee Benefit Specialists, Inc.	Dental/Vision/Life 12/2017	9,161.53
12/2/2017	32972356779	DIRECTV	12/1/17-12/31/17	141.23
12/3/2017	9558B	JIM'S SIGN SHOP	Rnbw re-number	545.00
12/4/2017	11/3/17-12/4/17	FALLBROOK PUBLIC UTILITY DISTR	11/3/17-12/4/17	185.53
12/4/2017	11/3/17-12/4/17-002	FALLBROOK PUBLIC UTILITY DISTR	11/3/17-12/4/17	566.88
12/5/2017	MCREYNOLDS TRAINING	Bonsall Unified School District	Training/McReynolds	400.00
12/6/2017	9569B	JIM'S SIGN SHOP	Vehicle lettering	120.00
12/6/2017	15228	FALLBROOK PROPANE GAS CO.	Sta. 3 propane	160.01
12/6/2017	41398	THE COUNSELING TEAM	Employee consuling - drowning	700.00
12/6/2017	3020192970	PARKHOUSE TIRE, INC.	Tires	3,562.95
12/7/2017	RE:903298332	BLUE SHIELD OF CA	Incident 17-1506	1,001.42
12/7/2017	RE: SD7847	EMS	Incident 17-355	369.67
12/7/2017	5758717	KAISER PERMANENTE	Incident 17-087639	1,435.94
12/7/2017	RE: 21294985	KAISER PERMANENTE	Incident 17-096188	157.58
12/7/2017	RE: 5217346	KAISER PERMANENTE	Incident 17-2225	1,415.20
12/7/2017	AMB OVERPYMT 12/2017	Earlene Landesman	Incident 17-1500	136.95
12/7/2017	AMB OVERPAY 12/17	SUSAN MARRA	Amb refund	230.03
12/7/2017	RE: 158084484	PRIMARY CARE ASSOCIATES	Incident 17-0008	310.35
12/7/2017	RE: 157255281	PRIMARY CARE ASSOCIATES	Incident #17-0006	310.35
12/7/2017	RUN: 137280	MARILYNN RUMSEY	Incident 17-1825	124.13
12/7/2017	RUN# 169114	MANOLITA SWEENEY	Amb. refund	111.57
12/7/2017	46081	Uniform Plus	Mesh shorts	2,198.10
12/7/2017	CABLE 11/2017	TIME WARNER CABLE	Cable invoice	64.98
12/7/2017	436951	Cal-Mesa Steel	HR Flat Bar	452.55
12/7/2017	57591384	Linde Gas North America LLC	Oxygen refill	67.32
12/8/2017	PR AP 12/8/17	LINCOLN NATIONAL	LINCOLN PMT - PR 12/8/17	3,492.20
12/8/2017	PR AP 12/08/17	FALLBROOK FIREFIGHTERS' ASSN	FBK FFA DUES 12/8/17	2,757.88
Document Date	Document Number	Vendor Name	Transaction Description	Document Amount
12/8/2017	PR AP 12/8/17	FALLBROOK FIREFIGHTERS' ASSN	FBK FFA RESERVE 12/8/17	16.38
12/8/2017	PR AP 12/8/17	FIREFIGHTERS LEG. ACTION GRP	FLAG DUES 12/8/17	106.00

12/8/2017	PR AP 12/8/17	NORTH COUNTY FIRE RESERVES	RESERVE DUES 12/8/17	32.76
12/8/2017	PR AP 12/8/17	California State Disbursement Unit	GARNISHMENT - 12/8/17	398.65
12/8/2017	12/9/17-01/08/17	AT&T U-VERSE	12/9/17-01/08/17	147.66
12/8/2017	395227	TOP-LINE INDUSTRIAL PRODUCTS	Hose/crimps	76.61
12/9/2017	500185	FALLBROOK PROPANE GAS CO.	Sta 5 propane	532.10
12/10/2017	0000240121017	TIME WARNER CABLE	12/20/17-1/19/18	149.95
12/10/2017	11/22/17-12/20/17-00	FALLBROOK PUBLIC UTILITY DISTR	11/8/17-12/10/17	84.22
12/11/2017	11/10/17-12/11/17	RAINBOW MUNICIPAL WATER DIST	11/10/17-12/11/17	284.76
12/11/2017	11/10/17-12/11/17-00	RAINBOW MUNICIPAL WATER DIST	11/10/17-12/11/17	130.06
12/11/2017	11/10/17-12/11/17-74	RAINBOW MUNICIPAL WATER DIST	11/10/17-12/11/17	14.81
12/12/2017	MEDIC RENEW 17-19	Mitch Iglesias	Medic license 17-19	242.50
12/12/2017	INTRO TO EMER MGMT	Patty Koch	Intro to Emerg Mgmt	783.00
12/12/2017	MEDIC 17-19/SHOES 18	MOORE, BRUCE	Medic renew 17-19/shoes	247.00
12/12/2017	STMT OF FACTS 12/17	Secretary of State	Record Request	1.00
12/12/2017	MEDIC REIMB 2017	Zachary Cain	Z. Cain Medic reimb	1,000.00
12/12/2017	15029	Cal Fire Norco Conservation Camp	CUSI custom sign	330.00
12/12/2017	1207050661	Citrix Systems, Inc	GoTo Mtg 12/12/17-1/11/18	117.00
12/13/2017	CO OFF. 2D & 2E	Collin Baker	Comp Officer 2D & 2E	275.00
12/13/2017	CHOI - INSTRUCTOR I	STATE FIRE TRAINING	Choi - Instructor I	65.00
12/13/2017	46157	Uniform Plus	Lindsey uniform	269.06
12/14/2017	1037	Medical X Technologies, Inc.	1st install of training	1,500.00
12/15/2017	STMT 12/15/17	FALLBROOK OIL COMPANY	Fuel 12/1/17-12/15/17	4,905.13
12/15/2017	125962	Global CTI	Shoretel rental	134.48
12/17/2017	96410	DIGITAL DEPLOYMENT, INC.	Web support	275.00
12/17/2017	11/18/17-12/17/17-00	RAINBOW MUNICIPAL WATER DIST	11/18/17-12/17/17	35.76
12/17/2017	11/18/17-12/17-17-00	RAINBOW MUNICIPAL WATER DIST	11/18/17-12/17/17	1,202.10
12/18/2017	PANDO - FFII	STATE FIRE TRAINING	Pando - FFII	40.00
12/18/2017	JACOBO - FFI IFSAC	STATE FIRE TRAINING	Jacobo - FFI	40.00
12/18/2017	SORIANO - FFI/FFII	STATE FIRE TRAINING	Soriano - FFI/FFII	80.00
12/18/2017	50006	Richardson Technologies	Sta. 1 HVAC repair	828.00
12/19/2017	CDL RENEW/PHYSICAL	ED JONES	DMV renewal/DOT physical	128.00
12/19/2017	MEDIC REIMB 2017	JOSHUA SHERLOCK	Medic Reimb	1,000.00
12/19/2017	ESPINOZA - FFII	STATE FIRE TRAINING	Espinoza - FF II	40.00
12/19/2017	LAYNE - FFII	STATE FIRE TRAINING	Layne - FFII	40.00
Document Date	Document Number	Vendor Name	Transaction Description	Document Amount
12/20/2017	11/16/17-12/18/17-39	SDG&E	11/16/17-12/18/17	451.79
12/20/2017	11/16/17-12/18/17-12	SDG&E	11/16/17-12/18/17	100.29
12/20/2017	11/22/17-12/20/17	FALLBROOK PUBLIC UTILITY DISTR	11/22/17-12/20/17	475.77
12/21/2017	11/20/17-12/20/17-65	SDG&E	11/20/17-12/20/17	34.67
12/21/2017	11/17/17-12/19/17-87	SDG&E	11/17/17-12/19/17	29.96
12/22/2017	9952	State of California	Solar loan pymt 3 of 40	6,287.70

12/22/2017	9963	State of California	Solar pymt 5 of 29	17,703.73
12/22/2017	PR AP 12/22/17	LINCOLN NATIONAL	LINCOLN NATIONAL - PR AP 12/22	3,642.63
12/22/2017	PR AP 12/22/17	FALLBROOK FIREFIGHTERS' ASSN	FBK FFA - PR AP 12/22/17	2,757.88
12/22/2017	PR AP 12/22	FALLBROOK FIREFIGHTERS' ASSN	FBK FFA - RESERVES PR 12/22/17	21.06
12/22/2017	PR AP 12/22/17	FIREFIGHTERS LEG. ACTION GRP	FLAG PMT - PR AP 12/22/17	106.00
12/22/2017	PR AP 12/22/17	NORTH COUNTY FIRE RESERVES	RESERVE DUES - PR 12/22/17	42.12
12/22/2017	PR AP 12/22/17	California State Disbursement Unit	GARNISHMENT-DYE PR 12/22/17	398.65
12/22/2017	11/20/17-12/20/17-32	SDG&E	11/20/17-12/20/17	27.77
12/22/2017	11/20/17-12/20/17-18	SDG&E	11/20/17-12/20/17	81.75
12/22/2017	11/20/17-12/20/17-71	SDG&E	11/20/17-12/20/17	27.45
12/22/2017	11/20/17-12/20/17-98	SDG&E	11/20/17-12/20/17	398.24
12/22/2017	11/20/17-12/20/17-78	SDG&E	11/20/17-12/20/17	144.27
12/22/2017	PS000816269	HAWTHORNE POWER SYSTEMS	Gasket	11.66
12/27/2017	NI27824	Westrux International, Inc	Control H	41.81
12/27/2017	NI68496	Westrux International, Inc	(2) Gasket	39.66
12/29/2017	2018 MEMBERSHIP	CSDA	CSDA 2018 Membership	6,842.00
12/29/2017	PYMT 14 OF 40	City National Bank	Sta. 5 pymt 14 of 40	91,369.33
12/31/2017	DEH2002-HUPFP-135936	CO. OF SAN DIEGO, DEH	12/31/17-12/31/18	1,015.00
12/31/2017	STMT 12/30/17	D.F. Cleaning Service	Admin Janitorial 12/2017	400.00
12/31/2017	5/24/17-12/31/17	LOREN STEPHEN-PORTER	Mileage 5/24/17-12/31/17	252.94

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**NORTH COUNTY FIRE
PROTECTION DISTRICT
FIRE CHIEF/CEO**

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: JANUARY 23, 2018
SUBJECT: APPROVAL OF POLICIES AND PROCEDURES

The following Policies and Procedures are being presented for review and approval:

1. Budget and Fund Management: Reserve Fund Balance Reporting
 - New policy to address how Reserves are managed and maintained.
2. Budget and Fund Management: Single Role EMS Personnel Compensation
 - Modification to recently approved policy. Clarifies guidelines for overtime and hours.
3. Job Descriptions: Fire Service Assistant
 - Revised Hydrant Assistant job description to include other fire prevention duties.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
BUSINESS MANAGEMENT
BUDGET AND FUND MANAGEMENT

SECTION 211.09
JANUARY 23, 2018
PAGE 1 OF 4

RESERVE FUND BALANCE REPORTING

1.0. PURPOSE:

- 1.1. To document the District's approach to establishing and maintaining adequate Reserve Fund Balances across the spectrum of District operations.
- 1.2. Identify District operations and functions for which Reserve Fund Balances should be established and maintained, considering risks to the operation from unexpected events, the availability of other resources to address such events and the volatility of expenditures and revenues of the operation;
- 1.3. Establish a procedure for reviewing Reserve Fund Balances and for making any necessary changes to the Reserve Fund Balances. Funding the Reserve Fund Balance Accounts should be an integral part of the development of the Preliminary Budget for the upcoming Fiscal Year.
- 1.4. Establish anticipated expenses, target Reserve Levels and the methodology for calculating Reserve Levels. Anticipated expenses and Target Reserve Funding levels shall be established at the May Board Meeting of each calendar year.

2.0. POLICY:

- 2.1. The Board of Directors shall be responsible for the establishing and management of all District fund accounts and balances. Reserve Fund Accounts shall be established by the Board of Directors through adoption of this Policy and codified by passage of a resolution.
- 2.2. Changes to existing Reserve Fund balances, establishing of new Reserve Fund accounts and balances, and authorization for expenditures from Reserve Fund Balances shall require action by the Board of Directors.
- 2.3. The balances of each Reserve Fund shall be reviewed by the Board of Director's in May of each calendar year. Any recommended changes to Reserve Fund Balances for the upcoming fiscal year shall be presented to the Board of Directors as an action item.
- 2.4. The Fiscal Year Budget shall reflect the Reserve Fund Balances established by the Board of Directors.
- 2.5. The District shall hold and use the assets of the Rainbow Special Fire Protection Zone for the exclusive benefit and use of the Rainbow Special Fire Protection Zone. The District shall also be entitled to continue collecting property taxes



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
BUSINESS MANAGEMENT
BUDGET AND FUND MANAGEMENT

SECTION 211.09
JANUARY 23, 2018
PAGE 2 OF 4

RESERVE FUND BALANCE REPORTING

allocated to the Rainbow Special Fire Protection Zone (47575) exclusively for the Rainbow Special Fire Protection Zone, in accordance with LAFCO Resolution R086-25, Approval of the Fallbrook Fire Protection District & Rainbow CSA Reorganization, inclusive of Exhibits A & B.

3.0. FUND DESCRIPTIONS:

3.1. The District's Fund Balance Reporting Policy was developed in conjunction with the Government Accounting Standard Board (GASB) Statement No. 54. The District has adopted a Board resolution that sets forth certain classifications of Reserve Fund Balance, as well as a minimum Reserve Fund Balance Policy. Classifications of Reserve Fund Balance maintained by the District as per Policy are set forth as follows:

3.1.1. **RESTRICTED:** Externally enforceable limitations on use, imposed by law or constraints by creditors, grantors or contributors. Examples might include grant funds received for the express purpose of purchasing specific supplies, equipment or debt covenants imposed by creditors.

3.1.1.1. **FIRE MITIGATION FEE FUND:** This is a special Revenue Fund consisting of fees collected by the County of San Diego based upon current and future development within the District. Monies collected can only be spent on capital improvements and equipment as dictated in the Fire Mitigation Fee Multi-Year Facilities & Equipment Plan, which is submitted to the County annually. Monies may be transferred from this "Mitigation Fund" to the General Fund to pay for capital improvements.

3.1.2. **COMMITTED:** Pursuant to constraints imposed by Board resolution, Committed amounts cannot be use for any purpose other than specified in the resolution, unless the Board removes or changes the specific use through resolution or ordinance. Commitments of Reserve Fund Balance have been set forth by Board resolution as follows:

3.1.2.1. **WORKER'S COMPENSATION RESERVE FUND:** Established at a level equal to the total estimated value of all open claims and an estimated value of incurred, but not reported claims at the end of each fiscal year. Reserve Funds from this account will be drawn-down to pay significant expenses against a particular Workers' Compensation claim file such as a single invoice in excess of \$50,000 and/or a lump sum payment when a claim is closed by way of Compromise and Release.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
BUSINESS MANAGEMENT
BUDGET AND FUND MANAGEMENT

SECTION 211.09
JANUARY 23, 2018
PAGE 3 OF 4

RESERVE FUND BALANCE REPORTING

- 3.1.2.2. EQUIPMENT REPLACEMENT FUND: Provides for vehicle, apparatus and major equipment replacement. Funded through the accumulation of depreciation and amortization of capital assets in the fund. Monies shall be withdrawn for the purchase of equipment replacement items. This Reserve Fund shall incorporate funds necessary to fund the Board approved Capital Equipment Replacement Plan. The Administrative Chief shall review the Capital Equipment Replacement Schedule every May and identify the proper funding level for this Reserve Fund.
- 3.1.2.3. FACILITIES ACQUISITION AND MAINTENANCE FUND: Derived from proceeds from the sale of District property, with annual Fund adjustments of a three percent (3%) inflation factor. Designated for future facility acquisition, maintenance and repair.
- 3.1.2.4. COMPENSATED ABSENCES FUND: Established at a level equal to thirty-three percent (33%) of employee accrued leave balances. Funds from this account will be drawn-down to pay-off accrued leave balance(s) due to an employee upon separation, when the value of the leave accruals for a specific employee is \$50,000 or above.
- 3.1.3. ASSIGNED: Amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Examples of assigned Reserve Fund Balance include:
 - 3.1.3.1. CONTINUING BUDGET APPROPRIATIONS: Balance of multi-year funding requirements for approved projects or other expenditures.
 - 3.1.3.2. BUDGET TRANSFERS FOR REVENUE SHORTFALLS: Amount to be transferred from Reserve Fund Balance to cover a projected budget deficit, if applicable, in the following Fiscal Year.
- 3.1.4. UNASSIGNED: Excess amounts not otherwise classified, to include:
 - 3.1.4.1. MINIMUM GENERAL FUND BALANCE: As per Policy, the District maintains a General Fund Contingency Reserve equal to three (3) months of the District's approved expenditure Budget. In the event that Unassigned Fund Balance is not sufficient to meet the three month minimum, the remaining balance of funds not otherwise classified shall be maintained in this account.
 - 3.1.4.2. ALL OTHER: All other funds not otherwise classified.
- 3.1.5. RESERVE FUND EXPENDITURES AND REPLENISHMENT:



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
BUSINESS MANAGEMENT
BUDGET AND FUND MANAGEMENT

SECTION 211.09
JANUARY 23, 2018
PAGE 4 OF 4

RESERVE FUND BALANCE REPORTING

- 3.1.5.1. Reserve Fund Balances shall be reviewed by the Board of Directors at the May Board meeting and modified through the normal budgeting cycle in June and September.
- 3.1.5.2. The Administrative Chief shall have the authority to maintain established "assigned" and "unassigned" Reserve Fund Balances as prescribed herein through routine intra-fund transfers between assigned and other funds.
- 3.1.5.3. Expenditure or transfer of the remaining "committed", "restricted" and "unassigned" Reserve Funds moneys shall be approved by the Board of Directors.
- 3.1.5.4. Unless otherwise specified, Unassigned Reserve Funds are normally assigned or committed to a specific fund once the previous Fiscal Year's books are closed out, usually during the adoption of the Final Budget at the September Board meeting.

4.0. REFERENCES:

- 4.1. [Government Accounting Standard Board \(GASB\) Statement No. 54.](#)

5.0. RELATED POLICIES/FORMS:

5.1. POLICIES:

- 5.1.1. [Allocation of Funds;](#)
- 5.1.2. [Worker's Compensation Account.](#)

5.2. FORMS: None.

LAST REVIEW: 01-16-18
LAST UPDATE:
FC/BOD APPROVAL: 01-23-18
TRACKER: 211.09

L/M Review:



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
BUDGET MANAGEMENT
PAYROLL AND BENEFITS

SECTION 216.07
JANUARY 23, 2018
PAGE 1 OF 5

SINGLE ROLE EMS PERSONNEL COMPENSATION

1.0. PURPOSE:

- 1.1. To establish compensation guidelines for Single Role EMS Personnel employed by the North County Fire Protection District.

2.0. POLICY:

- 2.1. The North County Fire Protection District will provide compensation and benefits for Single Role EMS Personnel sufficient to fulfill the District's Mission and in order to comply with applicable local, State and Federal regulations.

3.0. AUTHORITY:

- 3.1. [California Government Code §7522](#), et. seq. - Public Employee's Pension Reform Act;
- 3.2. [California Government Code §20305](#) - CalPERS Benefits For Part-Time Employees;
- 3.3. [California Labor Code §1183\(d\)](#) - California Minimum Wage Order;
- 3.4. [California Labor Code §2810.5](#) - Employment, Paid Sick Days, Part-Time Employees;
- 3.5. [Public Law 111-148](#) - Patient Protection and Affordable Care Act;
- 3.6. [Title 29, U.S. Code, Chapter 8, Fair Labor Standards Act](#);
- 3.7. [California Code of Regulations, Title 8, §§11040 and 11050](#).

4.0. PROCEDURE:

4.1. COMPENSATION AND BENEFITS:

- 4.1.1. Payroll for Single Role EMS Personnel is processed in accordance with the [Payroll Processing Policy](#).
- 4.1.2. Single Role EMS Personnel includes both full-time and part-time positions. Each position will include different compensation and benefits.
- 4.1.3. Health Insurance Benefits are provided to Single Role EMS Personnel in accordance with the provisions of the Affordable Care Act and as outlined in the [Insurance Benefits Policy](#). For those Single Role EMS Personnel assigned to work in a full-time capacity, by virtue of their full-time assignment, full-time Single Role EMS Personnel are presumed to have satisfied the thirty (30) hours-per-week eligibility requirement and therefore will begin receiving health benefits at time of assignment, unless they choose to decline health



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
BUDGET MANAGEMENT
PAYROLL AND BENEFITS

SECTION 216.07
JANUARY 23, 2018
PAGE 2 OF 5

SINGLE ROLE EMS PERSONNEL COMPENSATION

benefits. Eligibility for health insurance benefits is determined pursuant to [Resolution 2014-09](#), which establishes a nine (9)-month "look back" period to determine if the employee consecutively works an average of thirty (30) or more hours-per-week (equivalent to 130 hours/month). *[Note that periods of paid leave are included in determining eligibility during the look back period.]* For employees deemed eligible, the District will currently pay 90% of the Employee only portion of the Blue Shield HMO premium for the subsequent twelve (12)-month stability period, which satisfies the "affordability" test based upon the "rate of pay" safe harbor provision. *The District will need to periodically evaluate this cost sharing to ensure the employee's portion of the premium remains "affordable," which is defined as not exceeding 9.5% of the employee's rate of pay.* The District's cafeteria plan will also provide insurance benefits to the employee's dependents; however the Limited Term Apprentice is obligated to pay for that portion of the premium.

- 4.1.4. Single Role EMS Personnel will receive Sick Leave benefits which are accrued at a rate of one (1) hour for each thirty (30) hours worked. Sick Leave may be accrued to a maximum of 400 hours and has no cash value upon separation from the District. Credit for unused sick leave may be applied toward retirement as a component of the District's contracted retirement benefits through CalPERS. Sick Leave is to be utilized in accordance with the [Sick Leave Policy](#) and related policies.
- 4.1.5. The District shall compensate the employee at the following rate of pay:
 - 4.1.5.1. EMT Step 1: minimum wage;
 - 4.1.5.2. EMT Step 2: minimum wage plus \$1.00 per hour;
 - 4.1.5.3. EMTs qualified as a Paramedic will receive a daily stipend equivalent to Paramedic Step 1 wage only when acting as a lead Paramedic;
 - 4.1.5.4. Paramedic Step 1: minimum wage plus \$3.00 per hour;
 - 4.1.5.5. Paramedic Step 2: minimum wage plus \$4.00 per hour.
- 4.1.6. Step increases will be awarded upon successful completion of a one (1) year probationary period and upon receipt of a satisfactory performance evaluation.
- 4.1.7. In general, EMTs & Paramedics will work a rotating shift schedule that will accommodate the fire department's 24/7 operations. To the extent required by federal and state labor laws and/or regulations, the District agrees to provide the EMT and Paramedic with overtime pay based upon a forty (40) hour workweek. As FLSA "non-exempt" employees, EMTs and Paramedics



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
BUDGET MANAGEMENT
PAYROLL AND BENEFITS

SECTION 216.07
JANUARY 23, 2018
PAGE 3 OF 5

SINGLE ROLE EMS PERSONNEL COMPENSATION

shall receive overtime pay for hours worked over forty (40) hours in a workweek at time and one half of the EMT or Paramedic's FLSA regular rate of pay.

- 4.1.8. Single Role EMS Personnel shall be compensated for their time when on duty or when asked to report to duty for emergency call back, meetings, training or special tasks [i.e. retrieval of medical equipment or any support services needed]. All Overtime must be pre-approved.
- 4.1.9. Single Role EMS Personnel that work on Thanksgiving, Christmas Day or New Year's Day shall be compensated an additional \$125.00 for the shift.
- 4.1.10. Full-time Single Role EMS employees will receive:
 - 4.1.10.1. Annual Leave accrued biweekly at a rate of ninety-six (96) hours annually to a maximum of 480 hours. Annual Leave is to be used in accordance with the Annual Leave Policy.

4.2. RETIREMENT BENEFITS:

- 4.2.1. Retirement benefits for all Single Role EMS Personnel will be determined by their status under the [Public Employees' Retirement Reform Act of 2013 \(PEPRA\)](#). Under this law, Single Role EMS Personnel are considered either "NEW" or "CLASSIC" members.
- 4.2.2. Full-Time Single Role EMS Personnel will be added into the CalPERS system upon hire. Part-time Single Role EMS Personnel that have reached a total of 1000 hours within a fiscal year with the District will receive CalPERS retirement benefits. Once eligible for CalPERS benefits, Single Role EMS Personnel will remain an active member. Single Role EMS Personnel will be responsible for paying the full "employee rate" for their membership class.
- 4.2.3. "NEW" MEMBERS ARE:
 - 4.2.3.1. A new hire who becomes a CalPERS members for the first time on or after January 1, 2013 and who has no prior membership in any other California Public retirement system, or who is not reciprocal with another California public retirement system.
 - 4.2.3.2. A new hire who is brought into the CalPERS membership for the first time on or after January 1, 2013 and who is not eligible for reciprocity with another California public retirement system.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
BUDGET MANAGEMENT
PAYROLL AND BENEFITS

SECTION 216.07
JANUARY 23, 2018
PAGE 4 OF 5

SINGLE ROLE EMS PERSONNEL COMPENSATION

4.2.3.3. An established member prior to January 1, 2013, who is hired by a different CalPERS employer after January 1, 2013, after a break in service greater than six (6) months.

4.2.3.4. Responsible for paying the full "employee rate" of 6.5% for NEW CalPERS members, which will be deducted from each pay cycle check.

4.2.3.5. RETIREMENT FOR NEW SINGLE ROLE EMS EMPLOYEES SHALL BE AS FOLLOWS:

4.2.3.5.1. Classified a miscellaneous employee, the DISTRICT shall contract with the Public Employees' Retirement System (PERS) to provide, in addition to minimum benefits, retirement benefits described in [California Government Code §7522.25](#), known commonly as 2.0% at 62.

4.2.4. "CLASSIC" MEMBERS ARE:

4.2.4.1. "CLASSIC" members are those employees with an initial hire date prior to January 1, 2013, who do not fit into the "NEW" member categories.

4.2.4.2. Responsible for paying the full "employee rate" of 8%, which will be deducted from each pay cycle check.

4.2.4.3. RETIREMENT FOR CLASSIC SINGLE ROLE EMS EMPLOYEES SHALL BE AS FOLLOWS:

4.2.4.3.1. Classified as a miscellaneous employee The DISTRICT shall contract with the Public Employees' Retirement System (PERS) to provide, in addition to minimum benefits, retirement benefits described in [California Government Code, §21354.5](#), known commonly as 2.7% at 55. The contract shall also include the following:

4.2.4.3.1.1. Fourth Level of 1959 Survivor Benefits (Gov. Code §21574);

4.2.4.3.1.2. Two Years Additional Service Credit (Gov. Code §20903);

4.2.4.3.1.3. Credit For Unused Sick Leave (Gov. Code §20965);

4.2.4.3.1.4. Post-Retirement Survivor Allowance (Gov. Code §§21624, 21626 and 21628);

4.2.4.3.1.5. One-Year Final Compensation (Gov. Code §20042);

4.2.4.3.1.6. Military Service Credit as Public Service (Gov. Code §21024).



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
BUDGET MANAGEMENT
PAYROLL AND BENEFITS

SECTION 216.07
JANUARY 23, 2018
PAGE 5 OF 5

SINGLE ROLE EMS PERSONNEL COMPENSATION

5.0. REFERENCES:

- 5.1. [California Government Code 7522](#), et. seq. - Public Employee's Pension Reform Act;
- 5.2. [California Government Code 7522.20](#) — Miscellaneous Plan Retirement Benefits
- 5.3. [California Government Code §20042](#) — One Year Final Compensation;
- 5.4. [California Government Code §20305](#) — CalPERS Benefits For Part-Time Employees;
- 5.5. [California Government Code §20965](#) — Credit for Unused Sick Leave;
- 5.6. [California Government Code §21024](#) — Military Service Credit as Public Service;
[California Government Code §21574](#) — Fourth Level Of 1959 Survivor Benefits;
- 5.7. [California Government Code §21624](#) — Post-Retirement Survivor Allowance;
- 5.8. [California Government Code §21626](#) — Post-Retirement Survivor Allowance;
- 5.9. [California Government Code §21628](#) — Post-Retirement Survivor Allowance;
- 5.10. [California Labor Code §2810.5](#) — Employment, Paid Sick Days, Part-Time Employees;
- 5.11. [Public Employees' Retirement Reform Act of 2013 \(PEPRA\)](#);
- 5.12. [Public Law 111-148 - Patient Protection And Affordable Care Act](#);
- 5.13. [California Labor Code §1183\(d\)](#) — California Minimum Wage Order;
- 5.14. North County Fire Protection District [Resolution 2014-09](#).

6.0. RELATED POLICIES/FORMS:

6.1. POLICIES:

- 6.1.1. [Insurance Benefits Policy](#);
- 6.1.2. [Payroll Processing Policy](#);
- 6.1.3. [Sick Leave Policy](#).

6.2. FORMS: None.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.31
JANUARY 23, 2017
PAGE 1 OF 7

FIRE SERVICES ASSISTANT

1.0. PURPOSE:

- 1.1. To provide a description of the physical requirements, qualifications, duties and responsibilities of employment within this classification with the North County Fire Protection District.

2.0. POLICY:

- 2.1. All members classified in the position described herein shall meet all physical requirements, personal and professional qualifications and shall perform the stated duties and responsibilities, including all other duties as assigned.

3.0. INTENT:

- 3.1. The intent of this Policy is to provide an overview of the abilities necessary to function appropriately within the specified classification. It is also the intent to provide an overview of the typical duties and responsibilities of the stated position. This job analysis is not intended to delineate every facet of a particular job classification; other duties and responsibilities may be assigned as appropriate.

4.0. ESSENTIAL FUNCTIONS JOB ANALYSIS:

- 4.1. JOB TITLE: Fire Services Assistant (FSA)
- 4.2. EMPLOYER: North County Fire Protection District
330 S. Main Avenue
Fallbrook, CA 92028
Phone: (760) 723-2005
Fax: (760) 723-2045
- 4.3. DATE APPROVED: December 12, 2017
- 4.4. UPDATES: January 23, 2018

5.0. GENERAL JOB DESCRIPTION:

- 5.1. There is one Fire Services Assistant position. The primary functions of the position are:
 - 5.1.1. HYDRANT MAINTENANCE: The actual servicing of the hydrants located in that portion of the district served by Fallbrook Public Utilities District will be performed in accordance to NCFPD policy regarding hydrant maintenance.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.31
JANUARY 23, 2017
PAGE 2 OF 7

FIRE SERVICES ASSISTANT

[See [Hydrants Operations & Maintenance.](#)] Generally, these tasks will include:

- 5.1.1.1. Check hydrants for proper orientation to the street;
 - 5.1.1.2. Check for operating clearance, valve operation and obstacles;
 - 5.1.1.3. Clean, scrub, lube and exercise hydrant stems;
 - 5.1.1.4. Lubricate all threads with anti-seize;
 - 5.1.1.5. Check valve stems and connection threads for damage;
 - 5.1.1.6. Tighten, or replace caps;
 - 5.1.1.7. Cut all vegetation from around hydrants to a minimum of 36";
 - 5.1.1.8. Apply a soil treatment (where practical) to retard growth of annual weeds;
 - 5.1.1.8.1. **NOTE:** Report vegetation removal issues to the Weed Abatement Officer;
 - 5.1.1.9. Wash all hydrants prior to painting;
 - 5.1.1.10. Paint/coat all hydrants with oil-based paint to District standards;
 - 5.1.1.11. Report all damaged hydrants to proper agencies;
 - 5.1.1.12. Verify static pressure;
 - 5.1.1.13. Take GPS coordinates for hydrants out of line of sight (fields, groves, etc.);
 - 5.1.1.14. Maintain accurate database records of all hydrant inspections and maintenance;
 - 5.1.1.15. Place Blue Hydrant Reflective Markers for night time recognition;
 - 5.1.1.16. Check all hydrants against District run maps. Changes and additions shall be noted and forwarded to Mapping Program Manager.
- 5.1.2. **FIRE MANAGEMENT ZONE HYDRANT MAINTENANCE ORDER:** Coordinate the fire hydrant maintenance with Fallbrook Public Utility District's (FPUD) valve servicing. FPUD routinely exercises the hydrant during valve maintenance and gets to about a third of the hydrants annually. Efforts should be coordinated to maintain a different one-third of the hydrants than FPUD.
- 5.1.3. **HYDRANT LOCATION MAP BOOK:** Identify map book discrepancies, crosscheck discrepancies via MDC, with changes or additions to be noted and communicated to the agency representative in charge of mapping and MDCs.
- 5.1.4. **FIELD SERVICE RECORD:** A field service record shall be made for each hydrant serviced. Completed Field Service Records shall also be maintained in a notebook in Fire Prevention. An annual report shall be generated and submitted to the Fire Marshal each December, noting the total number of serviced hydrants.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.31
JANUARY 23, 2017
PAGE 3 OF 7

FIRE SERVICES ASSISTANT

- 5.1.5. Perform weed abatement inspections at private residential parcels, vacant parcels and commercial parcels. Investigate complaints pertaining to violations of fire prevention laws and ordinances.
- 5.1.6. Researches and compiles data for code violation cases such as property ownership, permits, contracts, and legal descriptions.
- 5.1.7. Advises property owners of violations of specific codes and action necessary to comply; seeks voluntary compliance.
- 5.1.8. Issue written notices of weed abatement ordinance violations and require correction thereof. Inspect for and issue burn permits, manage a weed and hazard abatement program, inspect, post and issue weed abatement notices, re-inspect to determine compliance has been achieved on all violations.
- 5.1.9. Maintain records pertaining to inspections and actions taken.
- 5.1.10. Prepare correspondence and written reports that are concise, thorough and grammatically correct.
- 5.1.11. Satisfactorily participate in and complete specialized courses, seminars and/or in service training in order to maintain technical expertise as determined by the District.
- 5.1.12. Testifies in both civil and criminal proceedings regarding violations and enforcement actions.
- 5.1.13. Provides public education materials to better inform the public of risks of wild fire and means to protect their property.
- 5.1.14. Operate telephone, radios and office machines with proficiency; utilize common computer software programs, including word processing, spreadsheets and database programs.
- 5.1.15. Perform administrative duties within Fire Prevention Bureau.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.31
JANUARY 23, 2017
PAGE 4 OF 7

FIRE SERVICES ASSISTANT

5.2. WORK HOURS:

- 5.2.1. The FSA is a part-time position. Total work hours are eight hours per week. Employees are provided fifteen (15) minute breaks for each three (3) hours worked; a thirty (30)-minute meal break is provided when working over five (5) hours. Hours of work are coordinated with the Fire Marshal.

5.3. EDUCATION:

- 5.3.1. Education requirements for this are:

- 5.3.1.1. High School Diploma or GED.

5.4. EXPERIENCE/KNOWLEDGE/ABILITIES:

5.4.1. EXPERIENCE:

- 5.4.1.1. None required.
5.4.1.2. Experience in a similar position is desirable.
5.4.1.3. Current or former experience as an Explorer Scout in good standing with Explorer Post 2740 is also desirable.

- 5.4.2. **KNOWLEDGE:** Of safe driving, basic computer systems/applications and area geography and roadways is required.

5.4.3. ABILITY TO:

- 5.4.3.1. Learn District terminology and communication codes;
5.4.3.2. Maintain good relations and to communicate well with co-workers and the general public;
5.4.3.3. Respond in a timely manner to respond to requests for maintenance;
5.4.3.4. Maintain accurate records;
5.4.3.5. Understand and follow verbal and written instruction;
5.4.3.6. Carry out other tasks as assigned;
5.4.3.7. Follow traffic safety requirements, including signage, with the intent to prevent automotive accidents, property damage and injuries;
5.4.3.8. Place vehicle in accordance with safety principles to ensure safety of the FSA; and
5.4.3.9. Wear appropriate personal protective clothing (PPE), including reflective vest.
5.4.3.10. Proper use of the English language, spelling, grammar and punctuation.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.31
JANUARY 23, 2017
PAGE 5 OF 7

FIRE SERVICES ASSISTANT

- 5.4.3.11. After initial training, demonstrate and display knowledge of: Fire Prevention methods pertinent rules, laws and policies related to area of assignment, safe work methods and safety regulations pertaining to job related duties.
- 5.4.4. For certain assignments, additional specific qualifications may apply.
- 5.4.5. **LICENSE/CERTIFICATION:** Valid California Class "C" Driver's License and maintain insurable status with the District's liability carrier.
- 6.0. **TYPES OF MACHINES, TOOLS, EQUIPMENT USED ON THE JOB:**
- 6.1. Vehicle/Pick-up truck, traffic signage, gloves, coat/garment, radio, computer, computer keyboard/mouse, copiers, form, paperwork, reference materials, other office supplies. Hydrant wrench, diffuser, cap gauge, pitot tube, fire hose and various hose appliances.
- 7.0. **VEHICLES/MOVING EQUIPMENT DRIVEN ON THE JOB:** Pickup Truck; Van.

8.0. **ESSENTIAL FUNCTIONS:**

General Job Duties: Performs any combination of following duties, without close supervision: Levels earth to fine grade specifications, using pick, rake and shovel. Mops, brushes, or spreads paints or bituminous compounds over surfaces for protection. Sprays materials such as water, sand, steam, vinyl, or paint, through hose to clean, coat, or seal surfaces. Performs variety of tasks involving dexterous use of hands and tools. Performs routine maintenance and determines when and what kind of maintenance is needed. Work is usually performed alone.

Performing General Physical Activities: Performing physical activities that require moving one's whole body, such as in climbing, lifting, balancing, walking, stooping, where the activities often also require considerable use of the arms and legs, such as in the physical handling of materials.

Handling and Moving Objects: Using one's own hands and arms in handling, installing, forming, positioning, and moving materials, or in manipulating things, including the use of keyboards.

Communicating With Other Workers: Providing information to supervisors, fellow workers, and subordinates. This information may be exchanged face-to-face, in writing or via telephone/electronic transfer.

Operating Vehicles or Equipment: Running, maneuvering, navigating or driving vehicles or mechanized equipment, such as forklifts or passenger vehicles.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.31
JANUARY 23, 2017
PAGE 6 OF 7

FIRE SERVICES ASSISTANT

9.0. MENTAL FACTORS:

9.1. GENERAL EDUCATIONAL DEVELOPMENT:

REASONING: Apply common sense understanding to carry out instructions furnished in written, oral or diagrammatic form; deal with problems involving several concrete variables in or from standard situations.

MATHEMATICS: SIMPLE SKILLS: Add, subtract, multiply and divide whole numbers and fractions, make change, calculate time, calculate simple measurements.

READING: COMPLEX SKILLS: Comprehend manuals (such as maps, policies and procedures, training materials, multi-step instructions for dealing with callers, code books), instructions in use of communications equipment (such as computer console, multi-line telephones and apparatus), safety rules and procedures, and drawings.

WRITING: COMPLEX SKILLS: Prepare business letters, summaries of reports using prescribed format and conforming to all rules of English spelling, punctuation, grammar, diction, and style.

9.2. PERCEPTION:

CLERICAL: Ability to perceive pertinent detail in verbal or tabular material; to observe differences in computation.

SPATIAL: Ability to recognize the relationships resulting from the movement of objects in space. Ability to comprehend forms in space and understand relationships of plane and solid objects. May be used in tasks as blueprint reading. Frequently described as the ability to "visualize" object of two or three dimensions, or to think visually of geometric forms.

DATA: Data are intangible and include numbers, words, symbols, ideas, concepts and oral verbalization: Compiling, Copying and Comparing.

PEOPLE: Human beings, dealt with on an individual basis: Speaking/Signaling, Taking Instructions and Helping.

THINGS: Inanimate objects as distinguished from human beings, substances or materials; machines, tools, equipment and products. A thing is tangible and has shape, form, and other physical characteristics: Operating/Controlling, Driving/Operating, Manipulating, and Handling.

9.3. PERSONAL TRAITS:

ABILITY TO COMPREHEND & FOLLOW SPECIFIC INSTRUCTIONS:

The ability to maintain attention and concentration for necessary periods, to apply common sense understanding to carry out instructions furnished in written oral or diagrammatic form; to adapt to situations requiring the precise attainment of set limits, tolerances or standards; to operate-controls which involve starting, stopping, controlling and adjusting the progress of a machine or piece of equipment.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.31
JANUARY 23, 2017
PAGE 7 OF 7

FIRE SERVICES ASSISTANT

ABILITY TO PERFORM SIMPLE AND REPETITIVE TASKS, OR SHORT CYCLE WORK:

The ability to ask simple questions or request assistance, to perform activities of a routine, concrete, organized nature, to remember locations and work procedures, to make decisions based on simple sensory data.

ABILITY TO MAINTAIN A WORK PACE APPROPRIATE TO A GIVEN WORK LOAD:

The ability to perform activities with a schedule, maintain regular attendance and to be punctual within specified tolerances, to complete a normal work day and/or work week and perform at a consistent pace without unreasonable number and/or length of rest periods; to perform effectively when confronted with potential emergency, critical, unusual or dangerous situations, or in situations in which working speed and sustained attention are make or break aspects of the job.

ABILITY TO RELATE TO OTHER PEOPLE BEYOND GIVING AND RECEIVING INSTRUCTIONS:

The ability to get along with co-workers or peers without exhibiting extreme responses, to perform work activities requiring negotiating with, instruction, supervising, persuading or speaking; to respond appropriately to criticism from a supervisor.

ABILITY TO MAKE GENERALIZATIONS, EVALUATIONS OR DECISIONS WITHOUT IMMEDIATE SUPERVISION:

The ability to retain awareness of potential hazards and observe appropriate precautions; to understand and remember detailed instructions; to travel in unfamiliar places or use public transportation systems.

10.0. REFERENCES: None.

11.0. RELATED POLICIES/FORMS:

11.1. POLICIES:

11.1.1. Hydrants Operations & Maintenance.

11.2. FORMS: None.

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**NORTH COUNTY FIRE
PROTECTION DISTRICT
ADMINISTRATIVE SERVICES – BUDGET & FINANCE**

TO: BOARD OF DIRECTORS
FROM: DEPUTY CHIEF MAROVICH AND CHIEF ABBOTT
DATE: JANUARY 23, 2018
SUBJECT: SECOND QUARTER OVERTIME TRACKING REPORT

CONSENT AGENDA

BACKGROUND:

This report is designed to provide an overview of the overtime expenditures in comparison with the budgeted amounts and historical usage. In addition, this report documents overtime based on the leave that generates it and includes reimbursements from providing Mutual Aid.

DISCUSSION:

The attached charts provide multiple views of overtime usage and the leave that generates it. The reporting periods coincide with the month divisions and not pay periods. Therefore, there may be variations from month to month. An increase in overtime may be attributed to an additional pay period falling within that particular month or unusually high overtime due to an event or mutual aid activity. Three charts are included to give a quick visual comparison of the tracked areas:

- Leave Analysis by Type
- Five Year Overtime History
- Two Year Overtime Comparison by Month

FISCAL ANALYSIS:

The District finished the second quarter with a slight increase in both annual leave and sick leave compared to the same quarter last year. Current overtime is 181% expended but the District received reimbursements for mutual aid in the amount of \$204,211 which reduces the overtime down to 151% of the budget. The District has approximately \$597,217 in accounts receivable for outstanding strike team and potentially \$76,792 for the Lilac Fire from Federal and State disaster reimbursement. Total overtime expended minus all reimbursements, including Lilac, would be 392,484 or 56% of the budget.

SUMMARY:

Information only, no action needed.

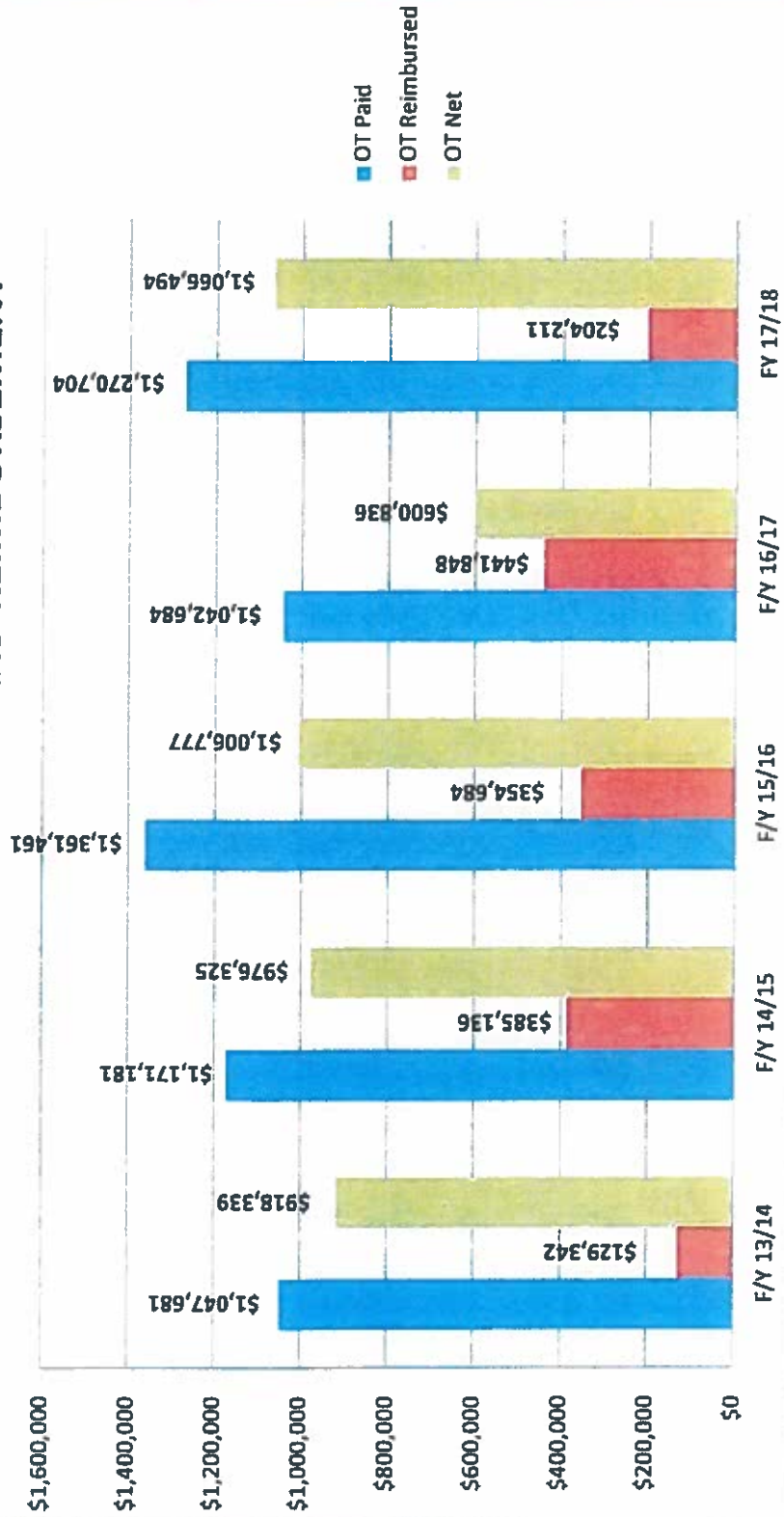
NCFPD EMERGENCY SERVICES NUMBER OF HOURS BY TYPE 2nd QUARTER 16/17-17/18



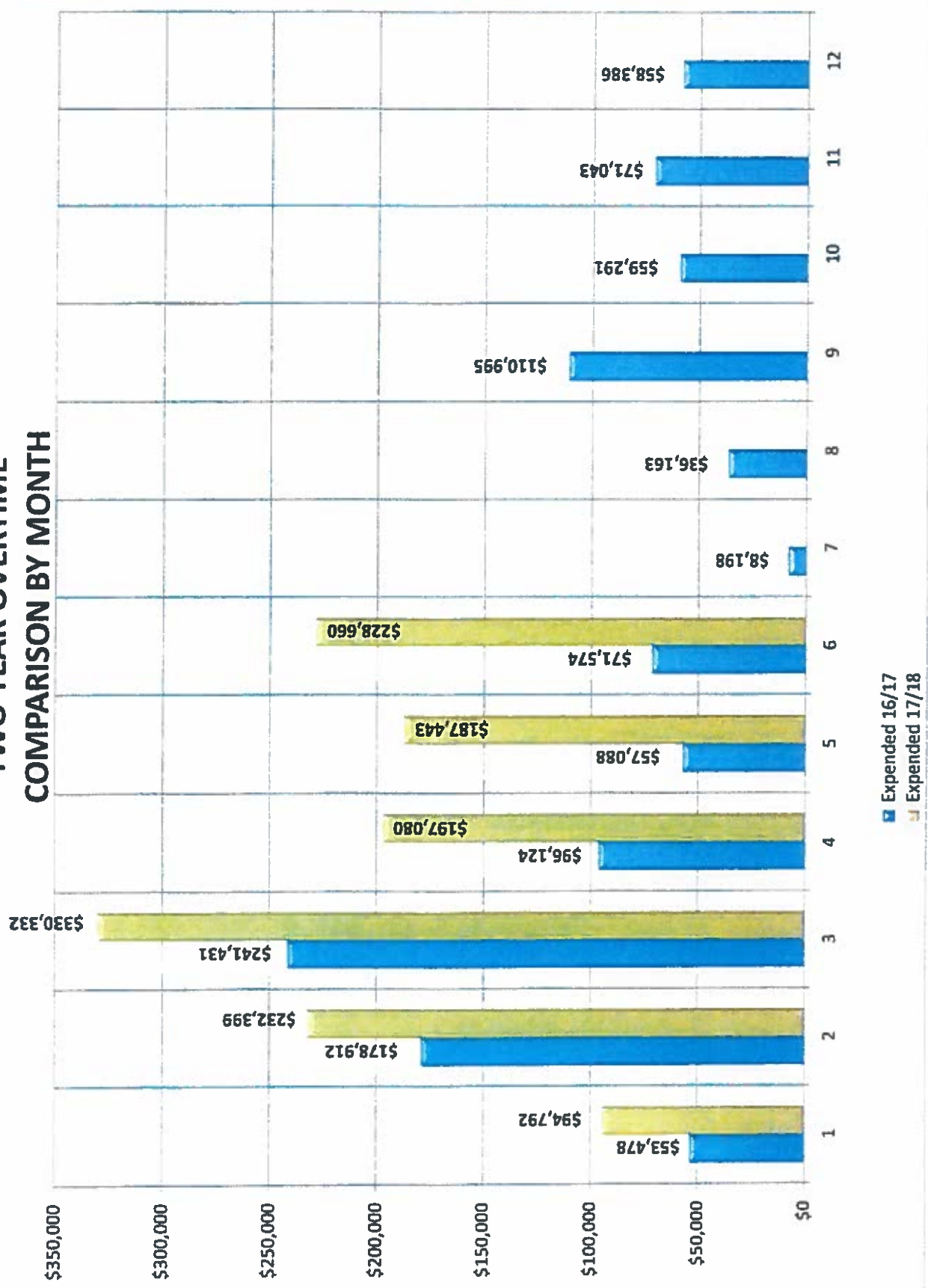
5 YR OT HX

	FY 13/14	FY 14/15	FY 15/16	FY 16/17	FY 17/18
OT Paid	\$1,047,681	\$1,171,181	\$1,361,461	\$1,042,684	\$1,270,704
OT Reimbursed	\$129,342	\$385,136	\$354,684	\$441,848	\$204,211
OT Net	\$918,339	\$976,325	\$1,006,777	\$600,836	\$1,066,494

**NCFPD EMERGENCY SERVICES
5 YEAR OVERTIME HISTORY AND REIMBURSEMENT**



**NCFPD EMERGENCY SERVICES
TWO YEAR OVERTIME
COMPARISON BY MONTH**





**NORTH COUNTY FIRE
PROTECTION DISTRICT
PREVENTION AND SUPPORT SERVICES**

TO: BOARD OF DIRECTORS
FROM: FIRE MARSHAL KOCH AND CHIEF ABBOTT
DATE: JANUARY 23, 2018
SUBJECT: ANNUAL PREVENTION REPORT 2017

CONSENT AGENDA

BACKGROUND:

This report reflects the Fire Prevention activities for 2017. The following data is a compilation of Fire Prevention activities. Many of the recent changes in the Bureau will be outlined in this report, as well as the supporting data.

INTENT:

The intent of this report is to assist the Board of Directors and Staff with planning needs.

PLAN REVIEW:

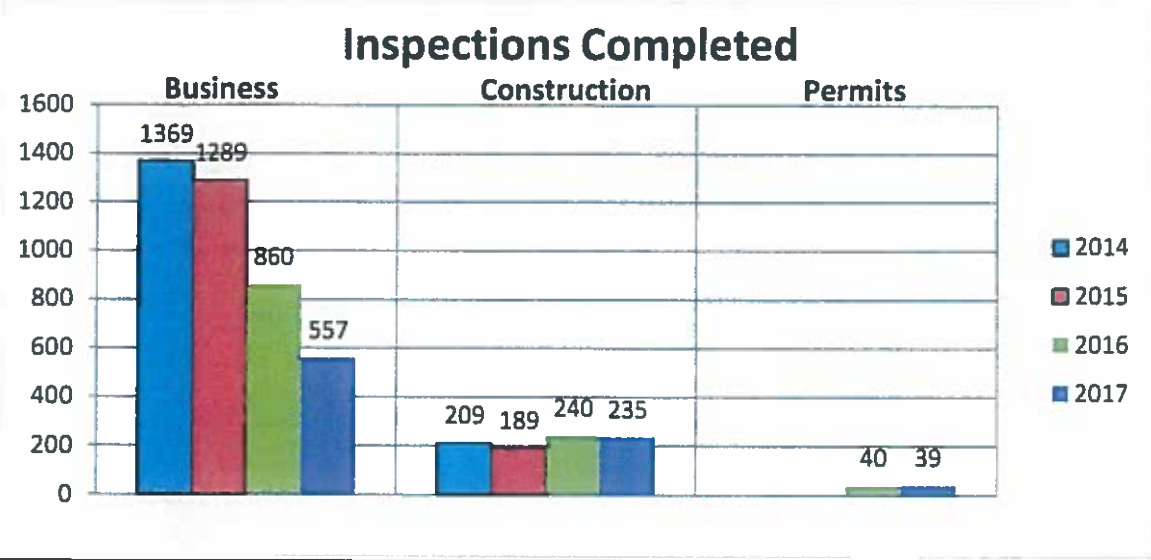
This includes new commercial and residential buildings, remodels of commercial or residential buildings, new or revised subdivisions and administrative variances, grading plans, project availability forms, fire protection plans, special hazard installations and sprinkler plans.

There were 382 plan reviews completed in 2017. This is a 20% increase over last year's plan checks.

INSPECTIONS:

ANNUAL OCCUPANCY INSPECTIONS:

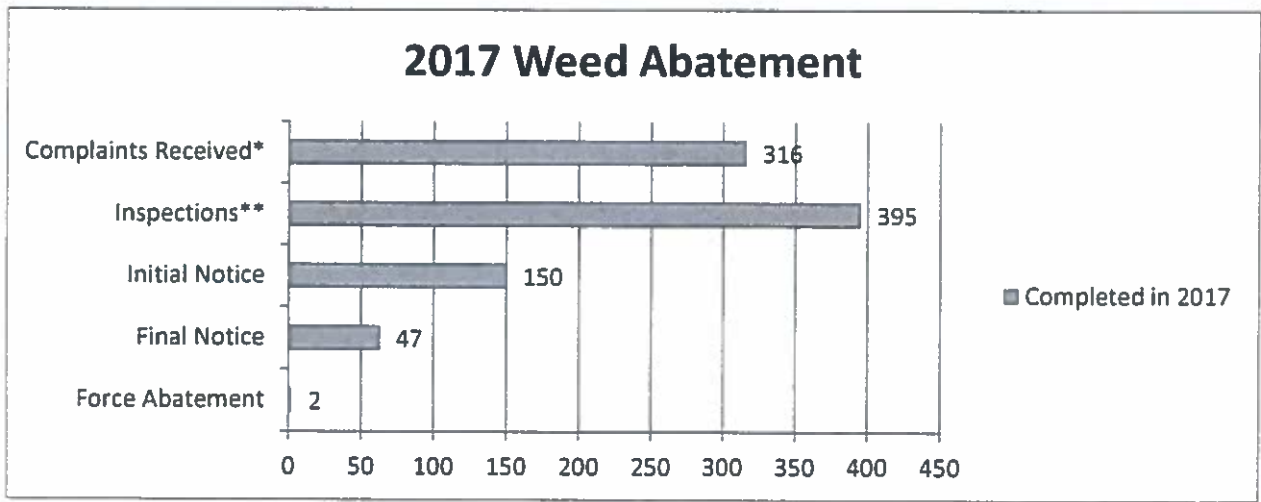
Annual Occupancy and License inspections continue to be a priority for the Bureau. It is well established that prevention inspections continue to be one of the most effective methods of reducing loss due to fire in a community. These numbers reflect initial and re-inspections completed by Prevention Staff and Engine companies. The number of inspections has decreased over the last couple of years due to the reduction in Prevention Staffing. The inspection program has been reassigned to Captain Ayres and will be restructured to transition inspections to the engine companies.



** Event and Burn permits were added to the report last year.

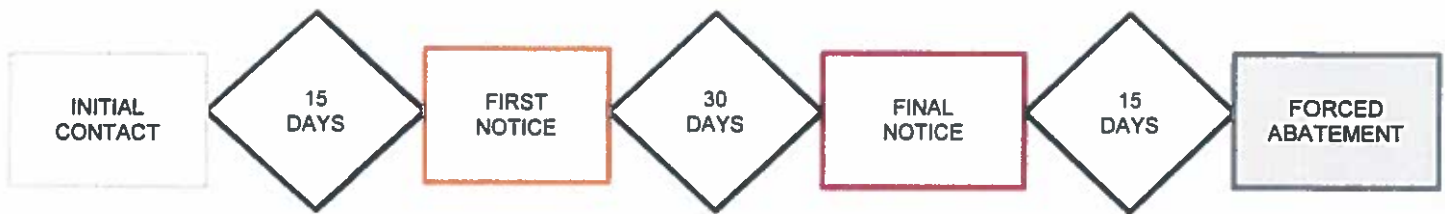
WILDLAND/URBAN INTERFACE INSPECTIONS:

In the late spring, the District annually sends out over 13,000 notices to district property owners in order to kick off the vegetation hazard abatement efforts. Throughout the year, we address customers concerns about vegetation management and/or defensible space via phone inquiry and front counter visits. Fire Prevention Specialists conduct field inspections in response to requests for assistance and complaints from residents. Fall 2016 rains produced a large amount of annual weed and grasses throughout the community, creating great concern and a considerable hazard to the community. This has increased the number of inspections and violation notices written this year. A new system for weed complaints has been implemented to manage our enforcement efforts and will record and track our processes providing proper documentation needed to perform forced abatements.



*Includes SRA and LRA
 **Approximate Number

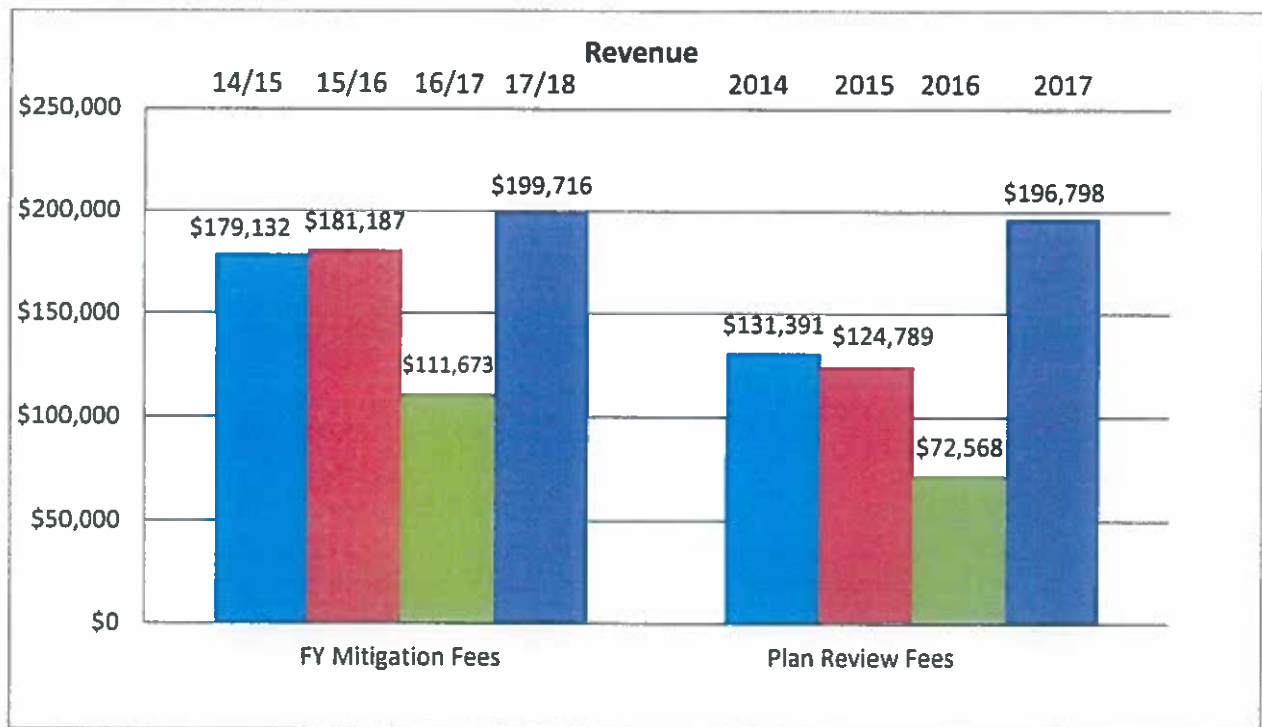
ANNUAL FIRE PREVENTION REPORT FOR 2017
PAGE 3 OF 5



REVENUE:

Mitigation fees have increased by 79 % to date FY 17/18.**

Plan check revenue has increased for 2017 by 171%.**

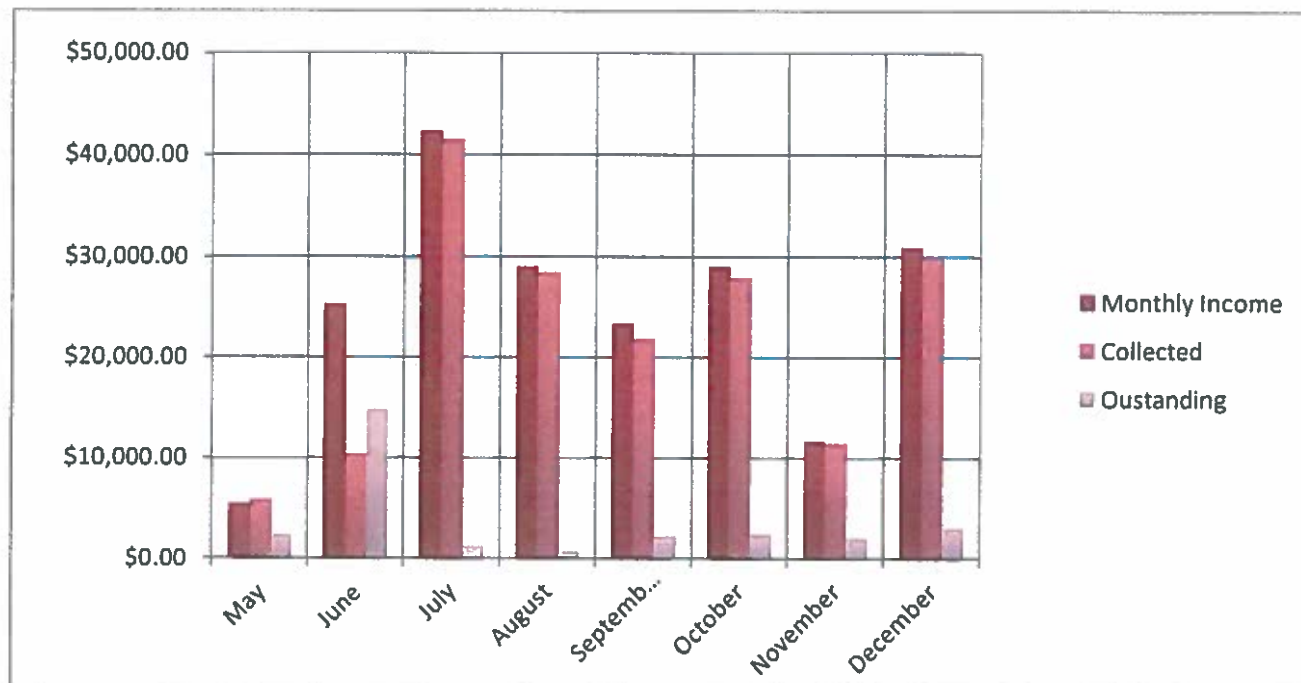


* Mitigation Fees are collected and reported quarterly ending in the FY.

FINANCIAL REPORT STATUS:

DESCRIPTION:

Prevention Staff has developed a new financial reconciliation system for fees collected. This system ensures that all project payments are paid up front and tracked throughout the planning process. This system has proven to be especially valuable with the current increase in new construction. We have had a sudden and dramatic increase in revenue that began in early June due to new construction. It is anticipated that we will continue to see a steady increase in building construction plan checks. We are now able to accept credit card payments, which has been a welcome benefit to our customers.



PROGRAMS:

COLLABORATION WITH FALLBROOK FIRE SAFE COUNCIL (FSC):

This Program utilizes youth groups and other volunteers to perform vegetation maintenance for the elderly or disabled. We also collaborate with FSC to provide Chipping Days in our District. We held three events in 2016 and two in 2017, all of which were very well received by the community. Fire Safe Council also held a very successful wildfire safety seminar for close to 60 residents in November this year.

PUBLIC EDUCATION:

We had another successful Fire Prevention Week and Open House, thanks to Sam Russel, Rob Hagar, John Buchanan, and Mindy Ost. During Fire Prevention week, grade school children in Bonsall and Fallbrook were taught valuable fire safety information. Open house provided valuable fire safety information to our community and reinforced what the grade school children had learned all week. The students were offered free ice cream if they shared what they had learned during fire prevention week. The on-duty staff, prevention personnel, explorers and several volunteers made open house a huge success.

The Bureau continues to support community events and business as requested by providing educational materials and information to the public.

2018 PROJECTIONS:

We will continue to see an increase in finances for both plan review and mitigation fees. This will also increase the number of plan checks and associated field inspections. Horse Creek Ridge is currently in the production phase, which will require prevention staff on site most days. Meadowood, Campus Park West and Palomar College are in the early stages of planning. The Fire Prevention Bureau should experience a continued increase in workload and revenue over the next year.

SUMMARY:

New programs have been developed to improve organization, accountability and scheduling. The addition of Mindy, our part-time Administrative Specialist, provides the Bureau with front and back office support. This allows for Prevention Staff to spend more time in the field, plan checks and other associated responsibilities. In addition to this, Mindy manages the front office, which includes tracking, scheduling and billing for new construction. Having the administrative position has also allowed the bureau to develop and implement a tracking and record maintenance program so that we can effectively enforce weed abatements. Bringing back this position at half time has improved the consistency and efficiency of the bureaus daily operations. As a team, we continue to strive to meet the needs of the District.

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**NORTH COUNTY FIRE
PROTECTION DISTRICT
ADMINISTRATIVE SERVICES**

TO: BOARD OF DIRECTORS
FROM: DEPUTY CHIEF MAROVICH & CHIEF ABBOTT
DATE: JANUARY 23, 2018
SUBJECT: FY 2016-2017 FINANCIAL AUDIT

ACTION AGENDA

RECOMMENDATION:

To review and accept the annual audit for fiscal year ending October 31, 2017 as presented.

BACKGROUND:

The District retains an independent firm to perform an audit of its financial records. Pursuant to Government code Section 26909, the audit will be filed with the County of San Diego Auditor & Controller, County of San Diego Office of Audits & Advisory Services, County of San Diego Property Tax Services Division and the California State Controller's Office.

DISCUSSION:

The Pun Group Accountants & Advisors conducted the annual audit for the District for fiscal year ending October 31, 2017.

FISCAL ANALYSIS:

The annual audit cost was \$12,500.

SUMMARY:

A member of The Pun Group Accountants & Advisors will give an overview of the audit and will be prepared to answer questions.

**North County
Fire Protection District**

Fallbrook, California

Annual Financial Report

For the Year Ended June 30, 2017



**North County Fire Protection District
Annual Financial Report
For the Year Ended June 30, 2017**

Table of Contents

	<u>Page</u>
Table of Contents.....	i
 <u>FINANCIAL SECTION</u>	
Independent Auditors' Report on the Financial Statements.....	1
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	3
Management's Discussion and Analysis – Required Supplementary Information (Unaudited)	5
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position.....	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheets.....	19
Reconciliation of the Balance Sheets of Governmental Type Funds to the Statement of Net Position	20
Statement of Revenues, Expenditures and Changes in Fund Balance.....	21
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	22
Notes to the Basic Financial Statements	23
Required Supplementary Information (Unaudited):	
Budgetary Comparison Schedule – General Fund	55
Budgetary Comparison Schedule – Special Revenue – Fire Mitigation Fund.....	56
Budgetary Comparison Schedule – Special Revenue – Rainbow Subzone Operations Fund.....	57
Schedule of the Plan's Proportionate Share of the Net Pension Liability and Related Ratios	58
Schedule of Contributions – Pension Plans	59
Schedule of Funding Progress – Other Post-Employment Benefits Plan.....	60
Supplementary Information:	
Balance Sheets – Other Governmental Funds	63
Schedule of Revenues, Expenditures and Changes in Fund Balance – Other Governmental Funds	64

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FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
of the North County Fire Protection District
Fallbrook, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the North County Fire Protection District (District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the Board of Directors
of the North County Fire Protection District
Fallbrook, California

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 9 and the Budgetary Comparison Schedule – General Fund, Budgetary Comparison Schedule – Special Revenue – Fire Mitigation Fund, Budgetary Comparison Schedule – Special Revenue – Rainbow Subzone Operations Fund, Schedule of Changes in Net Position Liability and Related Ratios, Schedule of Contributions – Pension Plan and the Schedule of Funding Progress – Other Post-Employment Benefits Plan on pages 55 through 60, respectively, are presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements as a whole. The combining and individual non-major fund financial statements on pages 63 and 64 are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

San Diego, California
December 31, 2017

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Independent Auditors' Report

To the Board of Directors
of the North County Fire Protection District
Fallbrook, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the North County Fire Protection District (District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprises the District's basic financial statements, and have issued our report thereon dated December 31, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To the Board of Directors
of the North County Fire Protection District
Fallbrook, California

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

San Diego, California
December 31, 2017

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North County Fire Protection District
Management's Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2017

The following Management's Discussion and Analysis (MD&A) of activities and financial performance of the North County Fire Protection District (District) provides an introduction to the financial statements of the District for the fiscal year ended June 30, 2017. We encourage readers to consider the information presented here in conjunction with the basic financial statements and related notes, which follow this section.

Financial Highlights

- The District's net position increased \$430,234 as a result of this year's operations.
- Total revenues from all sources increased by 8.9%, or \$1,460,827 from \$16,394,770 to \$17,855,597, from the prior year, primarily due to an increase of \$195,290 in charges for services, \$478,498 in grant funding, \$624,738 in property tax revenues and \$220,379 in other revenues.
- Total expenses on a full-accrual basis for the District's operations increased by 23.0% or \$3,262,639 from \$14,162,724 to \$17,425,363, from the prior year, primarily due to an increase in operations expense of \$3,104,876 of which the District incurred \$1,522,193 in pension expense associated with the increase in the net pension liability and an increase in the workers' compensation claims payable liability and expense of \$1,002,643.

Using This Financial Report

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities and performance of the District using accounting methods similar to those used by private sector companies. The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing a rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District. All of the current year's revenue and expenses are accounted for in the Statement of Activities. This statement measures the success of the District's operations over the past year and can be used to determine the District's profitability and credit worthiness.

Government-wide Financial Statements

Statement of Net Position and Statement of Activities

One of the most important questions asked about the District's finances is, "Is the District better off or worse off as a result of this year's activities?" The Statement of Net Position and the Statement of Activities report information about the District in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when the cash is received or paid.

These two statements report the District's *net position* and changes in them. Think of the District's net position – the difference between assets and liabilities – as one way to measure the District's financial health, or *financial position*. Over time, *increases or decreases* in the District's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors; however, such as changes in the District's property tax base to assess the *overall health* of the District.

North County Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2017

Governmental Funds Financial Statements

Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows of resources of the District exceeded assets and deferred outflows of resources by \$11,939,368 as of June 30, 2017.

Condensed Statement of Net Position

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Change</u>
Assets:			
Current assets	\$ 6,950,153	\$ 5,416,218	\$ 1,533,935
Capital assets, net	10,847,169	11,126,671	(279,502)
Total assets	<u>17,797,322</u>	<u>16,542,889</u>	<u>1,254,433</u>
Deferred outflows of resources	<u>6,853,890</u>	<u>2,549,355</u>	<u>4,304,535</u>
Liabilities:			
Current liabilities	1,911,791	1,534,992	376,799
Non-current liabilities	32,829,291	26,604,515	6,224,776
Total liabilities	<u>34,741,082</u>	<u>28,139,507</u>	<u>6,601,575</u>
Deferred inflows of resources	<u>1,849,498</u>	<u>3,322,339</u>	<u>(1,472,841)</u>
Net position (Deficit):			
Net investment in capital assets	5,353,227	5,997,547	(644,320)
Restricted	1,033,825	932,761	101,064
Unrestricted (Deficit)	(18,326,420)	(19,299,910)	973,490
Total net position (deficit)	<u>\$ (11,939,368)</u>	<u>\$ (12,369,602)</u>	<u>\$ 430,234</u>

At the end of fiscal year 2017, the District shows a deficit balance in its unrestricted net position of (\$18,326,420).

**North County Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2017**

Condensed Statement of Activities

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Change</u>
Program revenues	\$ 3,723,753	\$ 3,088,681	\$ 635,072
Expenses	<u>(17,425,363)</u>	<u>(14,162,724)</u>	<u>(3,262,639)</u>
Net program expense	(13,701,610)	(11,074,043)	(2,627,567)
General revenues	<u>14,131,844</u>	<u>13,306,089</u>	<u>825,755</u>
Change in net position	430,234	2,232,046	(1,801,812)
Net position:			
Beginning of year	<u>(12,369,602)</u>	<u>(14,601,648)</u>	<u>2,232,046</u>
End of year	<u>\$ (11,939,368)</u>	<u>\$ (12,369,602)</u>	<u>\$ 430,234</u>

The statement of activities shows how the government's net position changed during the fiscal year. In the case of the District, the operations of the District increased by \$430,234.

Total Revenues:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Increase (Decrease)</u>
Program revenues:			
Charges for services	\$ 2,798,918	\$ 2,603,628	\$ 195,290
Mitigation fees	65,416	179,132	(113,716)
Annexation fees	75,000	-	75,000
Operating and capital grant funding	<u>784,419</u>	<u>305,921</u>	<u>478,498</u>
Total program revenues	<u>3,723,753</u>	<u>3,088,681</u>	<u>635,072</u>
General revenues:			
Property taxes	13,665,463	13,040,725	624,738
Rental income – cellular towers	90,936	82,639	8,297
Investment earnings	31,586	59,245	(27,659)
Other revenues	<u>343,859</u>	<u>123,480</u>	<u>220,379</u>
Total general revenues	<u>14,131,844</u>	<u>13,306,089</u>	<u>825,755</u>
Total revenues	<u>\$ 17,855,597</u>	<u>\$ 16,394,770</u>	<u>\$ 1,460,827</u>

Total revenues from all sources increased by 8.9%, or \$1,460,827 from \$16,394,770 to \$17,855,597, from the prior year, primarily due to an increase of \$195,290 in charges for services, \$478,498 in grant funding, \$624,738 in property tax revenues and \$220,379 in other revenues.

North County Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2017

Total Expenses:

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Increase (Decrease)</u>
Expenses:			
Operations	\$ 16,331,365	\$ 13,226,489	\$ 3,104,876
Depreciation expense	865,123	657,221	207,902
Interest expense	<u>228,875</u>	<u>279,014</u>	<u>(50,139)</u>
Total expenses	<u>\$ 17,425,363</u>	<u>\$ 14,162,724</u>	<u>\$ 3,262,639</u>

Total expenses on a full-accrual basis for the District's operations increased by 23.0% or \$3,262,639 from \$14,162,724 to \$17,425,363, from the prior year, primarily due to an increase in operations expense of \$3,104,876 of which the District incurred \$1,522,193 in pension expense associated with the increase in the net pension liability.

Governmental Funds Financial Analysis

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, the *unassigned fund balance* may serve as a useful measure of the government's net resources for spending at the end of the fiscal year.

As of June 30, 2017, the District reported a total fund balance of \$6,130,796. An amount of \$2,458,094 constitutes the District's *unassigned fund balance*.

Governmental Funds Total Expenditures Analysis:

EXPENDITURES:	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Increase (Decrease)</u>
Fire protection and medical transport:			
Salaries and wages	\$ 8,665,437	\$ 8,452,483	\$ 212,954
Employee benefits	4,469,159	4,313,546	155,613
Contracted service costs	133,179	106,661	26,518
Materials and services	2,810,123	2,251,886	558,237
Capital outlay	585,621	605,039	(19,418)
Debt service:			-
Principal	276,693	2,220,795	(1,944,102)
Interest	<u>228,643</u>	<u>301,357</u>	<u>(72,714)</u>
Total expenditures	<u>\$ 17,168,855</u>	<u>\$ 18,251,767</u>	<u>\$ (1,082,912)</u>

Expenditures on a governmental fund basis remained similar between the two years except for an increase of \$218,454 in bad debt expense for write-offs in ambulance services in the materials and supplies expense line item and the \$2,000,000 principal repayment back to the County of San Diego Treasurer.

**North County Fire Protection District
Management's Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2017**

Operations Fund Budgetary Highlights

The final budgeted expenditures for the District's operational fund at year-end were (\$45,085) less than actual. Actual revenues were greater than the anticipated budget by \$1,306,154.

Capital Asset Administration

Changes in capital asset balances for the year were as follows:

	June 30, 2017	June 30, 2016
Capital assets:		
Non-depreciable assets	\$ 612,639	\$ 612,639
Depreciable assets	20,947,044	20,933,531
Accumulated depreciation	(10,712,514)	(10,419,499)
Total capital assets, net	\$ 10,847,169	\$ 11,126,671

At the end of fiscal year 2017, the District's investment in capital assets amounted to \$10,847,169 (net of accumulated depreciation). This investment in capital assets includes structures and improvements, hydrants and equipment and vehicles. See note 4 for further information on the District's capital assets.

Debt Administration

Changes in long-term debt balances for the year were as follows:

Balance July 1, 2016	Additions	Principal Payments	Balance June 30, 2017
\$ 5,129,124	\$ 641,511	\$ (276,693)	\$ 5,493,942

See further detail at note 6.

Conditions Affecting Current Financial Position

Management has identified conditions exist that could significantly impact the District's current financial and net positions. The District needs to identify funding for future acquisitions as outlined in the District's Capital Equipment replacement plan for both apparatus and facilities. The specific designated funds for such projects were depleted in the past recession with no identified monies to replenish. The District's retirement system through CalPERS is another future uncertainty with ballooning costs due to poor CalPERS return on investments (ROI), adjustments due to retirees living longer and anticipated changes in assumption rates. In addition, anticipated potential increases in cost for healthcare due to the President's administration changes to the Affordable Care Act (ACA).

Requests for Information

The District's basic financial statements are designed to present users with a general overview of the District's finances and to demonstrate the District's accountability. If you have any questions about the report or need additional information, please contact the North County Fire Protection District at, 330 South Main Avenue, Fallbrook, California 92028 or (760) 723-2005.

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BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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North County Fire Protection District
Statement of Net Position
June 30, 2017

<u>ASSETS</u>	<u>Governmental Activities</u>
Current assets:	
Cash and investments (Note 2)	\$ 5,563,184
Accrued interest receivable	12,220
Accounts receivable – ambulance billings, net (Note 3)	614,681
Property taxes receivable	141,122
Mitigation fees receivable	42,625
Deposits with Public Agencies Self Insurance System (Note 7)	453,737
Prepaid items	122,584
Total current assets	<u>6,950,153</u>
Non-current assets:	
Capital assets – not being depreciated (Note 4)	612,639
Capital assets – being depreciated, net (Note 4)	10,234,530
Total non-current assets	<u>10,847,169</u>
Total assets	<u>17,797,322</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Pension related deferred outflows of resources (Note 9)	6,853,890
Total deferred outflows of resources	<u>6,853,890</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable and accrued expenses	279,984
Accrued payroll and related liabilities	527,733
Unearned revenue	11,640
Accrued interest payable	43,534
Long-term liabilities – due in one year:	
Compensated absences (Note 5)	721,895
Long-term debt (Note 6)	327,005
Total current liabilities	<u>1,911,791</u>
Non-current liabilities:	
Long-term liabilities – due in more than one year:	
Compensated absences (Note 5)	1,340,661
Long-term debt (Note 6)	5,166,937
Workers' compensation claims payable (Note 7)	4,141,268
Net other post-employment benefits obligations (Note 8)	412,351
Net pension liability (Note 9)	20,372,115
Pension-related debt – CalPERS side-fund liability (Note 9)	1,395,959
Total non-current liabilities	<u>32,829,291</u>
Total liabilities	<u>34,741,082</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Pension related deferred inflows of resources (Note 9)	1,849,498
Total deferred inflows of resources	<u>1,849,498</u>
<u>NET POSITION</u>	
Net investment in capital assets (Note 10)	5,353,227
Restricted (Note 11)	1,033,825
Unrestricted (Deficit) (Note 12)	(18,326,420)
Total net position	<u>\$ (11,939,368)</u>

See accompanying Notes to the Basic Financial Statements.

North County Fire Protection District
Statement of Activities
For the Year Ended June 30, 2017

	Governmental Activities
Expenses:	
Fire protection, prevention and emergency medical transport:	
Operations	\$ 16,331,365
Depreciation expense	865,123
Interest expense	228,875
Total expenses	17,425,363
Program revenues:	
Charges for services:	
Ambulance services	1,925,376
Fire services – California Office of Emergency Services	654,625
Fire prevention	124,789
Administration	94,128
Mitigation fees	65,416
Annexation fees	75,000
Operating and capital grant funding	784,419
Total program revenues	3,723,753
Net program expense	(13,701,610)
General revenues:	
Property taxes	13,665,463
Rental income – cellular towers	90,936
Investment earnings	31,586
Other revenues	343,859
Total general revenues	14,131,844
Change in net position	430,234
Net position:	
Beginning of year (Deficit)	(12,369,602)
End of year (Deficit)	\$ (11,939,368)

FUND FINANCIAL STATEMENTS

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North County Fire Protection District
Balance Sheets
Governmental Funds
June 30, 2017

<u>ASSETS</u>	<u>Major Funds</u>			<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Fire Mitigation Fund</u>	<u>Other Governmental Funds</u>	
Assets:				
Cash and investments	\$ 4,621,651	\$ 521,473	\$ 420,060	\$ 5,563,184
Accrued interest receivable	9,218	1,650	1,352	12,220
Accounts receivable – ambulance billings, net	614,681	-	-	614,681
Property taxes receivable	140,058	-	1,064	141,122
Mitigation fees receivable	-	42,625	-	42,625
Deposits with Public Agencies Self Insurance S	453,737	-	-	453,737
Prepaid items	122,584	-	-	122,584
Due from other funds (Note 14)	-	-	83,945	83,945
Advance to other funds (Note 14)	2,078,524	-	-	2,078,524
Total assets	\$ 8,040,453	\$ 565,748	\$ 506,421	\$ 9,112,622
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts payable and accrued expenses	\$ 254,257	\$ -	\$ 25,727	\$ 279,984
Accrued payroll and related liabilities	527,733	-	-	527,733
Unearned revenue	11,640	-	-	11,640
Due to other funds (Note 14)	71,328	-	12,617	83,945
Advance from other funds (Note 14)	-	2,078,524	-	2,078,524
Total liabilities	864,958	2,078,524	38,344	2,981,826
Fund Balances: (Note 13)				
Nonspendable	2,201,108	(2,078,524)	-	122,584
Restricted	-	565,748	468,077	1,033,825
Assigned	2,516,293	-	-	2,516,293
Unassigned	2,458,094	-	-	2,458,094
Total fund balance	7,175,495	(1,512,776)	468,077	6,130,796
Total liabilities and fund balance	\$ 8,040,453	\$ 565,748	\$ 506,421	\$ 9,112,622

North County Fire Protection District
Reconciliation of the Balance Sheets of Governmental Funds to the
Government-Wide Statement of Net Position
June 30, 2017

Fund Balances – Governmental Funds	<u>\$ 6,130,796</u>
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those assets as capital assets.	10,847,169
Deferred outflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred outflows of resources.	6,853,890
Long-term liabilities applicable to the District are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities' both current and long-term, are reported in the statement of net position as follows:	
Accrued interest payable	(43,534)
Compensated absences	(2,062,556)
Long-term debt	(5,493,942)
Workers' compensation claims payable	(4,141,268)
Net other post-employment benefits payable	(412,351)
Net pension liability	(20,372,115)
Pension-related debt – CalPERS side-fund liability	(1,395,959)
Deferred inflows of resources used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. However, the statement of net position includes those deferred inflows of resources.	<u>(1,849,498)</u>
Total adjustments	<u>(18,070,164)</u>
Net Position of Governmental Activities	<u><u>\$ (11,939,368)</u></u>

North County Fire Protection District
Statements of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2017

	<u>Major Funds</u>			<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Fire Mitigation Fund</u>	<u>Other Governmental Funds</u>	
REVENUES:				
Property taxes	\$ 13,413,614	\$ -	\$ 251,849	\$ 13,665,463
Charges for services:				
Ambulance services	1,925,376	-	-	1,925,376
Fire services – CA Office of Emergency Services	654,625	-	-	654,625
Fire prevention	124,789	-	-	124,789
Administration	94,128	-	-	94,128
Mitigation fees	-	65,416	-	65,416
Annexation fees	75,000	-	-	75,000
Operating and capital grant funding	775,919	-	8,500	784,419
Rental income – cellular towers	90,936	-	-	90,936
Investment earnings	25,824	3,227	2,535	31,586
Other revenues	343,851	-	8	343,859
Total revenues	<u>17,524,062</u>	<u>68,643</u>	<u>262,892</u>	<u>17,855,597</u>
EXPENDITURES:				
Fire protection and emergency medical transport:				
Salaries and wages	8,663,547	-	1,890	8,665,437
Employee benefits	4,468,401	-	758	4,469,159
Contracted service costs	108,179	-	25,000	133,179
Materials and services	2,672,168	-	137,955	2,810,123
Capital outlay	585,621	-	-	585,621
Debt service:				
Principal	276,693	-	-	276,693
Interest	228,643	-	-	228,643
Total expenditures	<u>17,003,252</u>	<u>-</u>	<u>165,603</u>	<u>17,168,855</u>
REVENUES OVER(UNDER) EXPENDITURE	<u>520,810</u>	<u>68,643</u>	<u>97,289</u>	<u>686,742</u>
OTHER FINANCING SOURCES(USES):				
Proceeds from issuance of debt	641,511	-	-	641,511
Transfers in (Note 14)	148,813	-	-	148,813
Transfers (out) (Note 14)	-	(40,000)	(108,813)	(148,813)
Total other financing sources(uses)	<u>790,324</u>	<u>(40,000)</u>	<u>(108,813)</u>	<u>641,511</u>
NET CHANGES IN FUND BALANCE	<u>1,311,134</u>	<u>28,643</u>	<u>(11,524)</u>	<u>1,328,253</u>
FUND BALANCE:				
Beginning of year	<u>5,864,361</u>	<u>(1,541,419)</u>	<u>479,601</u>	<u>4,802,543</u>
End of year	<u>\$ 7,175,495</u>	<u>\$ (1,512,776)</u>	<u>\$ 468,077</u>	<u>\$ 6,130,796</u>

See accompanying Notes to the Basic Financial Statements.

North County Fire Protection District
Reconciliation of the Statements of Revenues, Expenditures and
Changes in Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net Change in Fund Balances – Governmental Funds	<u>\$ 1,328,253</u>
Amounts reported for governmental activities in the statement of activities is different because:	
Some expenses reported in the statement of activities do not require the use of current financial resources. Therefore, those expenses are not reported as expenditures in governmental funds as follows:	
Change in compensated absences	(215,061)
Change in accrued interest payable	(583)
Change in workers' compensation claims payable	(1,002,643)
Change in net other post-employment benefits obligations	(122,867)
Change in net pension liability	1,087,455
Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those capitalized assets is allocated over their estimated useful lives as depreciation expense.	
Capital outlay	585,621
Depreciation expense	(865,123)
Principal repayment of long-term debt obligations are reported as expenditures in governmental funds. However, principal repayments reduce liabilities in the statement of net position and do not result in expenses in the statement of activities.	
	276,693
Debt issuance proceeds are reported as other financing sources in governmental funds and thus contribute to the change in fund balances. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities.	
	<u>(641,511)</u>
Total adjustments	<u>(898,019)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 430,234</u></u>

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies

Organization and Operations of the Reporting Entity

The North County Fire Protection District (District) provides fire and emergency medical services to the taxpayers and residents in the Fallbrook, Rainbow and Bonsall communities of northern San Diego County. The District's governmental powers are exercised through a five-member board of directors.

The criteria used in determining the scope of the financial reporting entity is based on the provisions of Governmental Accounting Statements No. 61, *The Financial Reporting Entity*. The District is the primary governmental unit based on the foundation of a separately elected governing board that is elected by the citizens in a general popular election. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The District is financially accountable if it appoints a voting majority of the organization's governing body and: 1) It is able to impose its will on that organization, or 2) There is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government.

Basis of Accounting and Measurement Focus

The District's financial statements are prepared in conformity with U.S. GAAP. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the United States.

Government-Wide Financial Statements

These statements are presented on an *economic resources* measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets and liabilities, including capital assets, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function.

The types of transactions reported as program revenues for the District are to be reported in three categories, if applicable: 1) charges for services, 2) operating grants and contributions, and, 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grant and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

In accordance with U.S. GAAP the Statement of Net Position reports separate sections for Deferred Outflows of Resources, and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as a revenue until that time.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Basis of Accounting and Measurement Focus (Continued)

Fund Financial Statements

These statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds. Incorporated into these statements is a schedule to reconcile and explain the differences in net position as presented in these statements to the net position presented in the Government-wide Financial Statements. The District has presented its General Fund, as its major fund, in this statement to meet the qualifications of U.S. GAAP.

Governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under modified accrual basis of accounting, revenues are recognized in the accounting period in which they become measurable and available to finance expenditures of the current period.

Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60-days after year-end) are recognized when due. The primary sources susceptible to accrual for the District are property taxes and assessments, interest earnings, investment revenue and operating and capital grant revenues. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, exceptions to this rule include principal and interest on debt, which are recognized when due.

The District reports the following major funds:

General Fund – This is a government’s primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund when necessary.

Special revenue funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes.

Fire Mitigation Fund – This fund is used to account for fees collected from builders in the service area that are restricted for the purchase of new capital assets when those assets are needed due to population and infrastructure growth in the service area.

Other Governmental Funds

Rainbow Subzone – Operations Fund – This fund is used to account for revenues collected and restricted for expenditures made in the Rainbow Subzone service area.

The Rainbow Subzone – Fire Mitigation Fund – This fund is used to account for fees collected from builders in the service area that are restricted for the purchase of new capital assets that are needed due to population and infrastructure growth in the Rainbow Subzone service area.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported changes in District net position during the reporting period. Actual results could differ from those estimates.

Investments

Changes in fair value that occur during a fiscal year are recognized as unrealized gains or losses and reported for that fiscal year. Investment income comprises interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the Statements of Net Position, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1 that are observable for assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable – ambulance billings consist of amounts owed by individuals for services rendered for ambulance transport. Uncollectable accounts are based on prior experience and management’s assessment of the collectability of existing accounts. As of June 30, 2017, an allowance for doubtful accounts has been recorded for those uncollectable accounts.

Capital Assets

Capital assets are recorded in the government-wide financial statements. Included in capital assets is equipment used at the District. District policy has set the capitalization threshold for reporting capital assets at \$5,000. Donated assets are recorded at estimated fair market value at the date of donation. Capital outlay is recorded as expenditures of the governmental funds and as assets in the government-wide financial statements to the extent the District’s capitalization threshold is met. Depreciation is recorded on a straight-line basis over the estimated useful lives of the assets as follows:

Structures and improvements	10 to 50 years
Hydrants	10 years
Equipment and vehicles	5 to 20 years

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Compensated Absences

The District's policy is to permit full time employees to accumulate earned vacation time and sick leave. Earned vacation time shall be earned by each employee subject to the accrual limitations and policies as defined by District policies. Such unused compensation is calculated at the employees' then prevalent hourly rate at the time of retirement or termination. Whereas vacation time is compensated at 100% of accumulated hours, sick leave is accrued and compensated only at retirement or termination based on the years of employment.

Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The following timeframes are used for pension reporting:

<u>CalPERS</u>	
Valuation Date	June 30, 2015
Measurement Date	June 30, 2016
Measurement Period	July 1, 2015 to June 30, 2016

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

Property Taxes

The San Diego County Assessor's Office assesses all real and personal property within the County each year. The San Diego County Tax Collector's Office bills and collects the District's share of property taxes and voter-approved taxes. The San Diego County Auditor-Controller's Office remits current property tax collections to the District throughout the year. Property tax in California is levied in accordance with Article XIII A of the State Constitution at one percent (1%) of countywide assessed valuations.

Property taxes receivable at year-end are related to property taxes collected by San Diego County, which have not been credited to the District's cash balance as of June 30. The property tax calendar is as follows:

Lien date	March 1
Levy date	July 1
Due dates	November 1 and March 1
Collection dates	December 10 and April 10

Property taxes levied are recorded as revenue when received, in the fiscal year of levy, because of the adoption of the *alternate method of property tax distribution* known as the Teeter Plan, by the District and San Diego County. The Teeter Plan authorizes the County Auditor-Controller to allocate 100% of the secured property tax billed but not yet received or paid to the District. San Diego County remits tax proceeds to the District in installments during the fiscal year.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 1 – Reporting Entity and Summary of Significant Accounting Policies (Continued)

Net Position

Net position is categorized as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by any outstanding debt outstanding against the acquisition, construction or improvement of those assets.

Restricted – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net amount of assets that are not included in the determination of *restricted* or *net investment in capital assets*.

Fund Balance

The financial statements, governmental funds report fund balance as nonspendable, restricted, committed, assigned or unassigned based primarily on the extent to which the District is bound to honor constraints on how specific amounts can be spent.

Nonspendable – amounts that cannot be spent because they are either (a) not spendable in form or (b) legally or contractually required to be maintained intact.

Restricted – amounts with constraints placed on their use that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions enabling legislation.

Committed – amounts that can only be used for specific purposes determined by formal action of the District's highest level of decision-making authority (the Board of Directors) and that remain binding unless removed in the same manner. The underlying action that imposed the limitation needs to occur no later than the close of the reporting period.

Assigned – amounts that are constrained by the District's intent to be used for specific purposes. The intent can be established at either the highest level of decision-making, or by a body or an official designated for that purpose.

Unassigned – the residual classification for the District's general fund that includes amounts not contained in the other classifications. In other funds, the unassigned classification is used only if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes.

The Board of Directors established, modifies or rescinds fund balance commitments and assignments by passage of a resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, followed by the unrestricted, committed, assigned and unassigned resources as they are needed.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 2 – Cash and Investments

Cash and investments as of June 30, 2017 consisted of the following:

Description	Balance
Cash on hand	\$ 442
Demand deposits held with financial institutions	2,189,918
Investments	3,372,824
Total cash and investments	<u>\$ 5,563,184</u>

Demand Deposits

At June 30, 2017, the carrying amount of the District's demand deposits was \$2,189,918 and the financial institutions balances totaled \$2,278,241. The \$88,323 net difference represents outstanding checks, deposits-in-transit and/or other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure an entity's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure entity deposits by pledging first trust deed mortgage notes having a value of 150% of an entity's total deposits. The entity's Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized agent of depository recognized by the State of California Department of Banking. The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an agent of depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an agent of depository has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California agents of depository are considered to be held for, and in the name of, the local government.

Custodial Credit Risk

The custodial credit risk for *deposits* is the risk that in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The District's investment policy requires that collateral be held by an independent third party with whom the District has a current custodial agreement.

The custodial credit risk for *investments* is the risk that in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The District's investment policy requires that all security transactions are conducted on a delivery-versus-payment (DVP) method and that all securities are held by a qualified, third-party custodian, as evidenced by safekeeping receipts. The trust department of the District's bank may act as third-party custodian, provided that the custodian agreement is separate from the banking agreement. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF or SDCPIF).

As of June 30, 2017 none of the District's deposits or investments were exposed to disclosable custodial credit risk.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 2 – Cash and Investments (Continued)

Investments

Investments as of June 30, 2017 consisted of the following:

<u>Investments</u>	<u>Measurement Input</u>	<u>Credit Rating</u>	<u>Fair Value June 30, 2017</u>	<u>Maturity 12 Months or Less</u>
California Local Agency Investment Fund (LAIF)	Uncategorized	Not Rated	\$ 18,961	\$ 18,961
San Diego County Pooled Investment Fund (SDCPIF)	Level 2	AAAFS1	3,353,863	3,353,863
Total investments			<u>\$ 3,372,824</u>	<u>\$ 3,372,824</u>

Investments Authorized by the California Government Code and District's Investment Policy

The District has adopted an investment policy which allows deposits into financial institutions, LAIF and the San Diego County Treasury's Pooled Investment Fund. Investment types are authorized by the California Government Code Section 53600 et seq. and Section 5922(d).

California Local Agency Investment Fund (LAIF)

The District is a voluntary participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The District's investments with LAIF at June 30, 2017, included a portion of the pool funds invested in structured notes and asset-backed securities:

Structured Notes: debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities: generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2017, the District had \$18,961 invested in LAIF, which had invested 2.89% of the pool investment funds in structured notes and medium-term asset-backed securities. The LAIF fair value factor of .998940670709 was used to calculate the fair value of the investments in LAIF.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 2 – Cash and Investments (Continued)

San Diego County Pooled Investment Fund

The SDCPIF is a local government investment pool managed by the County Treasurer's Office on behalf of Investment Pool participants. Depositors in the Investment Pool include both mandatory participants, those agencies required by law to deposit their funds with the County Treasurer's Office, and voluntary participants, agencies that place their funds in the Investment Pool as an investment option. Voluntary participants, including cities, fire districts, and various special districts accounted for approximately 5.16% of the Investment Pool as of June 30, 2017.

Pursuant to Section 27130-27137 of the California Government Code, the County Board of Supervisors has established the Treasurer's Oversight Committee (TOC) that monitors and reviews the Investment Policy. The TOC consists of members appointed from the districts or offices that they represent, and up to five members of the public having expertise in, or an academic background in public finance.

To mitigate credit risk, the Investment Pool's Investment Policy, which is more restrictive than the Government Code, places a minimum standard on the ratings of investments held in the Investment Pool. Investments in securities other than those guaranteed by the U.S. Treasury or Government Sponsored Enterprises must have a credit rating of no less than "A" for long-term or "A1" for short-term. Non-rated securities include sweep accounts, collateralized certificates of deposit and repurchase agreements. Sweep accounts and collateralized certificates of deposit must be FDIC insured and collateralized with securities held by a named agent of the depository. Repurchase agreements are collateralized by securities, authorized by the California Government Code Section 53601, having fair market value of 102% or greater than the amount of the repurchase agreement. The Investment Pool does not hold any investments in structured notes.

The District's investments with the County Treasurer's Office include a portion of the pool funds invested in asset-backed securities. As of June 30, 2017, the District had \$3,353,863 invested with the SDCPIF, which had invested 2.03% of the pool investment funds in asset-backed securities.

SDPIF has indicated to the District that as of June 30, 2017 the value of its portfolio approximated \$8.950 billion and the portfolio holds some derivative products. The SDPIF fair value factor of 0.99605 was used to calculate the fair value of the investments in SDPIF as of June 30, 2017.

Fair Value Measurement Input

The District categorizes its fair value measurement inputs within the fair value hierarchy established by generally accepted accounting principles. The District has presented its measurement inputs as noted in the table above.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2017, the District's investment in the SDCPIF was rated by Standard & Poor's as AAAf/S1 as noted in the table above.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the fair values of investments with longer maturities have greater sensitivity to changes in market interest rates. The District's investment policy follows the Code as it relates to limits on investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates. The District has elected to use the segmented time distribution method of disclosure for the maturities of its investments as related to interest rate risk as noted in the table above.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 2 – Cash and Investments (Continued)

Concentration of Credit Risk

The District's investment policy contains no limitations on the amount that can be invested in any one governmental agency or non-governmental issuer beyond that stipulated by the California Government Code. There were no investments in any one governmental or non-governmental issuer that represented 5% or more of the District's total investments except for those in the SDCPIF.

Note 3 – Accounts Receivable – Ambulance Billings, net

Accounts receivable – ambulance billings, net as of June 30, 2017 consisted of the following:

Description	Balance
Accounts receivable – ambulance billings	\$ 1,066,317
Allowance for doubtful accounts	(451,636)
Total accounts receivable – ambulance billings, net	\$ 614,681

Note 4 – Capital Assets

Changes in capital assets for the year were as follows:

Description	Balance July 1, 2016	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 2017
Non-depreciable capital assets:				
Land	\$ 612,639	\$ -	\$ -	\$ 612,639
Total non-depreciable capital assets	612,639	-	-	612,639
Depreciable capital assets:				
Structures and improvements	10,327,984	-	-	10,327,984
Hydrants	267,523	-	-	267,523
Equipment and vehicles	10,338,024	585,621	(572,108)	10,351,537
Total depreciable capital assets	20,933,531	585,621	(572,108)	20,947,044
Accumulated depreciation:				
Structures and improvements	(3,340,499)	(202,494)	-	(3,542,993)
Hydrants	(267,523)	-	-	(267,523)
Equipment and vehicles	(6,811,477)	(662,629)	572,108	(6,901,998)
Total accumulated depreciation	(10,419,499)	(865,123)	572,108	(10,712,514)
Total depreciable capital assets, net	10,514,032	(279,502)	-	10,234,530
Total capital assets, net	\$ 11,126,671	\$ (279,502)	\$ -	\$ 10,847,169

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 5 – Compensated Absences

Compensated absences comprise unpaid vacation leave which is accrued as earned. The District's liability for compensated absences is determined annually.

The changes to the compensated absences balance at June 30, 2017 were as follows:

Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017	Current Portion	Long-term Portion
\$ 1,847,495	\$ 1,102,546	\$ (887,485)	\$ 2,062,556	\$ 721,895	\$ 1,340,661

Note 6 – Long-term Debt Obligations Payable

Changes in loan payable amounts for the year ended June 30, 2017 were as follows:

Long-Term Debt	Balance July 1, 2016	Additions	Payments	Balance June 30, 2017	Current Portion	Long-term Portion
Bond payable – station no. 5	\$ 2,871,000	\$ -	\$ (114,000)	\$ 2,757,000	\$ 116,000	\$ 2,641,000
Capital lease payable – equipment	2,369	-	(2,369)	-	-	-
Capital lease payable – ambulance I	-	205,444	(34,574)	170,870	41,014	129,856
Capital lease payable – ambulance II	-	208,592	-	208,592	39,172	169,420
Loan payable – solar project I	446,080	-	(31,024)	415,056	31,335	383,721
Loan payable – solar project II	-	227,475	(10,376)	217,099	10,430	206,669
Note payable – station no. 5	1,809,675	-	(84,350)	1,725,325	89,054	1,636,271
	<u>\$ 5,129,124</u>	<u>\$ 641,511</u>	<u>\$ (276,693)</u>	<u>\$ 5,493,942</u>	<u>\$ 327,015</u>	<u>\$ 5,166,927</u>

Bond Payable

On September 9, 2013, the District issued bonds for the par amount of \$3,126,000. The proceeds are being used for the ongoing construction at station no. 5. The bond's coupon rate is at 4.35% per annum, and matures on September 1, 2033, with annual debt service payments which include principal and interest. Future remaining payments are as follows:

Fiscal Year	Principal	Interest	Total
2018	\$ 116,000	\$ 118,690	\$ 234,690
2019	123,000	113,557	236,557
2020	129,000	108,163	237,163
2021	133,000	102,508	235,508
2022	139,000	96,657	235,657
2023-2027	795,000	385,888	1,180,888
2028-2032	985,000	195,163	1,180,163
2033-2034	337,000	14,769	351,769
Total	2,757,000	<u>\$ 1,135,395</u>	<u>\$ 3,892,395</u>
Current	<u>(116,000)</u>		
Long-term	<u>\$ 2,641,000</u>		

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 6 – Long-term Debt Obligations Payable (Continued)

Capital Lease Payable - Equipment

The District has extended its capital lease agreement through January 2017 for the purchase of a telephone system. The lease does not bear any interest. The capital lease was paid off in January 2017.

Capital Lease Payable – Ambulance I

The District entered into a capital lease for the purchase of an ambulance for \$205,444 at a 2.72% interest rate. Annual principal and interest payments are due on February 25 each year. Future remaining payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 41,014	\$ 4,648	\$ 45,662
2019	42,129	3,532	45,661
2020	43,275	2,386	45,661
2021	44,452	1,209	45,661
Total	170,870	<u>\$ 11,775</u>	<u>\$ 182,645</u>
Current	<u>(41,014)</u>		
Long-term	<u>\$ 129,856</u>		

Capital Lease Payable – Ambulance II

The District entered into a capital lease for the purchase of an ambulance for \$208,592 at a 3.15% interest rate. Annual principal and interest payments are due on March 1 each year. Future remaining payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 39,172	\$ 6,570	\$ 45,742
2019	40,406	5,337	45,743
2020	41,678	4,064	45,742
2021	42,991	2,751	45,742
2022	44,345	1,397	45,742
Total	208,592	<u>\$ 20,119</u>	<u>\$ 228,711</u>
Current	<u>(39,172)</u>		
Long-term	<u>\$ 169,420</u>		

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 6 – Long-term Debt Obligations Payable (Continued)

Loan Payable- Solar Project I

In April 2015, the District purchased a solar power system from the State of California – Energy Resources Conservation and Development Commission for \$475,241, with a loan payable for \$475,241 at a 1.0% interest rate per annum. Principal and interest payments are \$17,704 semi-annually on December 22 and June 22. The loan is payable until December 2029. Future remaining payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 31,335	\$ 4,072	\$ 35,407
2019	31,649	3,758	35,407
2020	31,957	3,450	35,407
2021	32,287	3,120	35,407
2022	32,610	2,797	35,407
2023-2027	168,016	9,019	177,035
2028-2030	87,202	1,313	88,515
Total	415,056	<u>\$ 27,529</u>	<u>\$ 442,585</u>
Current	(31,335)		
Long-term	<u>\$ 383,721</u>		

Loan Payable- Solar Project II

In fiscal year 2017, the District purchased a solar power system from the State of California – Energy Resources Conservation and Development Commission for \$227,475, with a loan payable for \$227,475 at a 1.0% interest rate per annum. Principal and interest payments are \$12,575 semi-annually on December 22 and June 22. The loan is payable until June 2036. Future remaining payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 10,430	\$ 2,145	\$ 12,575
2019	10,535	2,040	12,575
2020	10,635	1,940	12,575
2021	10,747	1,828	12,575
2022	10,855	1,721	12,576
2023-2027	55,925	6,953	62,878
2028-2032	58,783	4,093	62,876
2033-2036	49,189	1,114	50,303
Total	217,099	<u>\$ 21,834</u>	<u>\$ 238,933</u>
Current	(10,430)		
Long-term	<u>\$ 206,669</u>		

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 6 – Long-term Debt Obligations Payable (Continued)

Note Payable

On December 29, 2010, the District executed a note payable for station no. 5 in the principal amount of \$2,200,000 with interest at 3.00% per annum. The note matures on December 1, 2030, with annual payments of \$182,739 which include principal and interest. Future remaining payments are as follows:

Fiscal Year	Principal	Interest	Total
2018	\$ 89,054	\$ 93,685	\$ 182,739
2019	94,019	88,720	182,739
2020	99,261	83,478	182,739
2021	104,796	77,943	182,739
2021	110,639	72,100	182,739
2022-2026	652,897	260,797	913,694
2027-2031	574,659	64,926	639,585
Total	1,725,325	\$ 741,649	\$ 2,466,974
Current	(89,054)		
Long-term	\$ 1,636,271		

Note 7 – Workers’ Compensation Claims Payable

The District is exposed to various risks of loss and has effectively managed risk through a combination of insurance, with deductibles, self-insurance, and employee education and prevention programs. Expenditures and claims are recognized when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. In determining claims, events that might create claims, but for which none have been reported, are considered. In addition, there were no settlements or claims in the past three years that exceeded insurance coverage.

The District is self-insured for workers’ compensation benefits. The District is one of nine participants in the Public Agency Self-Insurance System (PASIS). PASIS is a joint-powers authority which was established in 1977 for the purpose of operating and maintaining a cooperative program of self-insurance and risk management for workers’ compensation. There is no pooling of workers’ compensation liability between the participants, and each participant self-insures their liability up to \$300,000 per occurrence. As of June 30, 2017, the District had \$453,737 on deposit with PASIS.

All members are responsible for paying their own claims and related expenses. PASIS may advance funds to members who have incurred large losses; however, these advances must be repaid. Excess insurance is purchased above the self-insured retention. As of June 30, 2017, the liability for workers’ compensation claims payable was estimated at \$4,141,268. Changes in workers’ compensation claims payable for the year ended June 30, 2017, were as follows:

Description	Balance
Estimated claims balance – July 1, 2016	\$ 3,138,625
Claim payments	(6,498,426)
Revised claims estimate	7,501,069
Change in claims balance	1,002,643
Estimated claims balance – June 30, 2017	\$ 4,141,268

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 8 – Net Other Post-Employment Benefits Payable

Plan Description

The District provides Other Post-Employment Benefits (OPEB) to employees who retire from the District and meet certain eligibility requirements. The contribution requirements of Single Employer Plan members and the District are established and may be amended by the Board of Directors. The District implemented its OPEB Plan in fiscal year ending June 30, 2014 when the District joined CalPERS for medical insurance for their employees and retirees.

Funding Policy

The District has an actuary prepare an Annual Required Contributions (ARC) calculation at least once every three fiscal years. The ARC is calculated in accordance with certain parameters, and includes (1) the Normal Cost for one year, and (2) a component for amortization of the total Unfunded Actuarial Accrued Liability (UAAL) over a period not to exceed 30 years.

Annual OPEB Cost

For the year ended June 30, 2017, the District's annual OPEB cost was \$174,618. The District's net OPEB obligation amounted to \$412,351 as of June 30, 2017. The District paid \$51,751 for current year OPEB health care premiums.

Summary changes in net other post-employment benefits balances as of June 30, 2017 were as follows:

Description	2017
Annual OPEB cost:	
Annual required contribution (ARC)	\$ 161,591
Interest on beginning net OPEB obligation	13,027
Total annual OPEB cost	174,618
Contributions made:	
Contributions made	(51,751)
Total contributions made	(51,751)
Change in net other post-employment benefits obligation	122,867
Net other post-employment benefits obligation:	
Beginning of year	289,484
End of year	\$ 412,351

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 8 – Net Other Post-Employment Benefits Payable

The following table shows the components of the District's Annual OPEB cost for the past three fiscal years ended June 30th, the amount actually contributed to the plan and the changes in the District's net OPEB asset:

Three-Year History of Net OPEB Obligation

Fiscal Year Ended	Annual OPEB Expense	Contributions Made	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2017	\$ 174,618	\$ 51,751	29.64%	\$ 412,351
June 30, 2016	154,030	48,556	31.52%	289,484
June 30, 2015	146,417	63,937	43.67%	184,010

The most recent valuation (dated July 1, 2016) includes an Actuarial Accrued Liability of \$1,842,945. There were no plan assets. The covered payroll (annual payroll of active employees covered by the plan) for the year ended June 30, 2016 was \$6,461,980. The ratio of the funded actuarial accrued liability to annual covered payroll was 28.52%.

Actuarial Methods and Assumptions

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and the pattern of sharing of costs between the employer and plan members to that point. Consistent with the long-term perspective of actuarial calculations, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities for benefits.

Valuation date	July 1, 2016
Actuarial cost method	Entry age normal cost method
Amortization method	Level percent of payroll amortization
Remaining amortization period	27 Years as of the valuation date
Asset valuation method	30 Year smoothed market
Actuarial assumptions:	
Investment rate of return	4.50%
Projected salary increase	2.75%
Inflation - discount rate	2.75%
Individual salary growth	District annual COLA
Health care trend rate	4.0% - Average 5-year

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan

The net pension liability balances have a Measurement Date of June 30, 2016, which are rolled-forward for the District's fiscal year ended June 30, 2017.

In this footnote, the District's net pension liability is comprised of a net pension liability balance and the balance of the District's pension-related debt – CalPERS side-funds as follows:

Description	Balance
Net pension liability	\$ 20,372,115
Pension-related debt – CalPERS side-fund	1,395,959
Total net pension liability balance for footnote	\$ 21,768,074

Pension-Related Debt – CalPERS Side-Fund

As of June 30, 2003, CalPERS implemented risk-pooling for the District's agent multiple-employer public employee defined benefit pension plan. As a result, the District's defined benefit pension plan with CalPERS converted from an agent multiple-employer plan to a cost-sharing multiple-employer plan. This change in the type of the plan created the CalPERS Side-Fund, which CalPERS financed at a 7.75% interest rate. CalPERS actuarially calculated the amount needed to bring the District into the cost-sharing multiple-employer plan on an equal basis with other governmental agencies that all had less than 100 active and retired employees combined. The reason that CalPERS switched these governmental agencies into the cost-sharing multiple-employer plan was to smooth out the annual costs related to the pension benefit over a longer period of time resulting in a lower cost of service to the governmental agencies.

A portion of the District's annual required contributions to CalPERS are actuarially determined and shared by all governmental agencies within the cost sharing risk pool. Also, the District is required to make annual payments to pay-down the CalPERS Side-Fund, as well. The responsibility for paying-down the District's CalPERS Side-Fund is specific to the District and is not shared by all governmental agencies within the cost sharing risk pool. Therefore, the Side-Fund falls under the definition of pension-related debt and is recorded as liability on the District's financial statements aside from the District's net pension liability.

Annual payments on the CalPERS Side-Fund represent principal and interest payments on the pension-related debt. Debt principal and interest expense is blended into the CalPERS pension benefit rate by individual class of District employee and repaid to CalPERS each payroll period throughout the fiscal year. The following is a pay-down schedule of the remaining payments of the District's CalPERS Side-Fund at a 7.50% interest rate, which was reduced by CalPERS in fiscal year 2012 for fiscal years 2012 and beyond as follows:

Pension Related Debt	Balance July 1, 2016	Additions	Payments	Balance June 30, 2017
CalPERS Side-Fund – Miscellaneous	\$ 982,076	\$ -	\$ (53,360)	\$ 928,716
CalPERS Side-Fund – Safety	888,278	-	(421,035)	467,243
	\$ 1,870,354	\$ -	\$ (474,395)	\$ 1,395,959

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Pension-Related Debt – CalPERS Side-Fund (Continued)

The following represents the District’s repayment schedules for the pension-related debt as follows:

Pension Related Debt – CalPERS Side-Fund – Miscellaneous Classic Plan

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 61,171	\$ 65,008	\$ 126,179
2019	69,683	60,281	129,964
2020	78,953	54,910	133,863
2021	89,038	48,841	137,879
2022	100,004	42,011	142,015
2023	111,921	34,355	146,276
2024	124,866	25,798	150,664
2025	138,917	16,257	155,174
2026	154,163	5,676	159,839
Total	<u>\$ 928,716</u>	<u>\$ 353,137</u>	<u>\$ 1,281,853</u>

Pension Related Debt – CalPERS Side-Fund – Safety Classic Plan

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	<u>\$ 467,243</u>	<u>\$ 17,205</u>	<u>\$ 484,448</u>

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 -- Net Pension Liability and Defined Benefit Pension Plan (Continued)

Type of Account	Balance as of July 1, 2016	Additions	Deletions	Balance as of June 30, 2017
Deferred Outflows of Resources:				
Pension contributions made after the measurement date				
CalPERS - Miscellaneous Plan	\$ 264,460	\$ 268,384	\$ (264,460)	\$ 268,384
CalPERS - Safety Plan	1,985,132	2,341,264	(1,985,132)	2,341,264
Sub-total	<u>2,249,592</u>	<u>2,609,648</u>	<u>(2,249,592)</u>	<u>2,609,648</u>
Difference between actual and proportionate share of employer contributions:				
CalPERS - Miscellaneous Plan	37,335	76,568	(37,692)	76,211
CalPERS - Safety Plan	47,624	-	(26,457)	21,167
Sub-total	<u>84,959</u>	<u>76,568</u>	<u>(64,149)</u>	<u>97,378</u>
Adjustment due to differences in proportions:				
CalPERS - Miscellaneous Plan	201,922	-	(72,115)	129,807
CalPERS - Safety Plan	-	103,096	(27,864)	75,232
Sub-total	<u>201,922</u>	<u>103,096</u>	<u>(99,979)</u>	<u>205,039</u>
Differences between projected and actual earnings on pension plan investments:				
CalPERS - Miscellaneous Plan	-	465,370	-	465,370
CalPERS - Safety Plan	-	3,469,170	-	3,469,170
Sub-total	<u>-</u>	<u>3,934,540</u>	<u>-</u>	<u>3,934,540</u>
Differences between expected and actual experience:				
CalPERS - Miscellaneous Plan	12,882	-	(5,597)	7,285
Total deferred outflows of resources	<u>\$ 2,549,355</u>	<u>\$ 6,723,852</u>	<u>\$ (2,419,317)</u>	<u>\$ 6,853,890</u>
Net Pension Liability:				
CalPERS - Miscellaneous Plan	\$ 2,513,559	\$ 609,494	\$ (264,460)	\$ 2,858,593
CalPERS - Safety Plan	14,564,594	6,330,019	(1,985,132)	18,909,481
Total net pension liability	<u>\$ 17,078,153</u>	<u>\$ 6,939,513</u>	<u>\$ (2,249,592)</u>	<u>\$ 21,768,074</u>
Deferred Inflows of Resources:				
Differences between projected and actual earnings on pension plan investments:				
CalPERS - Miscellaneous Plan	\$ 61,093	\$ -	\$ (61,093)	\$ -
CalPERS - Safety Plan	530,067	-	(530,067)	-
Sub-total	<u>591,160</u>	<u>-</u>	<u>(591,160)</u>	<u>-</u>
Difference between actual and proportionate share of employer contributions:				
CalPERS - Safety Plan	206,266	20,615	(79,239)	147,642
Adjustment due to differences in proportions:				
CalPERS - Miscellaneous Plan	2,998	34,316	(10,941)	26,373
CalPERS - Safety Plan	1,126,755	-	(408,766)	717,989
Sub-total	<u>1,129,753</u>	<u>34,316</u>	<u>(419,707)</u>	<u>744,362</u>
Differences between expected and actual experience:				
CalPERS - Safety Plan	227,399	-	(65,446)	161,953
Changes in assumptions:				
CalPERS - Miscellaneous Plan	121,869	-	(32,455)	89,414
CalPERS - Safety Plan	1,045,892	-	(339,765)	706,127
Sub-total	<u>1,167,761</u>	<u>-</u>	<u>(372,220)</u>	<u>795,541</u>
Total deferred inflows of resources	<u>\$ 3,322,339</u>	<u>\$ 54,931</u>	<u>\$ (1,527,772)</u>	<u>\$ 1,849,498</u>

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

General Information about the Pension Plans

The Plans Description Schedule

The District has engaged with CalPERS to administer the following pension plans for its employees (members):

	<u>Miscellaneous Plans</u>	
	<u>Classic</u>	<u>PEPRA</u>
	<u>Tier 1</u>	<u>Tier 2</u>
Hire date	Prior to <u>December 31, 2012</u>	On or after <u>January 1, 2013</u>
Benefit formula	2.7% @ 55	2.0% @ 62
Benefit vesting schedule	5-years or service	5-years or service
Benefits payments	Monthly for life	Monthly for life
Retirement age	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.0% to 2.5%
Required member contribution rates	7.946%	6.500%
Required employer contribution rates	13.850%	7.555%

	<u>Safety Plans</u>	
	<u>Classic</u>	<u>PEPRA</u>
	<u>Tier 1</u>	<u>Tier 2</u>
Hire date	Prior to <u>December 31, 2012</u>	On or after <u>January 1, 2013</u>
Benefit formula	3.0% @ 55	2.7% @ 57
Benefit vesting schedule	5-years or service	5-years or service
Benefits payments	Monthly for life	Monthly for life
Retirement age	50 - 55 & up	50 - 57 & up
Monthly benefits, as a % of eligible compensation	2.4% to 3.0%	2.0% to 2.7%
Required member contribution rates	8.980%	12.250%
Required employer contribution rates	15.627%	11.332%

Plan Description

The District contributes to the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. A full description of the pension plan, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2013 Annual Actuarial Valuation Report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

General Information about the Pension Plans (Continued)

Members Covered by Benefit Terms

At June 30, 2016 (Valuation Date), the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		
	Classic Tier 1	PEPRA Tier 2	Total
Active members	7	2	9
Transferred and terminated members	8	1	9
Retired members and beneficiaries	25	-	25
Total plan members	40	3	43

Plan Members	Safety Plans		
	Classic Tier 1	PEPRA Tier 2	Total
Active members	52	16	68
Transferred and terminated members	59	2	61
Retired members and beneficiaries	61	-	61
Total plan members	172	18	190

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A Classic CalPERS Miscellaneous member becomes eligible for service retirement upon attainment of age 55 with at least 5 years of credited service. Public Employees' Pension Reform Act (PEPRA) Miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 full-time equivalent monthly pay. Retirement benefits for Classic Miscellaneous and Safety members are calculated as a percentage of their plan based the average final 36 months compensation. Retirement benefits for PEPRA Miscellaneous and Safety members are calculated as a percentage of their plan based the average final 36 months compensation.

Participant members are eligible for non-industrial disability retirement if they become disabled and have at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service. Industrial disability benefits are not offered to miscellaneous employees.

A member's beneficiary may receive the basic death benefit if the member dies while actively employed. The member must be actively employed with the District to be eligible for this benefit. A member's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the members' accumulated contributions, where interest is currently credited at 7.5 percent per year, plus a lump sum in the amount of one month's salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

General Information about the Pension Plans (Continued)

Benefits Provided (Continued)

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each member's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 3%.

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers will be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The public agency cost-sharing plans covered by the Miscellaneous risk pool, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of members. For the measurement period ended June 30, 2016 (the measurement date), the active member contribution rate for the Classic Miscellaneous and Safety Plans and the PEPRA Miscellaneous and Safety Plans are based above in the Plans Description schedule.

For the year ended June 30, 2017, the contributions made to the Plan were as follows:

<u>Contribution Type</u>	<u>Miscellaneous Plans</u>		
	<u>Classic Tier 1</u>	<u>PEPRA Tier 2</u>	<u>Total</u>
Contributions – employer	\$ 256,691	\$ 11,693	\$ 268,384
Contributions – members	36,969	10,954	47,923
Total contributions	\$ 293,660	\$ 22,647	\$ 316,307

<u>Contribution Type</u>	<u>Safety Plans</u>		
	<u>Classic Tier 1</u>	<u>PEPRA Tier 2</u>	<u>Total</u>
Contributions – employer	\$ 2,217,462	\$ 123,802	\$ 2,341,264
Contributions – members	503,875	118,356	622,231
Total contributions	\$ 2,721,337	\$ 242,158	\$ 2,963,495

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans

Actuarial Methods and Assumptions Used to Determine the Total Pension Liability

For the measurement period ended June 30, 2016 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2015 total pension liability. The June 30, 2016 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.65%
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds.
Post Retirement Benefit Increase	Contract COLA up to 2.75% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.75% thereafter

All other actuarial assumptions used in the June 30, 2015 valuation were based on the results of an actuarial experience study for the period from 1997 to 2011, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website under Forms and Publications.

Discount Rate

The discount rate used to measure the total pension liability was 7.50 percent, which is net of administrative expenses. An investment return excluding administrative expenses would have been 7.65 percent. CalPERS' Management has determined that using the lower discount rate has resulted in a slightly higher total pension liability and net pension liability and the difference was deemed immaterial to the financial statements. The long-term expected rate of return on the pension plan investments was determined in which best-estimate ranges of expected future real rates are developed for each major asset class. In determining the long-term expected rate of return, both short-term and long-term market return expectations as well as the expected pension fund cash flows were considered. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major *asset class*.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Discount Rate (Continued)

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses.

Investment Type	New Strategic Allocation	Real Return Years 1 - 10 ¹	Real Return Years 11+ ²
Global Equity	51.00%	5.25%	5.71%
Global Fixed Income	20.00%	0.99%	2.43%
Inflation Sensitive	6.00%	0.45%	3.36%
Private Equity	10.00%	6.83%	6.95%
Real Estate	10.00%	-4.50%	5.13%
Infrastructure and Forestland	2.00%	-4.50%	5.09%
Liquidity	1.00%	-0.55%	-1.05%
	<u>100.00%</u>		

¹ An expected inflation rate-of-return of 2.5% is used for years 1 – 10.

² An expected inflation rate-of-return of 3.0% is used for years 11+.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.5%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.50%) or 1 percentage-point higher (8.50%) than the current rate:

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 6.65%	Current Discount Rate 7.650%	Discount Rate + 1% 8.65%
CalPERS – Miscellaneous Plans	\$ 3,922,738	\$ 2,858,593	\$ 1,979,131

Plan Type	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% 6.65%	Current Discount Rate 7.650%	Discount Rate + 1% 8.65%
CalPERS – Safety Plans	\$ 29,356,058	\$ 18,909,481	\$ 10,333,913

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Pension Plan Fiduciary Net Position

Detail information about the plan's fiduciary net position is available in the separately issued CalPERS financial report and can be obtained from CalPERS' website under Forms and Publications.

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan's proportionate share of the risk pool collective net pension liability over the measurement period for the CalPERS Miscellaneous and Safety Plans:

<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Change in Plan Net Pension Liability</u>
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2015 (Measurement Date)	\$ 7,585,882	\$ 5,072,323	\$ 2,513,559
Balance as of June 30, 2016 (Measurement Date)	\$ 7,904,147	\$ 5,045,554	\$ 2,858,593
Change in Plan Net Pension Liability	\$ 318,265	\$ (26,769)	\$ 345,034
<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Change in Plan Net Pension Liability</u>
CalPERS – Safety Plan:			
Balance as of June 30, 2015 (Measurement Date)	\$ 73,600,799	\$ 59,036,205	\$ 14,564,594
Balance as of June 30, 2016 (Measurement Date)	\$ 76,958,123	\$ 58,048,642	\$ 18,909,481
Change in Plan Net Pension Liability	\$ 3,357,324	\$ (987,563)	\$ 4,344,887

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2015). The risk pool's fiduciary net position ("FNP") subtracted from its total pension liability (TPL) determines the net pension liability (NPL) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2015). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2015 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2015-16).
- (3) The individual plan's TPL, FNP and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
- (5) The plan's TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan's NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The District's proportionate share of the net pension liability was as follows:

<u>CalPERS – Miscellaneous Plan</u>	<u>Percentage Share of Risk Pool</u>		<u>Change Increase/ (Decrease)</u>
	<u>Fiscal Year Ending June 30, 2017</u>	<u>Fiscal Year Ending June 30, 2016</u>	
	Measurement Date	June 30, 2016	
Percentage of Risk Pool Net Pension Liability	0.082288%	0.091620%	-0.009332%
Percentage of Plan (PERF C) Net Pension Liability	0.033035%	0.036620%	-0.003584%

<u>CalPERS – Safety Plan</u>	<u>Percentage Share of Risk Pool</u>		<u>Change Increase/ (Decrease)</u>
	<u>Fiscal Year Ending June 30, 2017</u>	<u>Fiscal Year Ending June 30, 2016</u>	
	Measurement Date	June 30, 2016	
Percentage of Risk Pool Net Pension Liability	0.365103%	0.353471%	0.011632%
Percentage of Plan (PERF C) Net Pension Liability	0.218529%	0.212191%	0.006338%

For the year ended June 30, 2017, the District recognized pension expense in the amounts of \$112,787 and \$1,409,406 for the Classic Miscellaneous and Safety plans, respectively, which total \$1,522,193.

The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized over 5-years straight line. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period.

The expected average remaining service lifetime (EARSL) for PERF C for the measurement date ending June 30, 2016 is 3.7 years, which was obtained by dividing the total service years of 475,689 (the sum of remaining service lifetimes of the active employees) by 127,009 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

North County Fire Protection District
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 9 – Net Pension Liability and Defined Benefit Pension Plan (Continued)

Net Pension Liability, Pension Expenses, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension Plans (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Account Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions made after the measurement date	\$ 2,609,648	\$ -
Difference between actual and proportionate share of employer contributions	97,378	147,642
Adjustment due to differences in proportions	205,039	744,362
Differences between expected and actual experience	7,285	161,953
Differences between projected and actual earnings on pension plan investments	3,934,540	-
Changes in assumptions	-	795,541
Total Deferred Outflows/(Inflows) of Resources	\$ 6,853,890	\$ 1,849,498

The District will recognize \$2,609,648 reported as deferred outflows of resources related to pensions resulting from the District's contributions subsequent to the measurement date as a reduction of the net pension liability in the fiscal year ended June 30, 2018, as noted above.

Amortization of Deferred Outflows of Resources and Deferred Inflows of Resources

Other remaining amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized to pension expense in future periods as follows:

<u>Amortization Period Fiscal Year Ended June 30</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2018	\$ (306,840)
2019	(139,091)
2020	1,817,013
2021	1,023,662
Total	\$ 2,394,744

North County Fire Protection District
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 10 – Net Investment in Capital Assets

Net investment in capital assets as of June 30, 2017 consisted of the following:

Description	Balance
Capital assets – not being depreciated	\$ 612,639
Capital assets – being depreciated, net	10,234,530
Long-term debt obligations payable – current portion	(327,005)
Long-term debt obligations payable – noncurrent portion	(5,166,937)
Total net investment in capital assets	\$ 5,353,227

Note 11 – Restricted Net Position

The District has constraints placed on its net position totaling \$1,033,825 through external constraints to use these funds for specific purposes.

Note 12 – Unrestricted Net Position (Deficit)

As of June 30, 2017, the District has an unrestricted net position deficit of (\$18,326,420). The unrestricted net position deficit resulted from the reporting of the District's net pension liability, the pension-related debt – CalPERS side-fund liability, and the deferred inflows of resources – deferred amounts related to net pension liability per GASB No. 68. At June 30, 2017, the District's net pension liability amounted to \$20,372,115, the pension-related debt – CalPERS side-fund liability amounted to \$1,395,959, and the deferred inflows of resources – net deferred amounts related to net pension liability amounted to \$1,849,498, which totals \$23,617,572. The District will continue to make its actuarial determined contributions to CalPERS and annually review its outstanding net pension obligation funding requirements.

Note 13 – Fund Balance

A detailed schedule of fund balances and their funding composition at June 30, 2017 is as follows:

Description	General Fund	Fire Mitigation Fund	Other Governmental Funds	Total
Nonspendable:				
Prepaid items	\$ 122,584	\$ -	\$ -	\$ 122,584
Advance to other fund	2,078,524	(2,078,524)	-	-
Total nonspendable	2,201,108	(2,078,524)	-	122,584
Restricted:				
Fallbrook – mitigation	-	565,748	-	565,748
Rainbow subzone – operations	-	-	464,493	464,493
Rainbow subzone – mitigation	-	-	3,584	3,584
Total restricted	-	565,748	468,077	1,033,825
Assigned:				
Deposits with Public Agencies Self Insurance System	453,737	-	-	453,737
Compensated absences	2,062,556	-	-	2,062,556
Total assigned	2,516,293	-	-	2,516,293
Unassigned	2,458,094	-	-	2,458,094
Total fund balances	\$ 7,175,495	\$ (1,512,776)	\$ 468,077	\$ 6,130,796

North County Fire Protection District
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 14 – Inter-fund Balances and Activities

Balances due to and due (from) other funds at June 30, 2017, consisted of the following:

<u>Due To</u>	<u>Due From</u>	<u>Balance</u>	<u>Purpose</u>
General Fund	Other Governmental	\$ 71,328	Operations
Other Governmental	Other Governmental	12,617	Operations
	Total	\$ 83,945	

The District utilized mitigation funds first and executed a loan from the General Fund to pay for capital expenditures. The Special Revenue Fund – Fire Mitigation will repay the General Fund the \$2,078,524 as mitigation fees are earned by the District.

<u>Advance From</u>	<u>Advance To</u>	<u>Balance</u>	<u>Purpose</u>
General Fund	Special Revenue	\$ 2,078,524	Capital projects

Transfers to and transfers (from) other funds at June 30, 2017, consisted of the following:

<u>Transfer To</u>	<u>Transfer From</u>	<u>Balance</u>	<u>Purpose</u>
General Fund	Other Governmental	\$ 148,813	Operations
Special Revenue	Other Governmental	(40,000)	Operations
Other Governmental	Other Governmental	(108,813)	Operations
	Total	\$ -	

Note 15 – Deferred Compensation Savings Plan

For the benefit of its employees, the District participates in a 457 Deferred Compensation Program. The purpose of this Program is to provide deferred compensation for public employees that elect to participate in the Program. Generally, eligible employees may defer receipt of a portion of their salary until termination, retirement, death or unforeseeable emergency. Until the funds are paid or otherwise made available to the employee, the employee is not obligated to report the deferred salary for income tax purposes.

Federal law requires deferred compensation assets to be held in trust for the exclusive benefit of the participants. Accordingly, the District is in compliance with this legislation. Therefore, these assets are not the legal property of the District, and are not subject to claims of the District's general creditors.

The District has implemented GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Since the District has little administrative involvement and does not perform the investing function for this plan, the assets and related liabilities are not shown on the accompanying statement of net position.

North County Fire Protection District
Notes to the Financial Statements (Continued)
For the Year Ended June 30, 2017

Note 16 – Joint Ventures

The District is a member of the North County Dispatch Joint Powers Authority (Authority). The Authority was formed on June 11, 1984, and other member agencies include the North County Fire Protection District, and the cities of Vista, San Marcos, Solana Beach, Oceanside, Encinitas, and Carlsbad. The purpose of the Authority is to provide dispatching and emergency communication services for fire protection, security, and medical services. Each member provides an annually determined contribution towards the ongoing operation of the Authority. In the event of dissolution of the Authority, available assets shall be distributed to the member agencies in proportion to the aggregate contribution made by each member agency during the entire term of the agreement.

The activities of the Authority are supervised by a board of directors consisting of eight directors who are appointed by each member's governing body. The District's share of the Authority's assets, liabilities, net position and changes therein are not available and not material to the District's financial statements. Separate financial statements of the Authority are available at 16936 El Fuego Drive (P.O. Box 1206), Rancho Santa Fe, CA 92067.

Note 17 – Risk Management

The District is insured for a variety of potential exposures. The following is a summary of the insurance policies carried by the District as of June 30, 2017:

General liability: \$1,000,000 per occurrence and \$3,000,000 aggregate. The District purchased additional excess coverage layers: \$10 million per occurrence and \$20 million aggregate for general and auto liability, which increases the limits on the insurance coverage noted above.

Auto liability: \$1,000,000 liability limits and deductibles applied to specific vehicles with a \$1,000 deductible on Comprehensive and Collision, and other vehicles have a \$1,000 deductible on Comprehensive and on Collision.

Note 18 - Contingencies

Litigation

In the ordinary course of operations, the District is subject to other claims and litigation from outside parties. After consultation with legal counsel, the District believes the ultimate outcome of such matters, other than the matter discussed above, will not materially affect its financial condition.

REQUIRED SUPPLEMENTARY INFORMATION

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North County Fire Protection District
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule – General Fund
For the Year Ended June 30, 2017

	<u>Adopted Original Budget</u>	<u>Revised Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:				
Property taxes	\$ 13,124,770	\$ 13,220,686	\$ 13,413,614	\$ 192,928
Charges for services:				
Ambulance services	1,616,988	1,616,988	1,925,376	308,388
Fire services – CA OES	-	-	654,625	654,625
Fire prevention	90,000	100,000	124,789	24,789
Administration	85,000	85,000	94,128	9,128
Annexation fees	-	255,404	75,000	(180,404)
Operating and capital grant funding	635,144	724,830	775,919	51,089
Rental income – cellular towers	85,000	85,000	90,936	5,936
Investment earnings	20,000	20,000	25,824	5,824
Other revenues	75,000	110,000	343,851	233,851
Total revenues	<u>15,731,902</u>	<u>16,217,908</u>	<u>17,524,062</u>	<u>1,306,154</u>
EXPENDITURES:				
Fire protection and emergency medical transport:				
Salaries and wages	8,594,869	8,741,593	8,663,547	78,046
Employee benefits	4,365,728	4,460,411	4,468,401	(7,990)
Contracted service costs	-	-	108,179	(108,179)
Materials and services	2,372,346	2,320,945	2,672,168	(351,223)
Capital outlay	581,805	1,016,805	585,621	431,184
Debt service:				
Principal	198,350	198,350	276,693	(78,343)
Interest	220,063	220,063	228,643	(8,580)
Total expenditures	<u>16,333,161</u>	<u>16,958,167</u>	<u>17,003,252</u>	<u>(45,085)</u>
REVENUES OVER(UUNDER) EXPENDITURE	(601,259)	(740,259)	520,810	1,351,239
OTHER FINANCING SOURCES(USES):				
Proceeds from issuance of debt	228,307	228,307	641,511	413,204
Transfers in	378,574	511,952	148,813	(363,139)
Transfers (out)	(155,622)	(175,000)	-	175,000
Total other financing sources(uses)	<u>451,259</u>	<u>565,259</u>	<u>790,324</u>	<u>225,065</u>
NET CHANGES IN FUND BALANCE	<u>\$ (150,000)</u>	<u>\$ (175,000)</u>	<u>1,311,134</u>	<u>\$ 1,576,304</u>
FUND BALANCE:				
Beginning of year			<u>5,864,361</u>	
End of year			<u>\$ 7,175,495</u>	

North County Fire Protection District
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule – Special Revenue –Fire Mitigation Fund
For the Year Ended June 30, 2017

	<u>Adopted Original Budget</u>	<u>Revised Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:				
Mitigation fees	\$ 145,000	\$ 170,000	\$ 65,416	\$ (104,584)
Interest earnings	5,000	5,000	3,227	(1,773)
Total revenues	<u>150,000</u>	<u>175,000</u>	<u>68,643</u>	<u>(106,357)</u>
EXPENDITURES:				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER(UUNDER) EXPENDITURE	150,000	175,000	68,643	(106,357)
OTHER FINANCING SOURCES(USES):				
Transfers (out)	<u>(150,000)</u>	<u>(175,000)</u>	<u>(40,000)</u>	<u>135,000</u>
Total other financing sources(uses)	<u>(150,000)</u>	<u>(175,000)</u>	<u>(40,000)</u>	<u>135,000</u>
NET CHANGES IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	28,643	<u>\$ 28,643</u>
FUND BALANCE:				
Beginning of year (Deficit)			<u>(1,541,419)</u>	
End of year (Deficit)			<u>\$ (1,512,776)</u>	

North County Fire Protection District
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule – Rainbow Subzone Operations Fund
For the Year Ended June 30, 2017

	<u>Adopted Original Budget</u>	<u>Revised Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:				
Property taxes	\$ 242,000	\$ 242,000	\$ 251,849	\$ 9,849
Operating and capital grant funding	-	-	8,500	8,500
Investment earnings	1,000	1,000	2,434	1,434
Other revenues	-	-	8	8
Total revenues	<u>243,000</u>	<u>243,000</u>	<u>262,791</u>	<u>19,791</u>
EXPENDITURES:				
Fire protection and emergency medical transport:				
Salaries and wages	-	-	1,890	(1,890)
Employee benefits	-	-	758	(758)
Contracted service costs	25,000	25,000	25,000	-
Materials and services	137,200	137,200	137,955	(755)
Capital outlay	80,800	80,800	-	80,800
Total expenditures	<u>243,000</u>	<u>243,000</u>	<u>165,603</u>	<u>77,397</u>
REVENUES OVER(UUNDER) EXPENDITURE	-	-	97,188	(57,606)
OTHER FINANCING SOURCES(USES):				
Transfers in	10,000	10,000	(108,813)	(118,813)
Transfers (out)	(10,000)	(10,000)	-	10,000
Total other financing sources(uses)	<u>-</u>	<u>-</u>	<u>(108,813)</u>	<u>(108,813)</u>
NET CHANGES IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>(11,625)</u>	<u>\$ (166,419)</u>
FUND BALANCE:				
Beginning of year			<u>476,118</u>	
End of year			<u>\$ 464,493</u>	

January 23, 2018 – Regular Board

North County Fire Protection District
Required Supplementary Information (Unaudited)
Schedule of the District's Proportionate Share of the Plan's Net Pension Liability
For the Year Ended June 30, 2017

Last Ten Fiscal Years

California Public Employees' Retirement System (CalPERS)

Measurement Date:	<u>June 30, 2016¹</u>	<u>June 30, 2015¹</u>	<u>June 30, 2014¹</u>
District's Proportion of the Net Pension Liability	0.251564%	0.248810%	0.272930%
District's Proportionate Share of the Net Pension Liability	\$ 21,768,074	\$ 17,078,153	\$ 16,983,012
District's Covered-Employee Payroll	\$ 6,461,980	\$ 6,452,080	\$ 6,429,039
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered-Employee Payroll	<u>336.86%</u>	<u>264.69%</u>	<u>264.16%</u>
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	<u>74.35%</u>	<u>78.96%</u>	<u>78.67%</u>

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

**North County Fire Protection District
Required Supplementary Information (Unaudited)
Schedule of the District's Contributions to the Pension Plan
For the Year Ended June 30, 2017**

Last Ten Fiscal Years				
California Public Employees' Retirement System (CalPERS)				
Fiscal Year:	2016-17 ¹	2015-16 ¹	2014-15 ¹	2013-14 ¹
Actuarially Determined Contribution ²	\$ 2,609,648	\$ 2,249,592	\$ 1,929,643	\$ 1,905,899
Contribution in Relation to the Actuarially Determined Contribution ²	(2,609,648)	(2,249,592)	(1,929,643)	(1,905,899)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
District's Covered-Employee Payroll ³	\$ 6,671,377	\$ 6,461,980	\$ 6,452,080	\$ 6,429,039
Contributions as a Percentage of Covered-Employee Payroll	39.12%	34.81%	29.91%	29.65%

¹ Historical information is presented only for measurement periods for which GASB No. 68 is applicable.

² Employers are assumed to make contributions equal to the actuarially determined contributions (which is the actuarially determined contribution). However, some employers may choose to make additional contributions towards their side-fund or their unfunded liability. Employer contributions for such plan exceed the actuarial determined contributions. CalPERS has determined that employer obligations referred to as *side-funds* are not considered separately financed specific liabilities.

³ Covered-Employee Payroll represented above is based on pensionable earnings provided by the employer. However, GASB No. 68 defines covered-employee payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

Notes to the Schedule:

Change in Benefit Terms: The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2013 as they have minimal cost impact. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

**North County Fire Protection District
 Required Supplementary Information (Unaudited)
 Schedule of Funding Progress – Other Post-Employment Benefits Plan
 For the Year Ended June 30, 2017**

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
July 1, 2016	\$ -	\$ 1,842,945	\$ 1,842,945	0.00%	\$ 6,461,980	28.52%
July 1, 2013	\$ -	\$ 1,631,302	\$ 1,631,302	0.00%	\$ 6,727,225	24.25%

Note 1 – Other Post-Employment Benefits

Funding progress is presented for the year(s) that an actuarial study has been prepared since the effective date of GASB Statement No. 45. Actuarial review and analysis of the post-employment benefits liability and funding status is performed every three years or annually, if there are significant changes in the plan. The next scheduled actuarial review and analysis of the post-employment benefits liability and funding status will be performed in fiscal year 2020, based on the year ending June 30, 2019.

SUPPLEMENTARY INFORMATION

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North County Fire Protection District
Balance Sheets
Other Governmental Funds
June 30, 2017

<u>ASSETS</u>	<u>Rainbow Subzone – Special Revenue</u>		<u>Total</u>
	<u>Operations Fund</u>	<u>Fire Mitigation Fund</u>	
Assets:			
Cash and investments	\$ 403,907	\$ 16,153	\$ 420,060
Accrued interest receivable	1,304	48	1,352
Property taxes receivable	1,064	-	1,064
Due from other funds (Note 15)	83,945	-	83,945
Total assets	\$ 490,220	\$ 16,201	\$ 506,421
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities:			
Accounts payable and accrued expenses	25,727	-	25,727
Due to other funds (Note 14)	-	12,617	12,617
Total liabilities	25,727	12,617	38,344
Fund Balances: (Note 13)			
Restricted	464,493	3,584	468,077
Total fund balance	464,493	3,584	468,077
Total liabilities and fund balance	\$ 490,220	\$ 16,201	\$ 506,421

North County Fire Protection District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Other Governmental Funds
For the Year Ended June 30, 2017

	<u>Rainbow Subzone – Special Revenue</u>		<u>Total</u>
	<u>Operations Fund</u>	<u>Fire Mitigation Fund</u>	
REVENUES:			
Property taxes	\$ 251,849	\$ -	\$ 251,849
Operating and capital grant funding	8,500	-	8,500
Investment earnings	2,434	101	2,535
Other revenues	8	-	8
Total revenues	<u>262,791</u>	<u>101</u>	<u>262,892</u>
EXPENDITURES:			
Fire protection, prevention and emergency medical transport:			
Salaries and wages	1,890	-	1,890
Employee benefits	758	-	758
Contracted service costs	25,000	-	25,000
Materials and services	137,955	-	137,955
Total expenditures	<u>165,603</u>	<u>-</u>	<u>165,603</u>
REVENUES OVER(UNDER) EXPENDITURES	97,188	101	97,289
OTHER FINANCING SOURCES(USES):			
Transfers (out) (Note 14)	(108,813)	-	(108,813)
Total other financing sources(uses)	<u>(108,813)</u>	<u>-</u>	<u>(108,813)</u>
NET CHANGES IN FUND BALANCE	(11,625)	101	(11,524)
FUND BALANCE:			
Beginning of year	476,118	3,483	479,601
End of year	<u>\$ 464,493</u>	<u>\$ 3,584</u>	<u>\$ 468,077</u>



**NORTH COUNTY FIRE
PROTECTION DISTRICT
EMERGENCY MEDICAL SERVICES**

TO: BOARD OF DIRECTORS
FROM: D/C MAHR AND CHIEF ABBOTT
DATE: JANUARY 23, 2018
SUBJECT: AUTHORIZE EXTENSION OF CONTRACT FOR MEDICAL STANDBYS WITHIN EOA

ACTION AGENDA

RECOMMENDATION:

1. Authorize the District to extend contract with Mercy Medical Transport Inc. to provide limited medical standby services within the District's exclusive operating area (EOA) as authorized by Resolution 2018-01.
2. Authorize Chief Abbott to execute the Agreement on behalf of the District.

BACKGROUND:

As an element of providing emergency medical transport services prior to 1981, the District has been granted an "exclusive operating area" by the County of San Diego to continue to provide exclusive advanced life support (ALS) transport services within the District. As the District is not in a position to routinely provide ALS standby services, it has historically contracted with private providers for such services.

The owner of Santa Anita Racetrack has purchased San Luis Rey Downs Track & Training Center (SLRD) and augmented operations to ultimately include the boarding of up to 400 horses and daily training activities. To this end the California Horse Racing Board requires transport capable ALS standby services. SLRD has contracted with Mercy Medical Transport for those services. This will be the third extension of the Agreement with Mercy Medical Transport, with one additional extension permitted under this agreement.

DISCUSSION:

In order to protect the District's EOA interests, it is necessary to enter into a limited ALS standby agreement with Mercy Medical Transport. Accordingly we have developed an agreement which would allow Mercy to provide limited medical standby services within our EOA, in accordance with the attached EOA Agreement (Exhibit "A") and Medical Operations Plan (Attachment "B"). Under this agreement, although an ALS ambulance

RESOLUTION TO AUTHORIZE CONTRACT MEDICAL STANDBYS WITHIN EOA
JANUARY 23, 2018
PAGE 2 OF 2

from Mercy would be staged at SLRD, they would contact NCFPD for patient transportation.

This will be the last extension under this contract; next year the District and Mercy would be required to execute a new contract to cover these services.

FISCAL ANALYSIS:

No additional financial impact is anticipated at this time inasmuch as the District will still retain primary transport discretion.

SUMMARY:

Pursuant to the provisions of the agreement and Resolution 2018-01, Staff recommends renewing the EOA agreement for an additional year as submitted and recommends Chief Abbott be authorized to execute the required documents on behalf of the District.

NORTH COUNTY FIRE PROTECTION DISTRICT



RESOLUTION 2018-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT AUTHORIZATION TO PROVIDE PRE-HOSPITAL EMERGENCY MEDICAL STANDBY SERVICES WITHIN THE EXCLUSIVE OPERATING AREA OF THE NORTH COUNTY FIRE PROTECTION DISTRICT

Whereas, California Health & Safety Code §1797.201 authorizes the local EMS agency (County of San Diego, Department of Health Services, Division of Emergency Medical Services—hereinafter referred to as “County EMS”) to “enter into a written agreement with the city or fire district regarding the provision of pre-hospital emergency medical services for that city or fire district;” and

Whereas, the North County Fire Protection District (hereinafter referred to as “the District”) provides emergency and non-emergency services as part of the operation of the fire district; and

Whereas, the District has maintained provision of pre-hospital emergency medical services to those areas located within the jurisdictional boundaries of the District as well as its surrounding “sphere of influence” (as defined by LAFCO) prior to January 1, 1981, in accordance with California Health & Safety Code § 1797.224; and

Whereas, the District maintains an exclusive operating area (herein after referred to as “EOA”) for the provision of pre-hospital emergency medical services within the jurisdictional boundaries of the District, by which it retains exclusive right to designate the means, type and extent of pre-hospital emergency medical services within this EOA; and

Whereas, it is in the mutual interest of the District and the Contractor to provide limited medical standby services within the EOA of the District;

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT OF FALLBROOK, CALIFORNIA DOES HEREBY AUTHORIZE, FIND, RESOLVE, ORDER AND DETERMINE AS FOLLOWS:

Limited provision of Advanced Life Support (ALS) medical standby services at pre-determined locations and/or venues (at full discretion of the District), to consist of a non-transport type vehicle equipped with a full complement of ALS equipment (as defined by S.D. Co. EMS Policy #P-806) and staffed by the Contractor (“Mercy Medical Transport, Inc.”) with a competently trained ALS provider as licensed by the State of California and accredited by the County of San Diego, in accordance with the attached Exclusive Operating Agreement (EOA), Exhibit ‘A’, included as part of this Resolution, to become effective January 23, 2018.

**NORTH COUNTY FIRE PROTECTION
DISTRICT**



RESOLUTION 2018-01

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NORTH COUNTY FIRE PROTECTION DISTRICT AUTHORIZATION
TO PROVIDE PRE-HOSPITAL EMERGENCY MEDICAL STANDBY
SERVICES WITHIN THE EXCLUSIVE OPERATING AREA OF THE
NORTH COUNTY FIRE PROTECTION DISTRICT**

APPROVED, SIGNED AND ADOPTED by the Board of Directors, North County Fire Protection District, County of San Diego, State of California, on this **23rd day of January, 2018**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

xxx, Board President

ATTEST:

I **HEREBY CERTIFY** that the foregoing is a true and correct copy of the Resolution duly and regularly adopted by the Board of Directors of the North County Fire Protection District thereof held on the **23rd day of January, 2018**, and that the same now appears on record in my office.

IN WITNESS THEREOF, I hereunto set my hand and affixed by official seal this **23rd day of January, 2018**.

Loren A. Stephen-Porter
Board Secretary

“Exhibit A”

**AGREEMENT TO PROVIDE PRE-HOSPITAL EMERGENCY MEDICAL
STANDBY SERVICES WITHIN THE EXCLUSIVE OPERATING AREA OF THE
NORTH COUNTY FIRE PROTECTION DISTRICT**

SERVICE DESCRIPTION: Provision of limited Advanced Life Support medical standby Services to support horse training and racing activities at the San Luis Rey Downs Training Center, which resides within the jurisdictional boundaries of the North County Fire Protection District.

THIS AGREEMENT is made and entered into this January 23, 2018, by and between the NORTH COUNTY FIRE PROTECTION DISTRICT, hereinafter designated as “DISTRICT” and MERCY MEDICAL TRANSPORT, INC., hereinafter designated as “CONTRACTOR.”

RECITALS

Whereas, California Health & Safety Code §1797.201 authorizes the local EMS agency (County of San Diego, Department of Health Services, Division of Emergency Medical Services—hereinafter referred to as “County EMS”) to “enter into a written agreement (contract) with the city or fire district regarding the provision of pre-hospital emergency medical services for that city or fire district;”

Whereas, the DISTRICT has maintained provision of pre-hospital emergency medical services to those areas located within the jurisdictional boundaries of the DISTRICT as well as its surrounding “sphere of influence” (as defined by LAFCO) prior to January 1, 1981 in accordance with California Health & Safety Code § 1797.224;

Whereas, the DISTRICT maintains an exclusive operating area (herein after referred to as “EOA”) for the provision of pre-hospital emergency medical services within the jurisdictional boundaries of the DISTRICT, by which it retains exclusive right to designate the means, type and extent of pre-hospital emergency medical services within this EOA;

Whereas, the District has the need for backup medical standby services which can be met by a qualified contractor, and

Whereas, it is in the mutual interest of the DISTRICT and the Contractor to provide limited medical standby services within the EOA of the DISTRICT; and

WHEREAS, it is in the best interest of the DISTRICT to extend the CONTRACT entered into on February 15, 2014, for an additional year, as provided in the CONTRACT at Section 12.1, et. seq.

NOW THEREFORE, THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1.0 SCOPE OF WORK.

- 1.1 The Contractor is hereby authorized to provide the following service, which is more particularly described as:
- 1.2 Advanced life support (ALS) medical standby services at the San Luis Rey Downs Training Center, to consist of either a transport capable or non-transport type vehicle equipped with a full complement of ALS equipment (as defined by S.D. Co. EMS Policy #P-806) and staffed by the Contractor with a competently trained ALS provider as licensed by the State of California and accredited by the County of San Diego.

1.1. Services Provided by the CONTRACTOR.

- 1.1.1. Cooperate fully with the DISTRICT in performing services in accordance with this agreement, with established codes and standards and consistent with DISTRICT policies.
- 1.1.2. Said services to be in accordance with the "Medical Operations Plan" (Attachment 'B').
- 1.1.3. Maintain all necessary incident and patient documentation in accordance with County EMS policies and procedures as well as Contractor policies and procedures.
- 1.1.4. Respond within three working days, in writing or by telephone, to all complaints and/or inquiries concerning issues of customer service and/or appropriateness of and level of care.
- 1.1.5. The CONTRACTOR shall directly bill contracting entities for services provided.

1.2. Services Provided by the DISTRICT.

- 1.2.1. Services to be provided in accordance with the "Medical Operations Plan" (Attachment "B").
- 1.2.2. The DISTRICT shall be the primary transporting agency unless no DISTRICT transport resources are available.

2.0. RELATIONSHIP WITH THE DISTRICT.

- 2.1. The CONTRACTOR shall have no formal relationship to the DISTRICT other than having the ability to provide limited pre-hospital emergency medical standby services as described under Section 1.0. The CONTRACTOR shall have no authority, express or implied, to act on behalf of the DISTRICT as an agent, or to bind the DISTRICT to any obligation whatsoever. The CONTRACTOR shall be

solely responsible for the liability and performance of any of its employees, agents or subcontractors under this agreement.

3.0. WORKERS' COMPENSATION.

3.1. Pursuant to Labor Code Section 1861, the CONTRACTOR hereby certifies that the CONTRACTOR is aware of the provisions of Section 3700 of the Labor Code, which requires every employer to be insured against liability for Workers' Compensation or to undertake self-insurance in accordance with the provisions of that code, and the CONTRACTOR will comply with such provisions, and provide certification of such compliance prior to commencement of any work. The certification shall be in accordance with Subsections 4.3 through 4.8 of this agreement.

4.0. LIABILITY INSURANCE.

4.1. The CONTRACTOR shall, throughout the duration of this agreement, maintain comprehensive general liability and property damage insurance, or commercial general liability insurance covering all operations of the CONTRACTOR, its agents and employees, performed in connection with this agreement, including, but not limited to, premises and automobile.

4.2. The CONTRACTOR shall maintain the following minimum limits:

4.2.1. General Liability:

Combined single limit per occurrence	\$1,000,000
General aggregate	\$2,000,000

4.2.2. Automobile Liability:

Combined single limit per occurrence	\$1,000,000
--------------------------------------	-------------

4.3. All insurance companies affording coverage to the CONTRACTOR shall include the DISTRICT as "additional named insured" under their insurance policy, for all work performed in accordance with this agreement.

4.4. All insurance companies affording coverage to the CONTRACTOR shall be insurance organizations admitted by the Insurance Commissioner of the State Department of Insurance to transact business of insurance in the State of California.

4.5. All insurance companies affording coverage shall provide a thirty (30) day written notice to the DISTRICT before the cancellation or expiration. For the purpose of this notice requirement, any material change in the policy prior to the expiration shall be considered a cancellation.

4.6. The CONTRACTOR shall provide evidence of compliance with the insurance requirements listed above by providing a Certificate of Insurance and an original endorsement to the policy, in a form satisfactory to the DISTRICT'S legal counsel, concurrently with the submittal of this agreement.

4.7. The CONTRACTOR shall provide a substitute Certificate of Insurance and an endorsement no later than thirty (30) days prior to the policy expiration date. Failure by the CONTRACTOR to provide such a substitution and extend the policy expiration date shall be considered a default by the CONTRACTOR and may subject the CONTRACTOR to suspension or termination of work under this agreement.

4.8. Maintenance of insurance by the CONTRACTOR as specified in this agreement shall in no way be interpreted as relieving the CONTRACTOR of any responsibility whatever and the CONTRACTOR may carry, at its own expense, such additional insurance as it deems necessary.

5.0. CONTRACTOR'S INDEMNIFICATION OF THE DISTRICT.

5.1. The CONTRACTOR shall defend and hold harmless the DISTRICT and its officers, agents and employees against all claims for damages to persons or property arising out of the conduct of the CONTRACTOR or its employees, agents, subcontractors or others in connection with the execution of work covered by this agreement, except only for those claims arising from the sole negligence or sole willful misconduct of the DISTRICT, its officers, agents or employees. The CONTRACTOR'S indemnification shall include any and all costs, expenses, attorneys' fees and liability incurred by the DISTRICT, its officers, agents or employees in defending against such claims, whether the same proceed to judgment or not. The CONTRACTOR'S indemnification of the DISTRICT shall not be limited by any prior or subsequent oral declaration by the CONTRACTOR.

6.0. COMPENSATION.

6.1. The CONTRACTOR shall receive **NO** compensation from the DISTRICT. The CONTRACTOR shall directly bill contracting entities for services rendered.

7.0. TERMINATION OF AGREEMENT.

7.1. Either party may terminate this agreement upon written notice. Contract shall become null and void sixty (60) days after delivery of said notice.

8.0. ASSIGNMENT AND DELEGATION.

8.1. This agreement and any portion thereof shall not be assigned or transferred, nor shall any of the CONTRACTOR'S duties be delegated without the express written agreement of the DISTRICT. This does not apply to CONTRACTOR'S assignment of receivables for financing purposes. Any attempt to assign or delegate any provision of this agreement without the express written consent of the DISTRICT shall be void and of no force and effect. The DISTRICT may delegate authority in connection with this agreement, for the purposes directing the CONTRACTOR'S performance, to any member of the DISTRICT.

9.0. INTERPRETATION OF THE AGREEMENT.

9.1. The interpretation, validity and enforcement of this agreement shall be governed by and construed under the laws of the State of California. This agreement does not limit any other rights or remedies available to the DISTRICT. The CONTRACTOR shall be responsible for complying with all Local, State and Federal laws, whether or not said laws are expressly stated or referred to herein. Should any provision herein be found or deemed to be invalid, this agreement shall be construed as not containing such provision and all other provisions which are otherwise lawful shall remain in full force and effect, and to this end, the provisions of this agreement are severable. The EMS Chief, under the authority of the DISTRICT and the Fire Chief/CEO, shall be the DISTRICT authorized representative in the interpretation and enforcement of all provisions of this agreement.

10.0. AGREEMENT MODIFICATION.

10.1. This agreement may not be modified orally or in any manner other than by an agreement in writing, signed by the parties hereto.

11.0. DISPUTE RESOLUTION.

11.1. No suit shall be brought on this agreement unless all statutory claims filing requirements have been met.

11.2. NOTICES.

11.3. All notices, demands, requests, consents or other communications which this agreement contemplates or authorizes, or requires or permits either party to give to the other, shall be in writing and shall be in writing and shall be personally delivered or mailed to the respective party as follows:

TO CONTRACTOR:

Mercy Medical Transport, Inc.
RICK ROESCH, President
2537 Old San Pasqual Rd.
Escondido, CA 92027
(760) 739-8026

TO DISTRICT:

North County Fire Protection District
STEPHEN J. ABBOTT, Fire Chief/CEO
330 S. Main Avenue
Fallbrook, CA 92028-2938
(760) 723-2012

11.4. Either party may change its address by notice to the other party as provided herein. Communications shall be deemed to have been given and received on the first to occur of (I) actual receipt at the offices of the party to whom the communication is sent, as designated above, or (II) three (3) working days following the deposit in the United States mail of registered or certified mail, postage prepaid, return receipt requested, addressed to the offices of the party to whom the communication is to be sent, as designated above.

12.0. **AGREEMENT PERIOD.**

12.1. The term of this agreement shall be from the date of execution to January 22, 2019. Unless otherwise terminated as provided herein, this agreement may be extended for one (1) year by mutual written agreement of both parties, for an additional four (4) one-year renewals.

13.0. **SIGNATURES.**

13.1. The individuals executing this agreement represent and warrant that they have the right, power, legal capacity and authority to enter into and to execute this agreement on behalf of the respective legal entities of the CONTRACTOR and the DISTRICT.

IN WITNESS WHEREOF, the parties hereto for themselves, their heirs, executors, administrators, successors, and assigns do hereby agree to the full performance of the covenants herein contained and have caused this Services Agreement to be executed by setting hereunto their signatures January 23, 2018.

<u>MERCY MEDICAL TRANSPORT, INC.</u>	<u>NORTH COUNTY FIRE PROTECTION DISTRICT</u>
CONTRACTOR	DISTRICT
<u>RICK ROESCH, PRESIDENT</u>	<u>STEPHEN ABBOTT, FIRE CHIEF/CEO</u>
FEDERAL EMPLOYEE ID NUMBER:	<u>33-0591630</u>

Approved as to Form

Robert James, District Counsel

I HEREBY CERTIFY that foregoing is a true and correct copy of the Contract duly and regularly adopted by the Board of Directors of the North County Fire Protection District at the meeting thereof held on the January 23, 2018, and that the same now appears on record in my office.

IN WITNESS THEREOF, I hereunto set my hand and affixed by official seal this 23rd day of January, 2018.


Loren A. Stephen-Porter, Board Secretary

"Attachment B"

Medical Operations Plan

TABLE OF CONTENTS

Page	Topic
2	Overview
4	On Course Incidents
4	Available Transport Systems
5	Mass Causality Incident
5	Reference A - Area Map

"Attachment B"

Medical Operations Plan

OVERVIEW

Located in Southern California, San Luis Rey Downs (SLRD) is the only auxiliary training track continuously approved by the California Horse Racing Board since 1984. Unlike the tracks in the California racing circuit, San Luis Rey Downs is open for training every day, 365 days a year, enabling trainers to develop a permanent home.

The SLRD Track

The San Luis Rey Downs facility has a well-maintained one-mile track and a smaller training track. There is 24-hour security with no unlicensed people allowed on the grounds. During training hours, there are outriders, official clockers and an official gate crew.

The SLRD Facilities

There are currently 500 stalls at the San Luis Rey Downs, leased by trainers wishing to have a permanent base for their training and racing operations.

Amenities at San Luis Rey Downs include a large regulation-sized equine pool, arena, rounds pens, stationary training gate, "All Weather Trails," tack shop/feed store, Equicise (free run) machines, saddling paddock, track kitchen, mechanical hot walkers, and equine scale, Farrier Shop, pens and outside paddocks.

The SLRD Clients

Many of the breeders in Central and Southern California use San Luis Rey Downs for the transition between the baby training done on the farms and the high-powered racing of Southern California.

The SLRD Location

San Luis Rey Downs, in the affluent bedroom community of Bonsall, in northern San Diego County.

Should a Medical Incident of Any Nature Occur for Transportation:

Involving an official or participant.

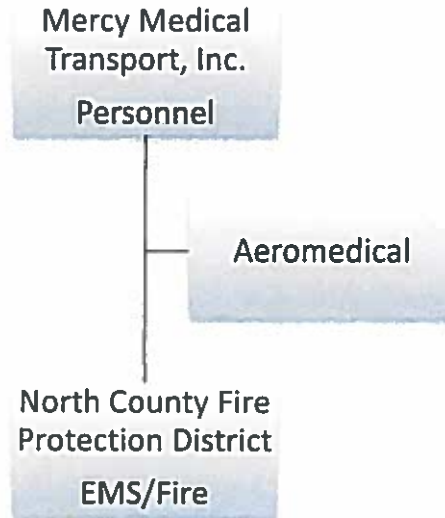
Involving a spectator, course worker or non-participant.

Contractor's Initials

"Attachment B"

Medical Operations Plan

The chain-of-command and Medical Authority for any and all incidents involving treatment shall be/is North County Fire Protection District (NCFPD), or most appropriate Advanced Life Support (ALS) unit from the North Zone catchment.



Accordingly, for this daily six (6) days-a-week stand-by event, Mercy Medical Transportation is establishing an on-site ALS ambulance that is utilized to take care of minor medical problems, basic patient evaluations, etc. If a patient of sufficient severity, where ALS care is required or meets local protocols for transportation by ambulance, the patient treated would be transferred from Mercy Medical Transportation, Inc., Paramedics to NCFPD, or another ALS transporting agency should NCFPD resources not be reasonably available.

Moreover, Mercy Medical Transport, Inc., shall have two (2) ALS local licensed paramedics at stand-by Monday through Saturdays, six (6) days a week, from 0500-1100 hours. Mercy Medical Transportation, Inc., shall provide ALS equipment including and not limited to, C-spine equipment, basic bandaging and splinting, ALS and Basic Life Support (BLS) supplies, according to San Diego County ambulance equipment ordinance Policy. ALS equipment shall be in the standard of what is commonly accepted in the industry and carried by local San Diego protocol and policy.

All contact(s) for rescue and/or transport of the ill or injured will be either via Monte Vista Dispatch, North County Dispatch JPA, or routed through the 911 communication system and handled via standard local protocols.

Contractor's Initials

ON COURSE INCIDENTS

"Attachment B"

Medical Operations Plan

Mercy Medical Transportation, Inc., personnel shall be the primary/patient care providers for any incident on course. Mercy Medical Transportation, Inc. personnel will be the first responders and shall start extrication, patient care. Once on scene, NCFPD will provide direction and coordination at the scene with any additional resources needed as per the chain-of-command.

The primary Trauma Center will be Palomar Medical Center, in Escondido California. Palomar Medical Center is a Level II Trauma Center. Should the need arise it becomes the transporting agency's discretion as to where the patient is taken, within San Diego County's policies and protocols.

All radio transmissions shall be in plain English and to the point. This makes for a professional flow and understanding of what is exactly needed, where and how many injured.

Any patient transported shall fall under standard San Diego County Treatment Protocols, and treatment will be rendered as directed by the base hospital having jurisdiction. The method and destination of transport shall be according to San Diego County Policies and Protocols and shall be at the discretion of the primary medical responder at scene, in coordination with the transporting unit.

AVAILABLE TRANSPORT SYSTEMS

If a patient needs to be transported, including from the water, accessing the local EMS system (North County Fire) for an ALS/BLS unit will be the responsibility of on-scene NCFPD personnel. Mercy Medical Transportation, Inc. will contact all pertinent agencies and coordinate all responses.

An Aeromedical crew may be used as a resource should the need arise. NCFPD will contact and coordinate this response with North County Fire as required by local protocol, policies and procedures.

Should the injury sustained by an individual be determined by Mercy Medical Transportation, Inc. personnel to be of the non-emergent type and with agreement of all parties, this individual may transport themselves by personal vehicle to the appropriate medical facility of their choice, upon completion of the appropriate paper work. Accordingly, any injury of the aforementioned, the Mercy Medical Transportation, Inc., personnel shall complete an Against Medical Advice (AMA) Patient Care Report (PCR) with accompanying patient signature of documentation EKG strip, and memorialized via Base Hospital taped radio report.

Contractor's Initials

"Attachment B"

Medical Operations Plan

MASS CASUALTY INCIDENTS

Triage is needed when the number of patients out numbers the number of resources available to provide treatment and/or transport.

To help minimize confusion and to utilize resources efficiently Mercy Medical Transportation, Inc. will contact North County Fire Protection District and until their arrival at scene will utilize:

- The Incident Command System (ICS)
- Mass casualty Incident Command System (MCI-ICS)

All disaster patients shall be sorted utilizing the S.T.A.R.T. triage system. (Attached)

NCFPD or closest fire agency will have the responsibility for Mass Casualty Incidents, and they will ultimately fire will be in command. Until arrival, Mercy Medical Transportation, Inc. Triage officer will start triage and treatment by on site medical personnel until the arrival of NCFPD or appropriate fire agency. All rescue personnel shall respond to the incident, and assist in patient triage, setting of treatment areas (Casualty Collection Areas "CCP"), etc.

The remainder of the Mercy Medical Transportation, Inc. if appropriate, crew shall work on any participants involved and/or assist in spectator patient care as appropriate.

REFERENCE "A" AREA MAP



Contractor's Initials

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**NORTH COUNTY FIRE
PROTECTION DISTRICT**
FIRE BUREAU REPORT

TO: BOARD OF DIRECTORS
FROM: PATRICIA KOCH, FIRE MARSHAL, STEVE ABBOTT, FIRE CHIEF
DATE: JANUARY 23, 2017
SUBJECT: ESTABLISH A COUNTY FUND NUMBER FOR WEED ABATEMENT TAX LIENS

ACTION AGENDA

RECOMMENDATION: Staff recommends approval of Resolution 2018-01 to request to the General Accounting Division of the County of San Diego to establish a fund to receive monies from tax liens for reimbursement of forced abatement to North County Fire Protection District.

BACKGROUND: The Fire Prevention Bureau is responsible for the annual weed abatement of properties with hazardous growth that is not maintained by property owners. Throughout the year, staff has mailed weed abatement notices to those property owners who have a known or existing fire hazard on their parcel(s).

DISCUSSION: Should the property owners fail to comply within the specified time period, the District's Contractor will clear the parcel. Those property owners, who are non-compliant, will receive a final notice and an invoice for all costs and fees required for abating their parcel(s).

The Contractor will invoice the owner of the property receiving forced abatement. If no payment has been received by the contractor after forty-five (45) days of billing, the contractor shall submit an invoice to the District for payment. Payment shall be remitted by the District within forty-five (45) days of receipt of the invoice.

The Administrative Staff will mail courtesy notices and invoices to the non-compliant property owner(s) requesting payment for administrative fees and cost of the abatement.

The list of Weed Abatement Special Assessment parcels is required to be presented to the County of San Diego before August 10th of each year. A list of non-compliant property owners and cost recovery amounts will be presented to the board requesting a board action authorizing the special assessment for weed

**REQUEST FOR APPROVAL OF RESOLUTION TO
ESTABLISH A COUNTY FUND FOR WEED ABATEMENT TAX LIENS
PAGE 2 OF 2**

abatement. The list of parcels will be posted three days prior to the Board meeting. Those property owners who fail to pay by the indicated day and time will be sent to the County of San Diego to be placed on a special assessment lien.

The County will reimburse the Fire District for all charges, including the administrative fee, and will include them on the owner's next property tax bill.

FISCAL ANALYSIS: We currently budget \$30,000 per year for weed abatement measures. The District should expect to recover these costs through the newly established County fund number.

SUMMARY: The establishment of a Weed Abatement Special Assessment Fund will allow for the District to recoup the cost of performing mandatory forced abatements per NCFPD Ordinance 2008-02, County Consolidated Code and 2016 CCR T-24.



NORTH COUNTY FIRE PROTECTION DISTRICT

RESOLUTION 2018-02

RESOLUTION OF NORTH COUNTY FIRE PROTECTION DISTRICT TO ESTABLISH A COUNTY FUND FOR WEED ABATEMENT TAX LIENS

WHEREAS, the North County Fire Protection District is anticipating tax lien funds from North County Fire Protection District property owners, and

WHEREAS, these funds are to be used to repay the cost of Weed Abatement to the District's contracted Weed Abatement Contractor, and

WHEREAS, this money will be put onto the County Tax rolls by Forced Maintenance Charges to the owners' tax bill by Assessor Parcel Number.

NOW, THEREFORE BE IT RESOLVED THAT:

The North County Protection District requests the General Accounting Division of the County of San Diego establish a fund to receive this tax lien money. Requested name is NORTH COUNTY FPD WEED ABATEMENT.

APPROVED, SIGNED AND ADOPTED by the Board of Directors, North County Fire Protection District, County of San Diego, State of California, on this **23rd day of January 2018**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

RECUSED:

Kenneth Munson, Board President

ATTEST:

I HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution duly and regularly adopted by the Board of Directors of the North County Fire Protection District thereof held on the **23rd day of January 2018**, and that the same now appears on record in my office.

IN WITNESS THEREOF, I hereunto set my hand and affixed by official seal this **23rd day of January 2018**.

Loren A. Stephen-Porter
Board Secretary

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NORTH COUNTY FIRE PROTECTION DISTRICT

FIRE PREVENTION BUREAU

TO: BOARD OF DIRECTORS
FROM: FM KOCH AND CHIEF ABBOTT
DATE: JANUARY 23, 2018
SUBJECT: SET PUBLIC HEARING DATE FOR ADOPTION OF FIRE PREVENTION FEES

ACTION AGENDA

RECOMMENDATION:

- Fire Prevention Fees: Set public hearing date of **March 27, 2018 at 5:15 p.m.** for Adoption of Updated Fire Prevention Fees Ordinance/Resolution.

BACKGROUND:

The District provides Fire Prevention Plan Review and Inspection Services for the community. The District is entitled to charge a reasonable fee to cover the costs associated with the provision of these services. Each year the District reviews these fees to ensure they remain in keeping with the services rendered.

DISCUSSION:

Fire Prevention Fees are based upon actual costs incurred by the District, which is determined by multiplying the average time allotted for a particular service by the hourly compensation rate of the employee providing that service. There may be increases to the Fire Prevention Fees based on the additional costs for particular fire prevention activities. These fees changes will be presented at the March meeting.

FISCAL ANALYSIS: No fiscal changes to set the hearing.

SUMMARY:

- Staff recommends setting a time certain public hearing date of **March 27, 2018 at 5:15 p.m.** for Adoption of Updated Fire Prevention Fees Ordinance/Resolution.

PUBLIC NOTICE

NOTICE IS HEREBY GIVEN THAT THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT, 330 South Main Avenue, Fallbrook, California, County of San Diego, will conduct a Public Hearing on **Tuesday, March 27, 2018, at a time certain of 5:15 p.m.** at the Fallbrook Public Utility District, 990 East Mission Road, Fallbrook, California, to discuss and approve the **Fire Prevention Fee Schedule**. The Fire Prevention Ordinance imposes fees for services provided by the Fire Prevention Bureau for plan review, inspection, land divisions and annual permits for certain occupancies and processes. Members of the public will have an opportunity to make public comment pertaining to the adoption of this schedule. A copy of this fee schedule may be obtained from the Fire Prevention Bureau of the North County Fire Protection District Headquarters Fire Station at 330 S. Main Avenue in Fallbrook, California, between 7:00 a.m. and 4:00 p.m. Monday through Friday, or may be obtained by fax or email by contacting Fire Marshal Patricia Koch by phone at (760) 723-2010 or email at pkoch@ncfire.org.

Any taxpayer may appear at said time and place and be heard regarding this item.

Patricia Koch, Fire Marshal
North County Fire Protection District
(760) 723-2010

BY ORDER OF THE BOARD OF DIRECTORS OF THE NORTH COUNTY FIRE PROTECTION DISTRICT.

Loren Stephen-Porter
Board Secretary
Dated: January 23, 2018



**NORTH COUNTY FIRE
PROTECTION DISTRICT
FIRE CHIEF/CEO**

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: JANUARY 23, 2018
SUBJECT: MODIFICATION AND RENEWAL OF GENERAL COUNSEL AGREEMENT

ACTION AGENDA

RECOMMENDATION:

1. That the Board of Directors approve the attached General Counsel Agreement;
and
2. Authorize the Board President and Fire Chief to execute the agreement.

BACKGROUND:

Robert H. James, Esquire has served as the District's legal counsel since 1978. The agreement does not contain a fixed term. Instead, Counsel serves at the pleasure of the Board of Directors and the agreement may be terminated at any time.

Counsel attends all regular Board meetings, represents the Board in labor negotiations and provides detailed legal services as needed. Staff has found Counsel to be responsive, knowledgeable and a valuable resource.

DISCUSSION:

Counsel has served since 1978 on the basis of a retainer for seven (7) hours of service per month and an hourly rate for additional hours in excess of seven. Those rates are currently \$950.00 for the retainer and \$175/hour for excess hours. The last raise in rates proposed by Counsel was in 2014, however, he had not raised his rates for a long period of years before that time.

The proposed new agreement is the same as the old agreement, except that the retainer is increased to \$1250 per month for seven (7) hours of service and the hourly rate is increased to \$ 225/hour. This level of expenditure for personal services does not require a competitive bid. However, based on my knowledge of rates commonly charged for District legal counsel services, I believe these rates are very competitive.

District Counsel Contract
January 23, 2018
Page 2 of 2

When we factor in the depth of historical knowledge about District legal issues and the experience base of current Counsel, these rates continue to represent a very competitive and appropriate expenditure of District funds.

FISCAL ANALYSIS:

Old Retainer: \$ 950/month = \$11,400 per year
New Retainer: \$1250/month = \$15,000 per year

Net Increase: \$ 300/month or \$ 3,600 per year

SUMMARY:

Staff believes that the proposed change in retainer and hourly rates are appropriate and recommends that the Board approve the proposed agreement.

GENERAL COUNSEL AGREEMENT

AGREEMENT dated this 23rd day of January, 2018, by and between **NORTH COUNTY FIRE PROTECTION DISTRICT** (hereinafter referred to as "**DISTRICT**"), a public agency of the State of California, located at 330 S. Main Avenue, Fallbrook, CA 92028-2938, and **ROBERT H. JAMES** (hereinafter referred to as "**COUNSEL**"), 3668 Katie Lendre Drive, Fallbrook, CA 92028-9045.

WHEREAS, Counsel has heretofore represented the District as General Counsel since 1978; and,

WHEREAS, the parties desire to set forth the terms and conditions of service in this written agreement.

IT IS THEREFORE AGREED:

1. **General Counsel Services**: District has retained Counsel since 1978 and desires to continue said Counsel's services.
2. **Counsel Duties**: Counsel is hereby retained by District as District's General Counsel to represent District on legal matters deemed necessary by the District.
3. **Work Status**: Counsel is retained as an independent contractor; Counsel works for the Board of Directors; Counsel's services must be approved by the Board or the Fire Chief.
4. **Compensation of Counsel**: Counsel shall be paid a monthly retainer of one thousand, two hundred and fifty dollars (\$1250.00) ~~nine hundred and fifty dollars (\$950.00)~~ for seven (7) hours of service per month. Additional services shall be paid at the rate of two ~~one~~ hundred and ~~seventy~~ twenty-five dollars (\$225.00) ~~(\$175.00)~~ per hour; fees for litigation services shall be negotiated on a case-by-case basis. Counsel will submit monthly billings.
5. **Counsel Benefits**: Counsel shall not receive benefits, except for deferred compensation. Counsel may continue with the District's deferred compensation program at his own expense.
6. **Hours of Work**: The hours of work shall be decided as necessary by Counsel to complete the work requested by the District.
7. **Counsel's Services**: Counsel serves at the pleasure of the Board of Directors. Should the Board request other counsel proposals in the future,

Counsel may serve until the selection of new counsel. Counsel shall give ninety (90) days' notice of retirement or withdrawal.

8. **Entire Agreement:** This agreement supersedes any and all other agreements, either oral or in writing, between the parties with respect to Counsel's services. Each party to this agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, other than those set forth herein have been made by any party, or anyone acting on behalf of any party, and that no other agreement, statement, or promise not contained in this agreement shall be valid or binding.

9. **Partial Invalidity:** If any provision of this agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

IN WITNESS WHEREOF, the Parties hereto have caused this AGREEMENT to be executed on the date first above written which is the effective date.

DISTRICT COUNSEL ROBERT H. JAMES, ESQUIRE

AUTHORIZED SIGNER: _____

DATE SIGNED: JANUARY 23, 2018

DISTRICT NORTH COUNTY FIRE PROTECTION DISTRICT

AUTHORIZED SIGNERS: _____
KENNETH MUNSON
PRESIDENT OF BOARD OF DIRECTORS

STEPHEN J. ABBOTT
FIRE CHIEF/CEO

DATE SIGNED: JANUARY 23, 2018



**NORTH COUNTY FIRE
PROTECTION DISTRICT
FIRE CHIEF/CEO**

TO: BOARD OF DIRECTORS
FROM: CHIEF ABBOTT
DATE: JANUARY 23, 2018
SUBJECT: REQUEST BY CONTRACT SAFER EMPLOYEES TO COMPETE FOR FUTURE FIREFIGHTER/PARAMEDIC VACANCIES

ACTION AGENDA

BACKGROUND:

Two years ago, the District was awarded a \$1.1M SAFER grant for the purpose of staffing a 3rd ambulance. At the time of employment, original SAFER employees were offered a permanent position upon successful completion of probation. SAFER employees hired subsequently were not extended the same offer but instead offered an employment contract term that runs through February 2018.

DISCUSSION:

Our remaining SAFER employees will have completed, or substantially completed probation upon termination of their employment contract. Some will be reclassified as Non-Safety Paramedics while others will seek employment elsewhere. Although it will be approximately 2-3 years before the District will again have a need to fill vacant Firefighter/Paramedic positions (through attrition), we will ultimately need to recruit and it is a mutual interest of both Labor and Management to do so from within the organization.

Accordingly, the District has been approached about allowing these contract SAFER employees to compete in a future internal recruitment for Firefighter/Paramedic, in accordance with Article 34 of the SAFETY MOU (attached). In part, this article gives the Board the discretion in such circumstances to approve a Leave of Absence or place the employee on an eligibility list. As no such list exists, or will exist for some time, allowing these contract SAFER employees to test for an internal recruitment would meet the spirit of this article. The District does have prior history of reaching out to former Reserve employees for similar recruitments.

FISCAL IMPACT:

None at this time; limited future impact depending upon which salary step these personnel would be reemployed, presuming they successfully completed the on-boarding process.

RECOMMENDATION:

As these employees are in a unique situation and have satisfactorily performed in their present positions as Firefighter/Paramedics, allowing them to compete for future positions, in which they successfully performed, meets the spirit of the Safety MOU and is consistent with past practice.

FROM THE DESK OF

MONTANA DYE

January 5, 2018
Transmittal Letter

*Fire Chief/CEO Stephen Abbott
North County Fire Protection District (NCFPD)*

*330 South Main Ave
Fallbrook CA, 92080*

Dear Chief Abbott,

This letter is to formally request a Leave of Absence (LOA) per the North County Fire Protection Districts - Safety Memorandum of Understanding (MOU).

Per article 34.1 of the MOU, an employee shall submit a request on the Administrative Action Form (attached) with a transmittal letter stating the reasons for such a request. This letter is my formal request for such a LOA.

I understand that the MOU is specific in terms of pursuing a LOA with respects to pursuing employment with another fire department. I feel the current SAFER termination is an exception to this MOU language and was not considered when compiling the current MOU.

To be clear, I would love to stay in my current position with my current job classification. However, given the reclassification to Non-Safety Paramedic, it will not be financially feasible for my family and I to transition to the Non-Safety classification.

Moreover, my hope is the Board of Directors will grant my name to an eligibility list for when the next applicable Firefighter Paramedic vacancy occurs.

I sincerely appreciate your time and consideration regarding this matter.

Thankfully yours,



Montana Dye

Firefighter Paramedic

North County Fire Protection District

31368 COMPASS CIR MURRIETA, CA (831)227-6702

ARTICLE 34. LEAVE OF ABSENCE:

34.1. With the exception of a leave of absence under the Family Medical Leave Act, California Family Rights Act, and/or Pregnancy Disability Leave, any **EMPLOYEE** may apply for special leave of absence without pay for a period not exceeding one year. The Board of Directors may grant such leave at its discretion. An **EMPLOYEE** requests special leave without pay, shall submit a request on prescribed forms with a transmittal letter, stating the reasons for the request. The Board of Directors, upon approval, shall determine whether the **EMPLOYEE** shall be entitled to the same position upon return from such leave or whether the **EMPLOYEE'S** name shall be placed on the eligible list. The decision of Board of Directors shall be final and non-grievable. No **EMPLOYEE** shall accrue any benefits while on leave without pay nor shall he/she be entitled to receive employer paid medical or other fringe benefits during such period. A leave of absence shall not be utilized as a safety net to seek other employment or accept a position with another employer.

ARTICLE 35. STAFFING:

35.1. It is the intent of the **DISTRICT** to adopt a "Constant Staffing" model for day-to-day staffing needs of the **DISTRICT** subject to the limitations imposed upon the **DISTRICT** by revenue shortfalls.

ARTICLE 36: CALL BACK:

SECTION 1:

36.1.1. **DISTRICT** shall call back personnel by proceeding in order down the list of names in the "Will Call" book on a rank for rank basis.

SECTION 2:

36.2.1. If the **DISTRICT** is unable to fill the vacant position for which it is calling back personnel in the manner described above, the **DISTRICT** may assign qualified acting personnel on duty subject to the limitations in Section 3 below, and will call back from the "Will Call" book to fill the position vacated by the acting personnel.

SECTION 3:

36.3.1. The number of acting position shall not exceed 50% of that classification on duty. The number of acting positions shall not exceed one (1) in any station.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL – FORMS

ADMINISTRATION
ADMINISTRATIVE FORMS

SECTION 290.01
January 10, 2011
Page 1 of 1

ADMINISTRATIVE ACTION REPORT

To: Fire Chief/CEO- Stephen Abbott
FROM: Firefighter Paramedic - Montana Dye
DATE: 1/5/2018

ROUTING LEVEL

- | | | | | |
|-------------------------------------|------------------|----------------|-------|----------|
| <input type="checkbox"/> | Battalion Chief: | _____ | Date: | _____ |
| <input type="checkbox"/> | Board/Director: | _____ | Date: | _____ |
| <input type="checkbox"/> | Captain: | _____ | Date: | _____ |
| <input type="checkbox"/> | Deputy Chief: | _____ | Date: | _____ |
| <input checked="" type="checkbox"/> | Fire Chief: | Stephen Abbott | Date: | 1/5/2018 |
| <input type="checkbox"/> | Engineer: | _____ | Date: | _____ |
| <input type="checkbox"/> | Other: | _____ | Date: | _____ |

DESCRIPTION OF ACTION

- Budget Request
- Commendation
- Equipment Information
- Requisition
- Grievance
- Personnel Action
- Project Report
- Situation Report
- Suggestion
- Other — Specify:

PROVIDE THIS ADDITIONAL INFORMATION WITH AAR:

- Purchase Order
- Notice Of Outstanding Performance
- Except:** Supplies, Uniforms or Safety Gear
- Supporting Documentation
- Appropriate EDR Forms

Leave of Absence Request

SUMMARY (ATTACH ADDITIONAL SHEET(S) AS NECESSARY):

NUMBER OF PAGES ATTACHED: **2**

REQUEST FOR LEAVE OF ABSENCE PER MOU.

Signature of Originator: *M. Dye*

Date: 1/5/2018

Final Action Taken: _____

Signature of Reviewer: _____

Date: _____

Signature of Fire Chief/CEO: _____

Date: _____



**NORTH COUNTY FIRE
PROTECTION DISTRICT**

FIRE CHIEF/CEO

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: JANUARY 23, 2018
SUBJECT: DISCUSSION AGENDA

There are no Discussion Agenda Items for the January 23, 2018, Board Meeting.

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ROBERT H. JAMES

ATTORNEY AT LAW

ROBERT H. JAMES, Esq.
roberthjameslaw@gmail.com

3668 KATIE LENDRE DRIVE
FALLBROOK, CALIFORNIA 92028

TELEPHONE
(760) 723-9018

January 1, 2018

Board of Directors North County Fire Protection District

Re: General Counsel Board Report for December 2017

The Rule Against Gifts of Public Funds – Part 1

The California Constitution prohibits public agencies, including special districts, from making a gift of public funds. "Due to their unique operating environment, governments have a responsibility to be accountable for the use of resources that differs significantly from that of business enterprises. Although businesses receive revenues from a voluntary exchange between a willing buyer and seller, most governments obtain resources primarily from the involuntary payment of taxes." (GASB White paper: *Why Governmental Accounting and Financial Reporting Is – And Should Be – Different* (April 2013).) The restriction against gifts of public funds is in place to ensure accountability to constituents and to prevent misuse of this public money. The Constitution states, in relevant part: "The Legislature shall have no power . . . to make gifts or authorize the making of any gift, of any public money or thing of value to any individual, municipal or other corporation{.}" (Const., Art. XVI, Sec. 6.) Courts have interpreted this provision to include all payments of public money for which there is no authority or enforceable claim, even if there is a moral or equitable obligation.

Importantly, an expenditure is not a "gift" within the meaning of the constitutional prohibition if the district receives adequate consideration in exchange for the funds expended. Consideration is a benefit or something of value commensurate with amount of the payment. In determining whether an expenditure is considered a "gift" within the meaning of the gift clause, the primary question is whether the funds are used for a public or private purpose. If the expenditure is primarily for a public purpose, it will generally not be a gift. If the expenditure is for a private purpose, however, such as for the benefit of a single employee or student, it will likely be an unlawful gift of public funds. As the California Supreme Court explained in *City of Oakland v. Garrison* (1924) 194 Cal. 298, 302:

[W]here the question arises as to whether or not a proposed application of public funds is to be deemed as gift within the meaning of that term as used in the constitution, the primary and fundamental subject of inquiry is as to whether the money is to be used for a public or private purpose. If it is for a public purpose within the jurisdiction for the appropriating board or body, it is not, generally speaking, to be regarded as a gift.

To justify an expenditure, a district's governing board must determine that the expense serves a legitimate public purpose related to the mission of the district. If the governing board has reasonably determined that a particular type of expenditure serves a legitimate public purpose, courts will generally defer to the board's decision. On the other hand, expenditures driven by personal motives or moral obligations, such as a desire to convey compassion, sympathy, joy, or gratitude, generally not serve a primary public purpose and, thus, are likely unlawful gifts of public funds. Districts and public officials can face potential legal liability, including taxpayer lawsuits, civil and criminal penalties, and the loss of public confidence, for the misuse or improper expenditure of public monies. (See, e.g. Gov. Code Sec. 8314; Pen. Code Sec 424.)

ROBERT H. JAMES

ATTORNEY AT LAW

ROBERT H. JAMES, Esq.
roberthjameslaw@gmail.com

3668 KATIE LENDRE DRIVE
FALLBROOK, CALIFORNIA 92028

TELEPHONE
(760) 723-9018

In *Stanson v. Mott* (1976) 17 Ca.3d. 206, for example, a taxpayer filed a lawsuit alleging that a state official had authorized an improper expenditure of public funds to promote the passage of a bond issue. The taxpayer requested the court to require the official to personally repay the funds. The state official argued that the expenditure was lawful and that, in any event, he could not be held personally liable. The California Supreme Court disagreed. The Court concluded that in the absence of clear legislative authorization, a public agency may not expend public funds to promote a partisan position in an election campaign. The Court also held that public officials may be held personally liable if they fail to exercise due care and reasonable diligence in authorizing the expenditure of public funds. Whether or not an official has acted with due care depends on various factors including, for example, whether the expenditure's impropriety was obvious or not, whether the official was alerted to the possible invalidity of the expenditure, and whether the official relied upon legal advice in making the expenditure.

ROBERT H. JAMES, Attorney at Law



Robert H. James, General Counsel for the
North County Fire Protection District

RHJ/klm
cc: Chief Steve Abbott



**NORTH COUNTY FIRE
PROTECTION DISTRICT
FIRE CHIEF/CEO**

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: JANUARY 23, 2018
SUBJECT: WRITTEN CORRESPONDENCE

● **WRITTEN COMMUNICATION:**

- JANUARY 2018 LETTERS AND THANK YOU(S): THOMAS & OTHER FIRES
- UNDATED THANK YOUS: LILAC FIRE

● **BOARD RECOGNITION PROGRAM:**

- JANUARY 16, 2018 EMAIL REGARDING OUTSTANDING CUSTOMER SERVICE:

Individuals Unknown

- UNDATED FACEBOOK COMMENT REGARDING OUTSTANDING CUSTOMER SERVICE:

Individuals Unknown

- UNDATED THANK YOU CARD:

Engine 114:
Captain August
Engineer Lindsey
FF/PM Wheeler

RA 114:
FF/P Alter-Reitz
LTAF Medica



“Thomas Fire” Letter & Art Campaign Kids Give Thanks to Emergency Responders

Thanks for registering for the “Thomas Fire” Letter & Art Campaign. This campaign serves two purposes.

First, it’s an organized way to help thousands of emergency responders feel appreciated. We know that more than 4,000 firefighters and other responders are fighting for us, and the goal is to spread our appreciation around.

Second, writing and art are powerful tools for students who are struggling to make sense of an experience. Our kids have been affected to varying degrees by this disaster, but every one of them has a story. Sharing narratives and making art helps them process what they have witnessed or heard about.

Follow your heart with this campaign, and let your students and their needs and wishes be your guide. Here are some ideas for you to consider:

Idea for Letter in 3 parts:

1. **TELL WHO THEY ARE:** Students start with information about themselves. Grade, school, activities, etc...
2. **TELL WHAT HAPPENED:** Tell a story about the past week or the night of the Thomas Fire. What happened to them or to their family members or friends? Everyone will know someone who has been impacted. Even if it’s just a story about surviving the smoky air or the power going out, the act of writing helps them process the larger disaster. The most meaningful letters are the ones that are specific and personal and unique to the writer.
3. **TELL WHY THEY ARE GRATEFUL:** Thank the emergency responders and describe or list the things they are grateful for. Expressing gratitude has proven to help people recover from sadness, depression and stress.

Names & Return Addresses: Letters should be signed with first names only _____ to protect student privacy. Students may include a return address by using your name and the school's address if they want try for a response (but tell them not to count on it).

IDEA for LONGER ASSIGNMENT or INDEPENDENT (Middle/High School) — [LINK HERE](#)

IDEAS FOR ART: This is optional and can take many forms, but should be something that can be easily mailed.

1. Draw a scene related to the Thomas Fire. What did they see or do that night?
2. Draw their family safe and secure.
3. Draw themselves volunteering during the disaster, if they did.
4. Draw themselves having fun while not in school this past week.
5. Draw themselves at school.
6. Find a picture online of the type of responder they are matched with or a symbol for that type of responder and copy it.
7. Draw a flag.
8. Make an acrostic poem that spells out FIREFIGHTER or POLICE OFFICER, etc...
9. Draw responders as superheros.
10. These are pretty cute, too! —>



You might have even better ideas about what will be meaningful for your students and classroom depending on their ages. Go for it!

The email you receive from us has your "match" with the name and address of the emergency response group you should write to. Just place your letters/art into large manilla envelope(s), address, stamp and mail!

INSPIRE OTHERS ONLINE: If you are on Twitter, take a photo of the letters/art and tweet it out with the hashtag #thomasfire so the emergency responders can be doubly honored and other teachers can be inspired to join in. Or post on Instagram, Facebook or Snapchat. You can email [the Match Form](#) to others, too.

THANK YOU! Educators are the glue that binds communities together after tragedy strikes. Our kids are counting on us to bring things back to normal. It will take time, but we'll get there. Thank you for all that you are doing to help your kids recover and thrive.

Melissa Wantz, Cabrillo Middle School, melissa.wantz@venturausd.org

Megan Wantz, Elmhurst Elementary School, megan.wantz@venturausd.org

April Golden, Cabrillo Middle School, april.golden@venturausd.org

Ventura Unified School District

Jan 8 201



Dear Fallbrook Firefighter,
Hi my name is Sophia
I'm a third grader at
Poinsettia school in Ventura.
I'm so,so happy that you
helped. I'm so sorey that
you didn't get to stay
with your family but thank
you for giving your
time. I hope you had a
nice holiday and a
happy new year.
Sincerely,
Sophia

Jan. 8, 2018

Dear Firefighters,
Thank you, and thank
your families, for your
sacrifice!

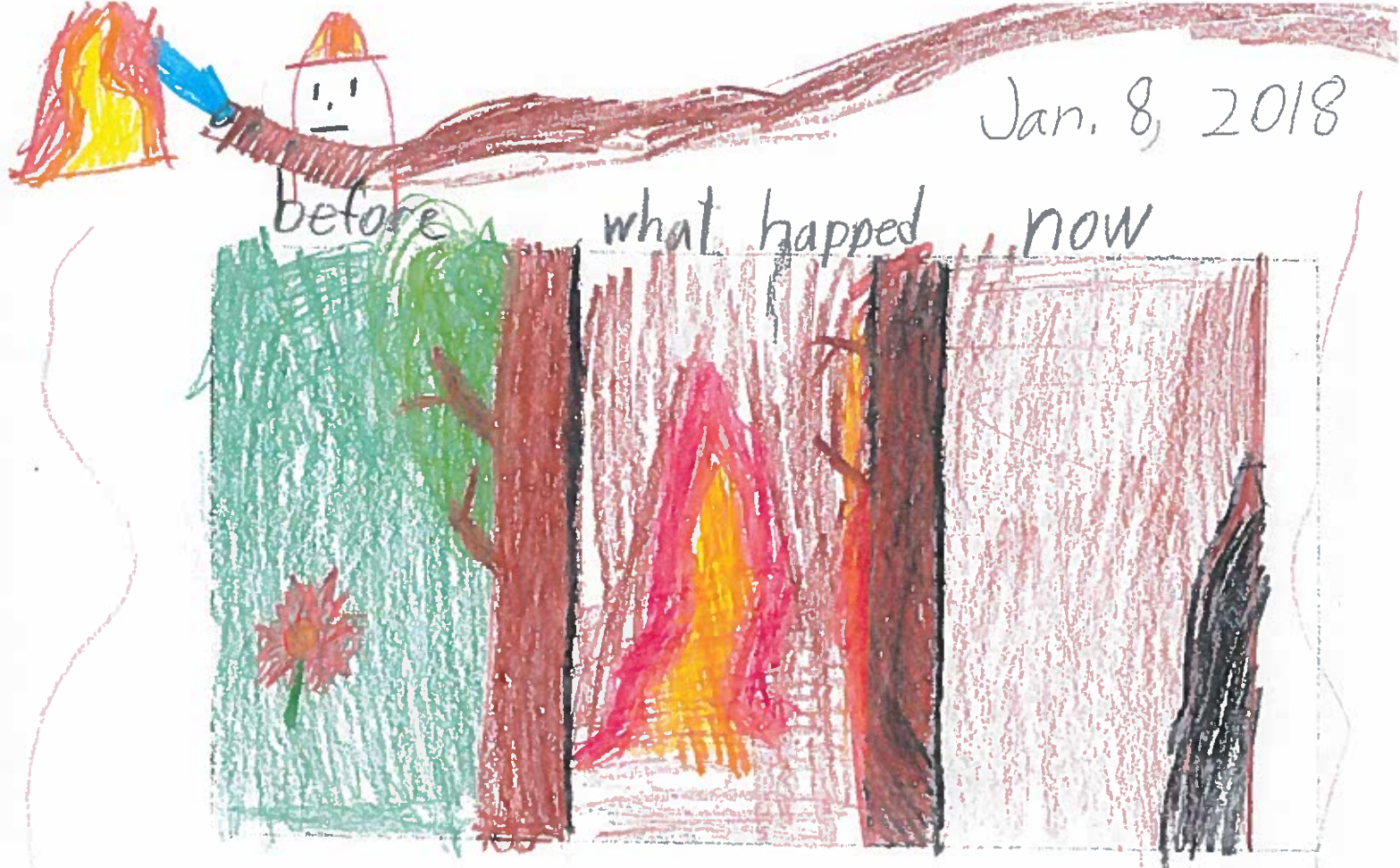
We appreciate your
choice to be in the business
of saving homes, saving
people, and giving of your
family time!

God bless you!

Sincerely,

Carolyn Becker
3rd grade teacher

Jan. 8, 2018



Dear Fallbrook Firefighter,

Hi my name is Maren and I'm a Third grader at Poinsettia School in Ventura.

My home is still standing. My friends' homes are staying too. I am sad that Arroy Verde Park got burned.

Thank you for protecting my home and my neighbors' homes. Thank you for giving your time around the holidays.

Sincerely,

Maren

Jan. 8, 2018



Dear Fallbrook Firefighters,

Hi, my name is Andy and I'm a third grade in Poinsettia school in Ventura.

I went to a hotel called "Inn at the Cove" to get away from the smoke. Thank you for sacrificing Christmas away from your family and saving peoples' lives from the fire. You are my hero!

Sincerely,
Andy

Jan. 8, 2018



Dear Fallbrook Firefighter,

Hi my name is Nayeli and I'm a third grader in Poinsettia School in Ventura.

I went to my grandma's house because my house was so smoky. After that we got a air purifier for the air.

Thank you very much for helping us!

Sincerely,
Nayeli

January 8, 2018



Dear Fallbrook Firefighter,
Hi, my name is Taiveon and I'm a third grader in Poinsettia School in Ventura. I was on voluntary evacuation. I also put water on my house so it did not burn. Thank you for protecting our homes, saving us, sacrificing your life, and working so hard. Happy new year and merry Christmas even though Christmas is over.

Sincerely,
Taiveon

Jan 8, 2018



Dear Fallbrook firefighter,

Hi, my name is Noah and I'm in third grade in Poinsettia school. The day of the fire I was in Santa Yavola and I had to go to Camarillo to my cousin house for five days. Thank you for sacrificing family time. Thank you for working so hard at Christmas time. Thank for protecting houses.

Sincerely,
Noah

Jan. 8, 2018



Dear Fallbrook Firefighters,

Hi, my name is Wyatt and I am a third grader in Poinsettia School in Ventura.

When we had to evacuate, the fire was right behind us on the hill. It was scary. We only took clothes, and lots of pictures of me

* dad. I'm thankful for all the houses that you saved and going away from your families. Thank you for everything you do we really appreciate it.

Sincerely, Wyatt

(One of my favorite students

*(Wyatt's dad passed away

3 1/2 years ago from cancer. 😞)

January 8
2018



Dear Fullbrook Firefighters, Hi my name is Raghu V. and I'm a third grader in Poinsettia School in Ventura. My dad works for the Ventura Government and while he was going, he saw a fire, an firefighter and police and smoke, his smoke! Then he passed it. But I am thankful the firefighters sacrificed your break time and family time and I am thankful for everything in Ventura. We love you firefighters!

Sincerely,
Raghu V.



Dear Fallbrook Firefighters

Hi, my name is Brayden and I'm a third grader in Poinsettia school in Ventura. I will tell you my story. My mom and my brother and I finished a movie we went to go and get a family member from the airport. It took 1 or 2 hours to get there we drove back and we saw the fire. My mom started to cry and posting on facebook we came home grabbed all our valies and our dog and my big sister helped out. we went to my big sister's house and stayed the night. I'm thankful that you put out the fire. I understand that you missed your family stuff.

Sincerely,

Jan. 8, 2017



Dear Fallbrook firefighters,

Hi my name is Kyle, I'm a third grader I go to Poinsettia Elementary school in Ventura. The night the fire started was super scary for my sister. Also my sister was so scared she scared my brother and me. After my mom called her friend, she said "the fire will take a couple hours to reach us". Then we felt a lot better. Also thank you for sacrificing your family the night before Christmas.

Sincerely,

Kyle

We love You JAN. 8, 2018



Dear Fire Rock Firefighters

Hi my name is Hobie

I'm a third grader at Pinetree school

in Ventura. The town is fire

crazy. I want to protect my Ventura.

Thank you for saving my town

time.

Sincerely,

Hobie

Thank You

Jan. 8, 2018



Dear Fallbrook Firefighter,

Hi, my name is Madi and I'm a third grader in Poinsettia School in Ventura.

I went to Pasa Robles for my mom's birthday. Thank you for putting out the fire. Happy New Year!

Sincerely,
Madi

1-8-2018



Perth Fallbrook Fire fighters,

Hi my name is Broxton or
I'm a third grader in poinsett
school in Ventura.

What happend during the
fire? Also how long did it
take to put the fire out.

Thank you for sacrificing
your lives for us and

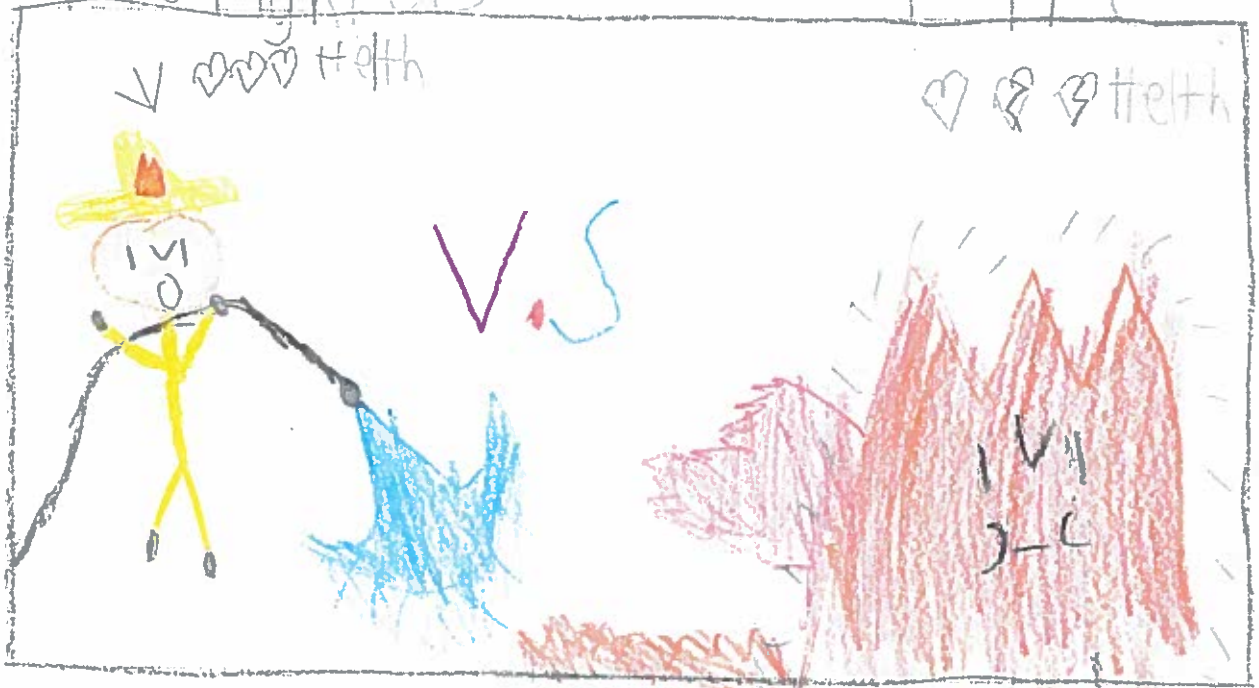
I hope that you have
a great new year.

Sincerely,

Jan. 8, 2018

Fire fighters

Fire



Dear Fallbrook Fire fighter,

Hi, my name is Owen and I'm a third grader in Pincoffia school in Ventura. I'm very sorry you had to miss the holidays ^{with} family. I heard that this fire was the BIGGEST fire in California history. Well that's incredible!! Anyway, this has been a wacky month. Again, thanks for sacrificing family time. Sincerely, Owen

HAPPY NEW YEAR

!!!!!!

Jan. 8, 2018

Thank You



Fire
fighters



Dear Fallbrook Firefighters,

Thank you for all you did for us
and sacrificing your family ^{time}. I hope you enjoy my letter. I go to
Pointsetta Elementary and we are all lions with pride,
especially you! We are proud of your bravness as the
Chief lion! I heard this fire was the largest fire in
California history! We all know how hard it must
have been for you and your family! We all appreciate it. Our
heroes.

Sincerely
Rebekah

1-8-18



Dear Fallbrook Firefighter,

Hi my name is Xavier and I'm a third grader in Poinsettia School in Ventura. I could see the fire from my window. I also get to stay at my grandmother's. I am thankful that my home is not on fire. Thank you for sacrificing family time.

Sincerely,

Xavier

Jan. 8, 2018



Dear Fallbrook Firefighters,

Hi my name is Enzo and I'm a third grader in Pointsettia School in Ventura.

My house burnt down.

But I'm happy because you and the crew put down the fire. I'm very grateful for your work. Thank you for sacrificing your holiday events. Thank you, Enzo

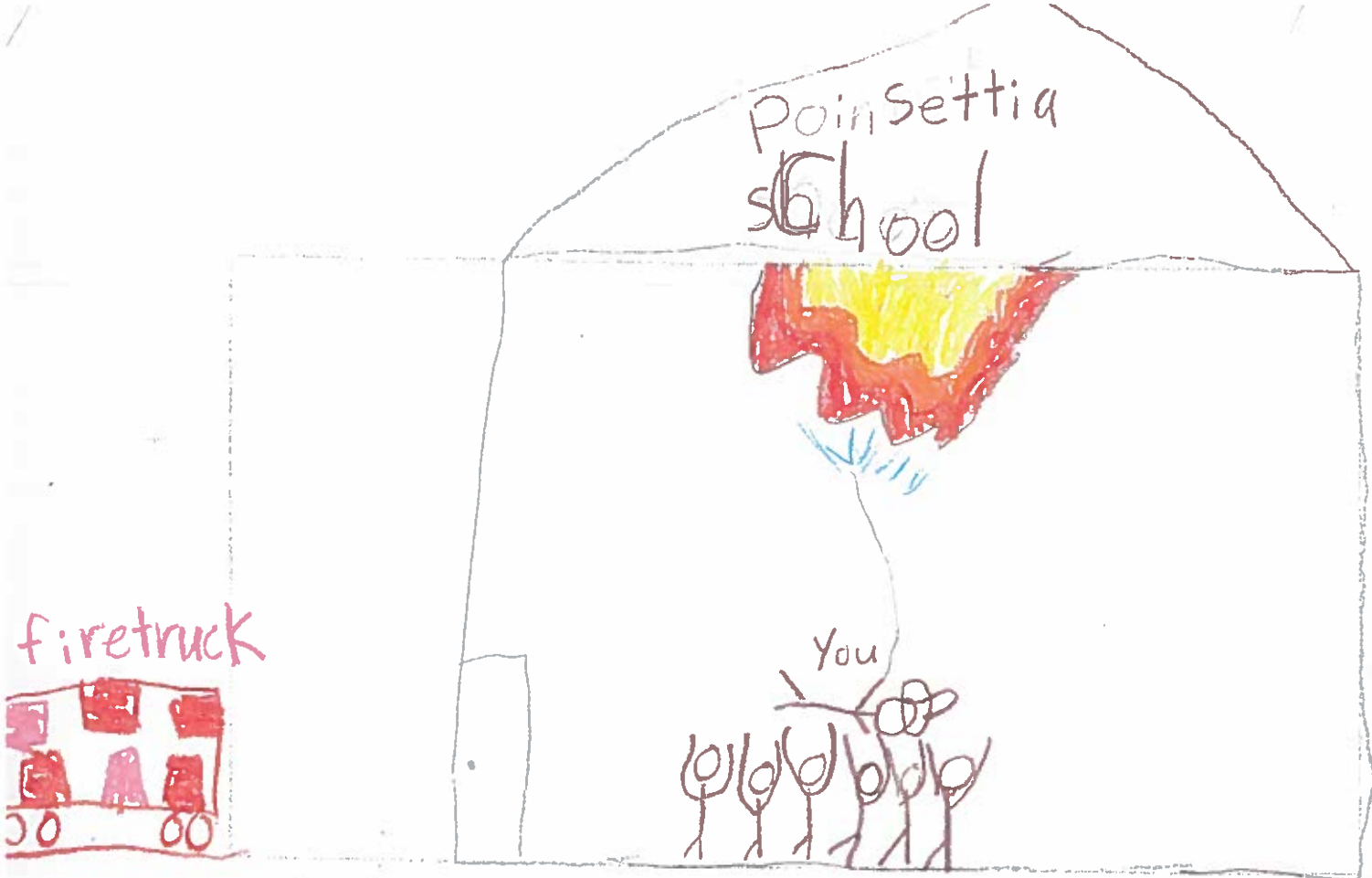
JANUARY 8, 2018



Dear Fallbrook Fire fighter,
I love your work. thank you for working at Christmas time. It was a crazy night with the fires. My name is Alyssa.

My dad works for the power, it's called the oil plant. He is very nice. Thank you for everything.

Sincerely,
Alyssa



Dear Fallbrook Firefighter, Hi my name is Leilani. I'm a third grader in Poinsettia School in Ventura. Thank you for what you did. If you would not have put out the fire, then I would still be sick from the smoke and other stuff from the fire like the ashes. I know that it is hard to be away from your family. I have been there, but you were my hero and I am so grateful that you and your friends put out the fire. Thank you again. You made the right choice to be a firefighter and help.

This fire was
a beast, and
you killed it!



Dear Fallbrook firefighters,
Hi my name is Max. I'm a third
grader. I go to Poinsettia Elementary
School in Ventura.
Thank you for protecting Ventura.
Thank you for family time during
Christmas.

Sincerely,
Max

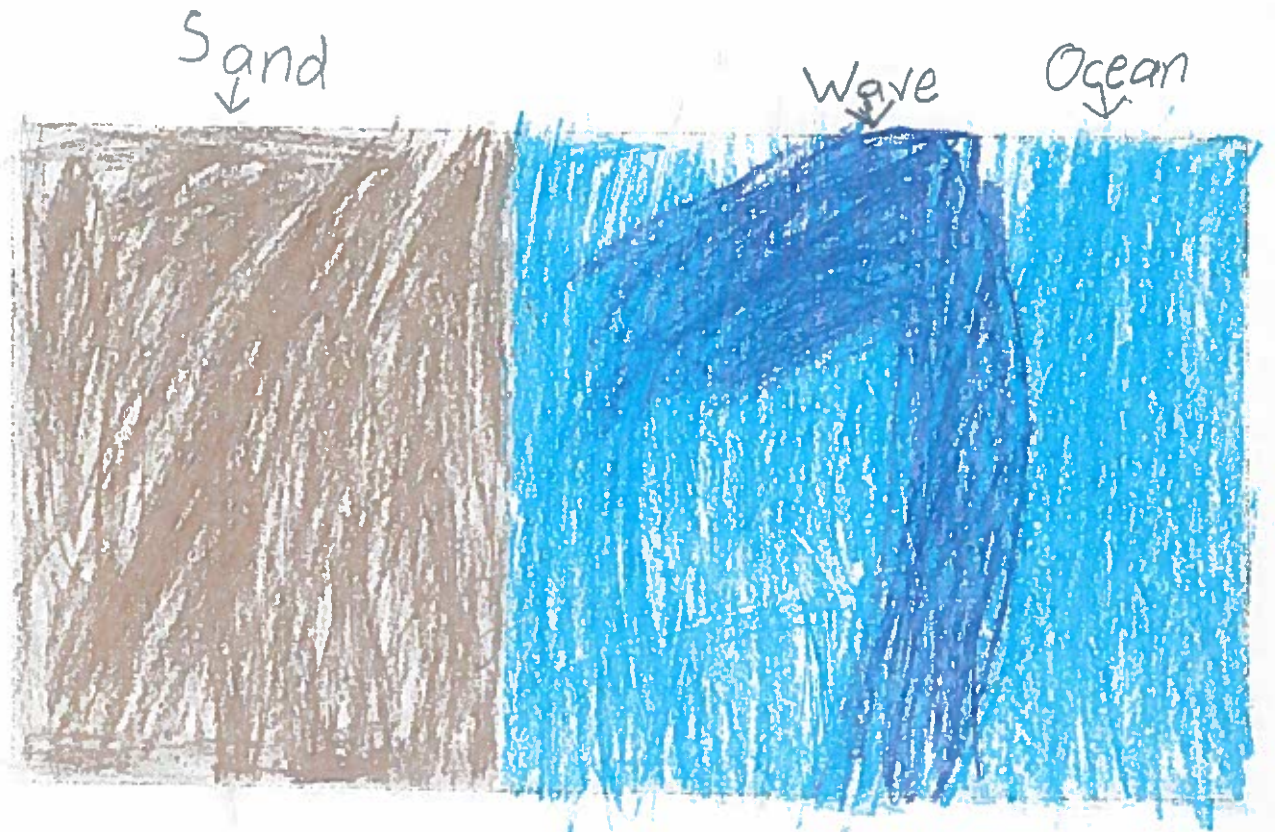
Jan 8, 2018



Dear Fallbrook Fire fighter,
Hi my name is Cora and I'm
a third grader in Poinsettia School
in Ventura. It must have been
hard for you. Well, It was
hard for me. I live rite across
Arroyo Verde Park!!! I
love dogs. I have 2 I'm get-
ting one for my birthday. My
dad's a lawyer for the government
a couple of questions: is your Job
hard? do you like it? do you
have dogs? do you have
kids?

Sincerely,

Jan. 8, 2018



Dear Fallbrook firefighter,

Hi, my name is Aaditya. I'm a third grader and I go to Pointsettia school in Ventura

I went to San Francisco to play with and I went to whale watching. I saw a lot of dolphins but only one or two whales.

Thank you for sacrificing your family time and saving our city!

Sincerely,

January 23, 2018 – Regular Board Meeting

Page-201

We love you!

Jan. 8, 2018



Dear Fallbrook Firefighter,

Hi, my name is Paris Nguyen. I am nine years old and I'm a third grade at Poinsettia Elementary School in Ventura. I love animals, unicorns, and gymnastics.

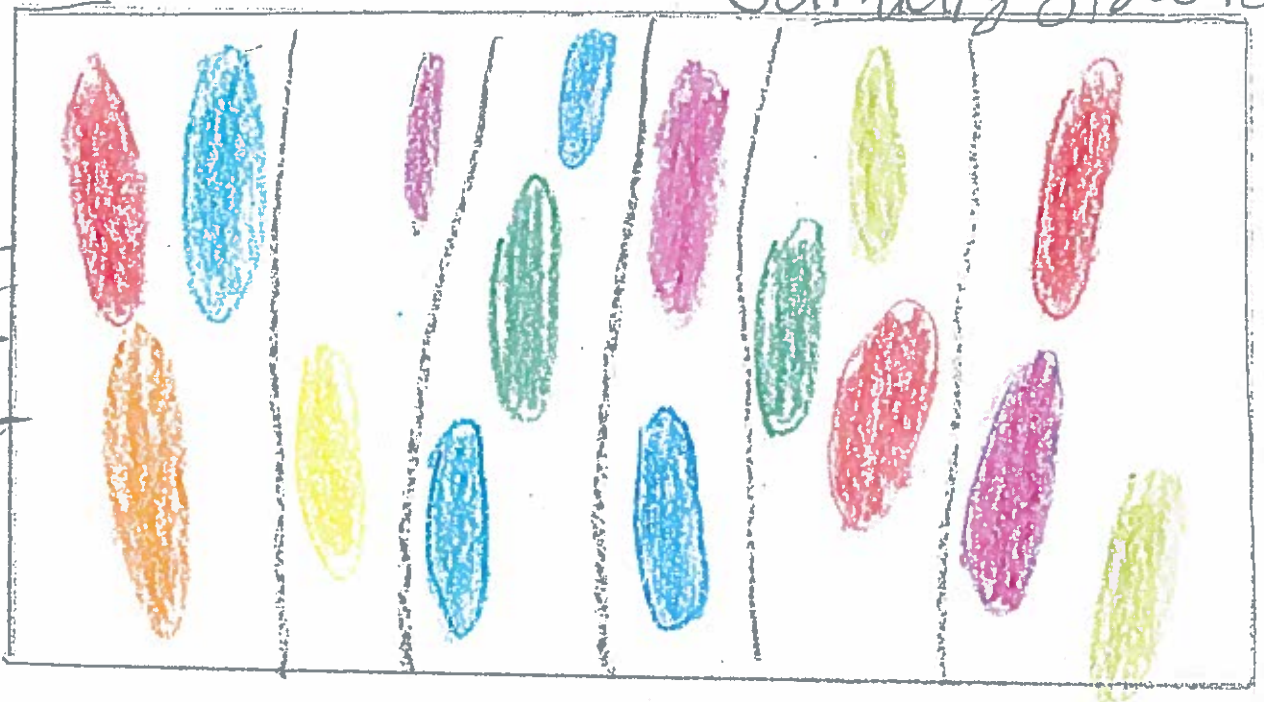
The night of the fire my sister Lyina and I went to sleep around 8:50 and woke up around 1:25 and saw that the employees that live at my house also my parents were gathered all around our window that was facing the backyard. My sister and I got out of our bed and we tried to turn on the light but the power went out. After that we looked outside and saw a fire. My sister grabbed her phone and search up on google a fire happening

right now. The results were Thomas Fire on the news. My mom told us to put on a jacket and have a flashlight near you. By that time, I started thinking about our black cat named Babes who lived outside. The day night after my dad had to close his nail salon by 'Footb 11^{PM}' because he could see the fire from the nail salon. It got smoky and dark my mom rushed home and pick this up and took us to Santa Ana to get away from the fire. But before we get out inside the house with food and water while we drive there I smelled but we got it was smoke. soon we got there and checked in our hotel and two days later we came home and everything was back to normal.

Thank you very much for using your time to be here. I'd like to say sorry with you sorry for the holidays. Also not all breeds have cups. Thank you for saving lives.

Sincerely,
Tina N.

January 8, 2018



car
ride
at disney
land

Dear Fallbrook Firefighter,

Hey, my name is Mariah.

I am a third grader in Poinsettia School in Ventura.

I went to Disneyland and California Adventure. I stayed at Hayat Resort, my room was a sweet. The reason I went to these places is that my Parents were scared that my two sisters and I would cry & be worried.

Thank you for sacrificing your family time. Thank you for saving houses even if some were lost. Thank you for working so hard. Thank you so much for everything.

Sincerely,
Mariah

Norm County Fire Dept.

You're the best!

Thank you so much
for your time and
support during our
wild fires. We applaud
your commitment to
our community
Thank You
Diane Campaign ^{Allen} Allen

Dear Heroes

Thank you!

Thank you for putting out the fires!

Shooting water into a giant tub.



water



1743 Reche

Fairbairn Co.

12-13-17

Dear Firefighters,

Thank you so much! Thanks to your efforts, lives, communities, and homes were saved from the fire. Luckily my home was not affected by the fire. Finally, I know a lot of people who were saved by firefighters. Thank you so much!

Sincerely,

Robin Vincent

Dear Fire Fighters

I want to thank you for saving people who were involved in the fire. Thank you for protecting us and for trying to put out the fire and containing it little by little. You guys have saved many lives.

I also want to thank you for saving most of the horses and farm animals. You guys have a dangerous job and while all of you are putting out the fire, you are putting your lives in danger. You all have protected my home, my family, my pets, and me. Thank you for all that you've done.

Sincerely, Mercedes Betancourt

12-12-17
Dech Board

Dear Fire Department,

I really appreciate all of your hard work over the past few days. You guys didn't stop until the fire was over. All of you are heroes. You guys really did a great job. You have saved multiple houses, unfortunately some were burned with the wind blowing so fast, there is nothing you could have done. Thank you all for your hard work.

Sincerely,
Wesley Mason

Dear Fire Department,

Thank you for your Service. Thank you for all your hard work and time. Thank you to all of you that were helping us instead of being with your family. We are very greatfull because without your support we would have had much more damage.

Sincerely,

Jacqueline Caga

Dear Fire Department

Thank you for your service.

Thank you for containing the Fire.

Thank you for your time and hard
work. Thanks to all of you
who helped containing the fire

Sincerely,

David Dudley

1743 Reche Rd
Fallbrook, CA 92028
12/13/17

Dear Firefighters,

Thank you for fighting against the Lilac fire in Fallbrook that burned 4,100 acres. You all were brave to go near the fire and put it out so that we are safe. Even though you couldn't stop it destroying homes, you were able to keep everyone safe from the fire. Again thank you for your hard work and for protecting us.

Sincerely,
Martina Montero

1743 Reche Rd.
Fullbrook Ca,
92028

Dear Fire Departments,

Thank you for your service. Thank you for keeping my house safe and containing the fire early and stopping it from going far in to fullbrook. I know the winds were strong and it was hot and still fighting through the night and protecting my house and my friends house that was right by the fire.

Sincerely,
Tejar Cannon

Dear first responder,

I want to thank you for your hard work and bravery throughout this past week. You saved the houses of many people and that means a lot. The courage and determination you had makes me so grateful. Thank you for protecting us from the dangerous and fast spreading fire. Most importantly, you saved the lives of many people and everyone is extremely grateful for that. Stay safe!

Sincerely,
Kayla Black

Dear First Responders,

Thank you for helping everyone during the fires. I was not elected, nor do I know anyone that was. But, thank you for being ready and giving it your all. Thank you for taking time out of your lives to help people in need.

Sincerely,
Brooke Machado
8th grade Potter Jr. High

Dear first responders,

I want to thank you for your bravery and courage in this past week. It's the people like you that save lives and homes. I may not know your names or your backgrounds, but I know what you can do and I am eternally grateful. Adventuring out into these situations is very dangerous and scary, but thanks to you, you save many. From the bottom of my heart, thank you.

Love,
Emily Schmitter
From Potter Jr High

Viviana Lasley
December 13, 2017

Dear First Responder,

Thank you for saving my neighborhood. Without you, my house would be burnt down. Also I am glad you were able to contain and put out the fire before the fire burnt down too many buildings. Once again, thank you so much for saving our house and our town!

Sincerely,

Viviana Lasley

8th grade student from
Potter Jr. High

12/13/17

Dear Firemen,

Thank you guys for battling against the fires. It must be very tough in these conditions. You guys have saved many lives. The communities are grateful. If it weren't for your guys hard work, hundreds of more buildings would've been destroyed. Keep going strong!

Sincerely,

Leanne Lam

An Eighth grade student at
Potter Junior High

Baylee Howley
1745 Beech Rd.
Fallbrook, CA
92028
12/13/17

Thank you firefighters,

You are fighting against the fire in LA fire, Lilac fire, and French Valley. It means a lot to people for saving their homes, schools, and land. I'm so sad that horses died by the fire but you tried to get them safe.

thank you!!

Sincerely,

Baylee Kay Howley
8th grade Potter Jr High

1743 Roche Rd.

Fallbrook, CA 92028

12-13-17

Dear First Responders,

I would first off like to thank you for your service. You are extremely brave and deserve an immense amount of thanks for everything you have done. I was one of the lucky ones not arrested, but I understand how much you helped those who were arrested. You were there when the community needed you the most, and for that you should be proud. Thank you for all of your amazing service!

Sincerely,
Michael McDowell

Ashlee Hernandez
1743 Reche Road

Dear Fire Fighters,

I would like to thank all of you for risking your life to stop the fire. Also thank you for working all day and night to stop the fire from spreading. Next thanks to you my house and family are safe. I appreciate all your hard work. You are all heroes.

Thank you.

Ashlee Hernandez

Dear people whose houses got burned,

I am truly sorry for your home. I know your home contains great memories and valuables. However as long as your safe the other things are replaceable. I wish you the best of luck with your future.

Sincerely,
Ashlee Hernandez

1743 Roche Rd,
Fallbrook CA 92028

Dear First Responders,

I am very thankful for your tremendous efforts to battle the fires and evacuate people in a safe way. I appreciate your concern for our well being. Knowing that people were out there combating the fire made me feel much safer and calmed me down. Once again I am very glad you were here to help us.

Sincerely,
Nolan Sim

1743 Roche Rd
Fallbrook CA 92028

Dear First Responders,
I am very thankful you are here to
protect us and stop the fires. Without you
many homes would've burned. Thank
you for being here.

Sincerely,
Ben Leslie

Dear Firefighters,
Thank you for your participation in
fighting the fires that spread like crazy. You
saved a lot of people and their homes from
burning in the fire and ^{you} sacrificed your lives
for the people.

Sincerely,
Doug Pearce Sit. grab PSH station

Dear firefighters,
Thank you for keeping my family and I safe. The fire was right next to my house, and you guys fought it so it wouldn't reach my community. Without your help the fire would have burnt my community to the ground.

Thank you,
Kayden Trafford,
8th grade PJH student

Can't say it
enough!

Altho' I wasn't directly affected
by the fire this time (Lilac fire),
I did want to write a Thank you
to everyone involved.

You spent long, queuing days
and nights keeping Fallbrook
safe. You have my heartfelt
gratitude.

God bless you all.

Sincerely,

Mrs. Carol Link

Thank you 
for leaving
my home!

Windsor Presbyterian
251 Windsor River Rd
Windsor, CA 95492

55 2017



As a grandmother with
family in Santa Rosa, I
am grateful for all who
helped keep my loved ones
safe during the Sonoma
County Wildfires
Thank you! Thank you!

North County Fire Protection Dept
330 S Main Ave
Fallbrook, CA 92028



Susie (from Houston TX)

Team Members of the
North County Fire Protection Department
With sincere and deep appreciation
and on behalf of the residents of Thousand
Oaks in Sonoma County, we say "Thank you"
very grateful for your dedication to our entire
community. We hope that each of you are
safe, healthy, and know how much we
appreciate your dedication. Wishing each of
you a joyous Christmas and Happy New Year
Sincerely, Cecilia

Norm County Fire Dept.

You're the best!

Thank you so much
for your time and
support during our
wild fires. We applaud
your commitment to
our community

Thank you
Diane Campaigne ^{Allen}

Dear Firefighters,

Thank you so much for saving our house (546 Verde Ave.)
and our parents house (5140 San Jacinto Circle) and
especially our lives. I explained to our son Nicholas that
while we were terrified and running from the fire you were
running into it to save us. Your bravery and dedication to
protecting people you don't even know is heroic.

We are so grateful.

With Love,

The Prico Family

Dan, Nicholas and Suzy Prico

Kathleen Respini
Hannah's Children
191 Pickwick Drive
Napa, California 94558

25 October 2017

Dear Responders,

This is to all of you who are not only first responders, but responders of every area and of every expertise who responded in one way or another during the wild fire crisis in Northern California during the month of October, 2017.

I am an ordinary citizen of the city of Napa. I was very fortunate in that my home happens to be in a neighborhood that was untouched by the fire. We also had cell phone service and electricity during the entire crisis. That's not to say we weren't very nervous as the situation remained fluid for so many days.

As I had errands to take care of during these days, I couldn't help but notice the multitude of police, sheriff and fire vehicles that originated from so many places...with city or county names I didn't even recognize. It was this that touched me to my core. I know you all will say you were just doing your jobs, but to me, you all are the heroes who came to our aide in our most desperate hours. I thought of the families you left behind, some under evacuation. And I thought of those of you whose homes were burned to the ground as you fought to save our communities. I thought of your selflessness as you worked long hours in unforgiving conditions. I saw the many white tents and the trucks all lined up at the Town and Country Fair Grounds in Napa. As I drove past, I willed my truck to be quiet so as not to disturb your sleep. It felt as though even the ground you slept on was sacred, bringing much needed rest.

I have never witnessed such sacrifice by so many for communities where they are not even known. This is humanity at its best, while in the worst of circumstances. This was nothing short of amazing.

I wish to convey my deepest appreciation to all of you, each and every one, although I doubt there are words adequate to this task.

Thank you from the bottom of my heart.

Sincerely,



Kathleen Respini



CAL FIRE INCIDENT MANAGEMENT TEAM 6

Established 1994



December 23, 2017

Fire Chief Stephen Abbott
North County Fire Protection District
330 S Main AVE
Fallbrook CA, 92028-2938

Fire Chief Stephen Abbott,

On behalf of The California Department of Forestry and Fire Protection (CAL FIRE), and Incident Management Team 6, I would like to thank you and your organization's partnership and support throughout the Cory Iverson Memorial Service. Your organization's cooperation and professionalism during these difficult times was instrumental in providing the necessary needs to the Cory Iverson family. Thank you. Please convey our gratitude and appreciation to your entire involved field staff for their performance and combined efforts, we truly appreciate the partnership.

Sincerely,

Brian Estes
Incident Commander
CAL FIRE Incident Commander IMT 6

Dedicated to Effective, Efficient, and Professional Incident Management

Dear Firefighters,

*Thank you so much for saving our house (546 Verde Ave.)
and our parents house (540 San Jacinto Circle) and
especially our lives. I explained to our son Nicholas that
while we were terrified and running from the fire you were
running into it to save us. Your bravery and dedication to
protecting people you don't even know is heroic.*

We are so grateful

With Love

Loren Stephen-Porter

Subject: FW: Out Standing Customer Service

From: Kevin Mahr
Sent: Tuesday, January 16, 2018 08:42
To: NCFD <ncfire@ncfire.org>
Subject: Out Standing Customer Service

Good Morning,

Please see the thank you note we recently received. This is just yet another great example of the excellent customer service you all provide each day.

"Yesterday at around 3 o'clock my old Porsche acted up on the northbound old 395 intersection at mission. I couldn't get across the intersection and I was blocking traffic so I rolled backwards onto the shoulder and tried to restart it without luck. Out of nowhere one of your engines was behind me and stopped. A fireman asked me if I needed help and the crew pushed me off the shoulder so I could coast down the road and get it restarted to make it back home. I would like to thank the crew of the engine and the NCFD for their help. You all have difficult enough job keeping us safe without going the extra mile to help a stranded motorist. Thanks so much. Please pass this message to the watch commanders and supervisors."

Thank you, and Job Well Done!!!

Kevin Mahr
Division Chief – Operations
North County Fire Protection District
330 S. Main Ave
Fallbrook, CA 92028
760-723-2015 (Office)
760-802-4181 (Cell)



My daughter, granddaughter and son in law stopped by your Fallbrook station to ask if they knew any resources for them since they are in a rough spot. I can't take them in to help until tomorrow. They were created warmly and your department guys even gave them a doll for the baby, \$20 from their own pockets and put them up in a hotel room for the night. I am a paramedic down in the city and it warms my heart immensely to know that my extended family from afar has stepped in to help my actual family. From the bottom of my heart thank your guys. They just proved what Christmas is about and more so the integrity and kind heartedness that flows through this profession.



Aa



North County Fire Protection District, Station 4/A

Capt. August & crew,

Your good wishes are thankfully accepted. Your professionalism during our time of need was outstanding. We certainly will not forget that experience since it was the first time we use the 911 emergency service. Thank you very much and for the entire Fire Department, we wish you a most wonderful and happy holiday season.

At Christmas...

4/A

AUGUST
LINDSEY
WHEELER
ALTER-REITZ
MEDKA

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PTSD workers comp

James Call, Democrat Capitol Reporter

workers' compensation laws do not provide for benefits in cases of first responders suffering from mental health-related injuries,



CFO Jimmy Patronis stands before a bi-partisan group of lawmakers and puts the "full weight" of his office behind a PTSD workers comp bill(Photo: James Call)

Break a leg on the job and workers compensation will pay the medical bills and cover lost wages. But suffer emotional or psychological trauma after a failed attempt to revive an infant or hours processing dead bodies in the wake of a mass shooting and you're out of luck.

Families of first responders and a bi-partisan group of lawmakers are behind a proposal to include post traumatic stress disorder in workers comp coverage. And they have it in a fast lane in the Senate.

"It's like you have a gaping hole, an open wound and they say 'put a band aid on it and go back to work,'" said Jessica Realin, wife of a retired Orlando Police officer who suffered from PTSD in the wake of the Pulse Nightclub shooting.

SB 376, by Sen. Lauren Book, D-Plantation, and Sen. Dana Young, R-Tampa, would expand mental health services to first responders. It would provide workers compensation benefits to police, firefighters, and paramedics who “witness a murder, suicide, fatal injury or child death or . . . mass casualties.”

“My only regret is we are late in the game. We should have done it a long time ago,” said Sen. Bill Montford, D—Tallahassee, chair of the Senate Commerce and Tourism Committee.

“This is not a monetary issue,” he told the committee before calling for a vote. “It’s a moral one.”

Presently, first responders receive workers compensation benefits and lost wages under a post-traumatic-stress diagnosis only if it is accompanied by a physical injury. Families of firefighters and law enforcement officers have lobbied lawmakers and state officials to repeal a physical injury requirement to access benefits for a mental injury.

“I will use the full weight of my office to change this law,” vowed Chief Financial Officer Jimmy Patronis, speaking directly to the family of a firefighter who had lost a fight with depression. The state fire marshal, Patronis rallied first responders’ families and a bipartisan group of lawmakers before Book’s bill went before the committee.

Supporters cite studies that conclude as much as 17 percent of first responders have PTSD related to their job. They found that police and firefighters report suicidal thoughts at a rate nearly 10 times that of the general public.

Realin’s husband spent four hours inside the Pulse Nightclub taking care of the dead. The now-retired Orlando police officer doesn’t like to talk about it. He told NPR little things like a black marker or white sheet can freak him out.

He didn’t testify before Montford’s committee.

“If only he had scraped his finger or had any minor injury,” said Realin, before the committee vote. She said the family will spend about \$20,000 this year on counseling.

“This is the biggest thing they have to work on,” said Realin about the issue of law enforcement and depression. “The situation is grave. We lose more officers through suicide than we do on duty. They are bleeding out slowly.”

A bill similar to Book’s got lost amidst budget negotiations last year. Local governments had expressed concerns about costs and requirements for a diagnosis. Those concerns have yet to prove to be an obstacle this year.

SB 376 has cleared two Senate committees without a single no vote.

County offering free mulch for Lilac Fire victims

Connatix

SAN DIEGO – The city of San Diego is offering free mulch and compost to help North County residents affected by the [Lilac Fire](#) protect their properties from erosion and promote new plant growth.

The city is offering up to two cubic yards of four-inch mulch material or compost from now until the end of the rainy season. The ground cover is available at the Miramar Landfill and Greenery, 5180 Convoy St.

“In light of the terrible flooding in communities in northern California, the city would like to continue our support of our North County neighbors by extending our offer for free mulch and compost,” said Mario Sierra, environmental services director. “We have abundant supplies of mulch and compost at our Greenery facility. These high quality products are great soil preservation supplements that promote new growth in fire-ravaged areas.”

Those who need assistance to load mulch into their vehicle will have to pay a “nominal fee” based on the amount of material.

The offer applies to Bonsall, Fallbrook, Vista, Oceanside and unincorporated area residents.



California Special
Districts Association
Districts Sooner Together

e-News



Legislature Holds Hearing on Pension System Divestment

Last week, the Senate Committee on Public Employment and Retirement, along with the Assembly Committee on Public Employees, Retirement, and Social Security, held a joint hearing entitled *How California's Public Pension Funds Support California Values While Fulfilling Their Fiduciary Obligations*. The purpose of the hearing was to examine divestment as an investment strategy to bring about corporate change.

The hearing consisted of five panels and a public comment period. The panels included representatives from the California Public Employee Retirement System (CalPERS), the California State Teachers' Retirement System (CalSTRS), an employee organization, an employer organization, an actuarial advisor, and a representative from the California Health Benefits Review Program.

The panelists largely agreed that divestment should only be used as a last resort in an attempt to encourage corporate change and would likely result in a financial loss to retirement funds. They also agreed that the most effective way for investors to bring about corporate change to address climate change adaptation, discrimination, and cultural injustices, is not to sell off investments, but to use the power of investor stakeholders to influence corporate behaviors. Chris Ailman, Chief Investment Officer for CalSTRS, said, "divestment is symbolic." He went on to say, "divestment has not brought about social change."

Over the last few years there has been an influx of divestment legislation before the Legislature that brought with them varying opinions as to the potential impacts the legislation may have, not only on the CalPERS and CalSTRS funds, but also on the ancillary effects on the state budget, public agency staffing and services provided to the public. In 2017, there were three divestment bills introduced in the Legislature, including divestment from any corporation participating in the designing, building and supplying the border wall; divestment from any company constructing, or funding the construction of, the Dakota Access Pipeline; and divestment from any investment vehicle in Turkey that is issued by the government of Turkey or that is owned, controlled, or managed by the government of Turkey.

CalPERS has rarely chosen to divest from a particular industry or corporation, but when they have, it has led to a significant impact on the overall health of the retirement fund. CalPERS has divested from the tobacco industry, the projects related to Sudan, and particular types of coal. After evaluating their divestments, it was determined that CalPERS lost out on over *\$8 billion* in revenues as a direct result of their divestments.

It was this evaluation that led CSDA, through the guidance of our Legislative Committee, to develop a CalPERS investment Policy Principal that reads: "Divestment as an investment strategy can present challenging conflicts for CalPERS in balancing current affairs against its fiduciary duty to maximize retirement investments."

CSDA supports CalPERS' priority to its members as stated in the State Constitution Article 16, Section 17, "[a] retirement board's duty to its participants and their beneficiaries shall take precedence over any other duty."

CSDA opposes any efforts that would divert CalPERS from its duty to its members, including divestment of CalPERS assets to achieve political objectives if the divestment would have a negative impact on the overall health of the fund.

CSDA supports CalPERS proxy access efforts to affect change from within businesses CalPERS has invested in to ensure they are well managed for sustained, long-term success.”

CSDA will continue to oppose any effort of the Legislature to force CalPERS divestment if it is going to have a negative impact on the health of the fund. Should you have any questions about the joint informational hearing held last week, or CSDA's CalPERS Investment Policy Principal, please contact CSDA's Senior Legislative Representative, Dillon Gibbons, at dillong@csda.net.

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California governor adds voice to benefit cases

Randy Diamond

(updated with correction)

California Gov. Edmund G. Brown Jr. is intervening in several court cases that ultimately will be decided by the California Supreme Court, arguing that public worker pension benefits in the state can be reduced during employment.

If the court agrees with the governor, it would mark a revolutionary change from a ruling it made more than 60 years ago that pension benefits are guaranteed from date of hire.

Three cases in California are not only being watched closely in the state, but also across the U.S., because most states protect the pension benefits of public-sector workers. In California and more than a dozen other states including New York, Illinois and Pennsylvania, courts have upheld — or it is written into the state constitution — that accrued and future pension benefits are guaranteed.

A spokesman for Mr. Brown declined to say why the governor's office decided to intervene in two of the cases in November and December, through a legal brief in one case and oral arguments in the second.

Until the November legal brief, the matter was being handled by the California attorney general's office, and the governor had not made a statement on various challenges by public employee unions to 2013 pension reform law that he backed.

That law reduced pension benefits for future employees, which is not being challenged. But it also affected some current employees because it eliminated what the governor considered pension spiking, using long-term unused vacation time or on-call pay to enhance an employee's final salary, the benchmark used for determining their benefit. It also eliminated buying pension credits for years not worked. Those provisions are the subjects of the three court cases.

Statements in the legal brief by Rei Onishi, the governor's deputy legal affairs secretary, who was moved from the attorney general's office, support the governor's pension reform law. But in a significant change in the state's position, Mr. Onishi also takes a broader view, supporting two recent California appellate court rulings that public-sector workers are only entitled to a "reasonable" pension benefit — not an ironclad guarantee of set benefits.

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Selling pension credits

The case in which Mr. Onishi filed the brief involves the selling of pension credits known as "airtime." Until 2013, some 1.6 million public workers covered by the \$348.7 billion [California Public Employees' Retirement System](#), Sacramento, were allowed to buy additional years of pension credits, often at highly discounted rates, to enhance

their pension benefit without actually working those years.

The November brief, written by Mr. Onishi, criticizes union representatives' view that airtime cannot be taken away, and argues in a footnote that "many legal experts have criticized the rigid inflexibility of the union's position, pointing out that it is contrary to contract clause principles, inconsistent with general contract and economic theory, and effectively depresses the salaries and benefits of new generations of public employees."

The brief also noted that "allowing the airtime practice of buying a bigger pension is an unworkable and fiscally irresponsible scheme."

An internal CalPERS report in 2010 had concluded the selling of airtime was underpriced by almost 40% in some instances. CalPERS, the nation's largest defined benefit plan, has an unfunded liability of more than \$138 billion according to system actuaries and is only 68% funded.

The California Supreme Court also agreed to hear another case now before an appeals court panel, even though the panel has yet to rule, on whether workers in Alameda, Contra Costa and Merced counties can credit unused vacation they have accumulated through the years toward their final yearly salary.

The 2013 pension reform law also outlawed that practice and Mr. Onishi, in oral arguments last month, said the employees were only entitled to a "reasonable pension."

The state Supreme Court said it will consolidate this case once the appellate panel rules with yet another case. In this third case, a state appeals court ruled in August 2016 that employees in Marin County could not use pay they received while being on-call toward their final pension calculation starting in 2013.

The 2013 pension reform law also had outlawed on-call pay from being counted.

All eyes on California

Such legal questions and how the highest court in California will rule would attract the attention of lawmakers and residents in other states that, like California, face hundreds of billions in unfunded pension liabilities, said Amy B. Monahan, a law professor at the University of Minnesota Law School in Minneapolis who studies pension law.

"Part of that is because California has played such a leading role in sort of developing state law ... other states have found it influential and have sort of adopted it for their own (laws)," she said in an interview.

The so-called California rule, prohibiting pension changes once an employee is hired, dates to a 1955 California Supreme Court ruling that the city of Long Beach could not amend its pension benefits, said Ms. Monahan. She said the court concluded the only exception is that if pension benefits are taken away, they are replaced with benefits of comparable value.

She said 12 states — Alaska, Colorado, Idaho, Kansas, Massachusetts, Nebraska, Nevada, Oklahoma, Oregon, Pennsylvania, Vermont and Washington — incorporate the California rule as part of their own laws on pension rights.

"Other states are going to pay attention to it," she said. "They are going to read the decision. They are going to look at the reasoning. ... California might continue to be influential here. It really depends on whether other state courts find their reasoning influential."

Ms. Monahan said that in times of fiscal distress, the inability by government units to change pension benefits could lead to salary cuts, layoffs, hiring freezes and reductions in other fringe benefits — cuts that might be more damaging to employees than reductions in pension benefits.

But attorney Gary Messing, who represents California firefighters in the airtime case, said in an interview that reducing benefit benefits for current workers, "is a slippery slope."

"What the state has done is take the position that you are only entitled to a reasonable pension," he said. "If that is

accepted, we get into a whole debate about what is reasonable. It's not a bright line that we now have and which we have lived with for many years."

Briefs in the airtime case were submitted in November. Mr. Messing said he expects the Supreme Court to hear oral arguments in the next few months and make a decision by the end of summer.

However, Mr. Messing said it's unclear if the state Supreme Court will choose to make a decision in the airtime case on narrow grounds — whether the state law had the authority to stop selling the credits — as opposed to making a broader decision on whether pension benefits are vested.

High stakes

Joe Nation, a professor of the practice of public policy at [Stanford University](#), Palo Alto, Calif., said he was surprised the governor intervened in the case. He added that Mr. Brown might have come to the conclusion that pension benefit guarantees can't be sustained because of growing unfunded liabilities.

Mr. Nation said the unfunded liabilities of CalPERS, the [California State Teachers' Retirement System](#), the [University of California](#) Retirement System and other public retirement systems in California combined exceed \$335 billion.

"If indeed the courts rule that there is such a thing as the California rule and you can't modify benefits prospectively, I think this makes this very, very tough to solve," he said of the growing public pension plan debt in California.

Teresa Ghilarducci, a professor at the New School in New York who studies pension issues, said the defined benefit retirement system in California could actually be strengthened if the state's high court allows retirement plan benefits to be modified.

Modifying benefits slightly in times of financial instability, as the governor's pension reform did, still preserves the DB system and enables retirees to be paid.

"I see the tweaking as actually making the defined benefit plan system in the public sector stronger," she said.

The whole issue of changing pension benefits has moved to the forefront in California because of overall weak earnings for the retirement systems over the past few years, said attorney Timothy Talbot, who represents deputy sheriffs employed by the Contra Costa County Sheriff's Department. He said those weak returns raised concerns about plan funding, leading to the pension reform law and the union challenges.

"I think it is far less likely that we would be talking about it if there were ample investment returns," he said. "If these pension funds were closer to being fully funded than where they are now, I don't think anyone would be clamoring over it."

Mr. Talbot said he is concerned that a ruling allowing pension changes could lead to a reduction of benefits that workers were counting on as part of their employment package not just in California, but in other states.

"Those are some of the concerns everyone has, which is why the stakes are so high," he said.

Legal Brief



CONFLICT OF INTEREST UNDER GOVERNMENT CODE § 1090: NEW RULES, NEW RISKS

By Kenneth White, Partner, Brown White & Osborn LLP

Prudent officers and employees of California's special districts already know about Government Code § 1090, which imposes criminal penalties on public officials for prohibited conflicts of interest. But even seasoned and well-trained districts may not be familiar with recent developments that broaden the already-expansive statute and its risks.

Let's start with a brief review of the statute and why it's already so dangerous and a minefield to the careless and uninformed public official. Section 1090 provides, in part, that "[m]embers of the Legislature, state, county, district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members." Put simply, if you work for the government, you can not be involved in creating government contracts that will bring profit to you personally. Though the statute sounds straightforward and intuitive, California courts have

interpreted every element of it so broadly that it has become a hazard for the unwary.

First, California courts have interpreted "making a contract" expansively. It means not only creating or voting upon a government contract in which the government official has an official interest – that would be easy enough to avoid. Instead, courts have construed "making a contract" to refer to nearly any activity related to the contract, including preliminary discussions, negotiation, advising, planning, or creating specifications. Moreover, members of a public board – including the board of a special district – are automatically treated as having "made" a contract voted upon by the board, even if the member with the financial interest abstained.

Second, California courts have defined "financial interest" equally aggressively and broadly. Courts have identified direct and indirect interests, and both chance of profits and risk of loss, as triggering the prohibition. The financial interest can be indirect through a spouse or even through an employer. If a member of a special district board has a job with a company that contracts

with the special district, that relationship creates a financial interest even if the contract in question doesn't have any influence on the member's salary. Though there are statutory exceptions to the definition of "financial interest," they are convoluted, confusingly drafted, and not clearly construed by the courts.

Third, even though Section 1090 carries criminal penalties, it does not require knowledge of wrongdoing or bad intent. Under Section 1097 – the criminal provision of the statute – the prosecution need only prove that a defendant acted "knowingly" and "willfully," which in this context only requires that the defendant knew that they "made" the contract and knew that they had the financial interest. Sincere good-faith belief that a particular contract is not prohibited under Section 1090 is no defense, nor is the fact that the public entity approved of the contract. In fact, it's not even a defense that the government entity's legal counsel reviewed the transaction and informed the defendant that it was legal and not a conflict of interest! California prosecutors pursue Section 1090 charges vigorously, and I have personally defended multiple defendants who were charged even though counsel for their public entities and their boards specifically approved the transactions at issue as not violating Section 1090.

Two recent developments increase the scope of Section 1090 and the risk it imposes on special district officials.

The first development expands the zone of danger from the public official with the conflict of interest to anyone who assists them in making the contract. In 2014, in response to an unpublished Court of Appeal case, the Legislature amended Section 1090 to add a prohibition on "aiding and abetting" a violation of the statute. "Aiding and abetting," in criminal law parlance, is helping, promoting, encouraging, or facilitating a crime. Under this development, the public official with the conflict of interest is no longer the only one at risk – anyone who knew of the

conflict and assisted the official in "making" the contract is a potential defendant. That could include other members of a special district's board, administrative employees, or even legal counsel. Traditionally aiding and abetting requires proof that the aider and abettor knows that they are assisting a crime and intends to do so. However, given the California courts' expansive interpretation of every other part of Section 1090 and its refusal to require any bad intent on the part of primary violators, it is not yet clear what intent requirement will be imposed upon this provision.

The second development expands the zone of danger to independent contractors and consultants of public entities. Section 1090, by its terms, only applies to members, officers, and employees of public entities. But in June 2017, in *People v. Superior Court (Sahlolbei)*, the Supreme Court of California construed Section 1090 broadly yet again, this time to rule that some independent contractors and consultants were covered by the term "employee." Specifically, the Court ruled that independent contractors of public entities fall under the statute to the extent they have duties to "engage in or

advise on public contracting" by the entity. Many California special districts now use independent contractors to staff positions traditionally filled by public employees. Under the Supreme Court's new rule, they fall squarely under Section 1090 if they have any role in the public entity's public contracting. Section 1090 has been a hazard for public officials and employees for decades. These recent developments broaden the risk. Special districts should take pains to train their members and employees about the scope of the statute and seek reliable and informed advice when in doubt. ■

Ken White is a partner at Brown White & Osborn LLP in Los Angeles, where his practice includes criminal defense, civil litigation, and First Amendment matters. He has litigated multiple Section 1090 cases across California in trial and appellate courts.

Check out more on this topic through CSDA's Government Code 1090: California's Dangerously Broad Conflict of Interest Law, and How to Avoid It webinar on January 30, 2018. Register online at csda.net.



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California Court of Appeal Issues A Contrary Decision Addressing "Vested Rights" of Public Employees in the Aftermath of PEPRA: Where Will the Supreme Court Land?



This post was authored by [Frances Rogers](#) and [Brett A. Overby](#)

A California Court of Appeal recently issued a decision with implications that can affect *all* public employers in California and in contrast to a decision by another Court of Appeal just over a year ago. The decision issued in *Alameda County Deputy Sheriff's Assn. v. Alameda County Employees' Retirement Assn.* on January 8, 2018 addressed the issue of whether pension systems governed by the County Employees Retirement Law of 1937 (CERL) can apply changes to compensation earnable under the Public Employee Pension Reform Act of 2013 (PEPRA) for employees hired before PEPRA's January 1, 2013 effective date. In addition, the Court addressed the Constitutional protections afforded, and the limits of, "vested rights" to immutable pension benefits. CERL and CalPERS employers take notice.

Public Employee Pension Reform Act of 2013

Governor Jerry Brown signed PEPRA (AB 197) into law to address the significant, statewide underfunding of public pension systems. PEPRA, among other things, amended the pension systems governed by CERL. Most significantly, PEPRA added express exclusions to CERL's long-standing definition of compensation earnable, codified at Government Code section 31461, for those hired prior to PEPRA's effective date ("Legacy Members").

In response, Alameda County Employees' Retirement Association (ACERA), Contra Costa Employees' Retirement Association (CCCERA), and Merced County Employees' Retirement Association (MCERA) (collectively, "Boards") excluded certain previously included pay items from compensation earnable for Legacy Members in compliance with PEPRA.

Trial Court Decision in Alameda

Subsequently, labor organizations representing employees of CERL systems in Alameda, Contra Costa, and Merced Counties each filed writs of mandate challenging the constitutionality of the Boards' exclusion of previously included pay items from compensation earnable. The petitioners alleged that the Legacy Members had a "vested right" to pension benefits under pre-PEPRA law and

the Board violated the state and federal contract clauses in the respective Constitutions by altering their vested rights. The three lawsuits were consolidated into one action. In separate judgments for each of the three Boards, the trial court denied the petitioners' request to declare the new section 31461 an unconstitutional impairment of the Legacy Members' vested rights except to the extent the revised statute excluded the value of certain on-call payments from the Legacy Members' compensation earnable. In addition, the trial court made findings on the inclusion of certain compensation items in the compensation earnable of Legacy Members. Numerous parties on both sides filed Notices of Appeal.

First District Court of Appeal Review

The First District Court of Appeal granted review in one consolidated action. The Court addressed (1) whether retirement boards have discretion to include pay items in compensation earnable not listed in CERL's statutory categories; (2) whether the PEPPRA amendment to Government Code section 31461 modified CERL or merely clarified existing law; (3) whether the Boards are bound by a Settlement Agreement to include terminal pay in compensation earnable for Legacy Members; and (4) whether PEPPRA unconstitutionally impaired Legacy Members vested pension rights.

A CERL Retirement Board's Discretion on Compensation Earnable

First, the Court held that retirement boards do not possess discretion to include additional pay items in compensation earnable beyond those includable under the CERL. An item of compensation is not includable in a member's pensionable compensation if it fails to fall within one of CERL's statutory compensation categories.

Interpretation of PEPPRA's Statutory Changes

Second, the Court made several determinations regarding the interpretation of the express exclusions in PEPPRA's amendment to section 31461 and addressed whether those exclusions modified CERL or merely clarified existing law. The Court found that PEPPRA did not change existing law regarding in-service leave cash-outs and that all leave cashed out during the final compensation period must be included in compensation earnable, regardless of when the underlying leave accrued. In addition, the Court held that PEPPRA's express exclusion of terminal pay from compensation earnable was not a change in existing CERL law because CERL has always required that final compensation be payable during the final compensation period to be included in compensation earnable. Furthermore, the Court found that PEPPRA's express exclusion of on-call and standby pay from compensation earnable was a change in existing law because both were includable in pensionable compensation before PEPPRA. Finally, the Court held that PEPPRA's express exclusion from compensation earnable of "any compensation determined by the board to have been paid to enhance a member's retirement benefit" is a change to prior CERL law because the provision potentially excludes numerous types of pay. Ultimately, the Court determined that PEPPRA made some substantive changes to CERL with respect to on-call and standby pay and pension enhancements.

Revisiting the Impact of the *Ventura* Settlements

Third, the Court of Appeals addressed whether to require the Boards to continue including terminal

pay in compensation earnable for Legacy Members pursuant to a Settlement Agreement executed after the 1997 decision in *Ventura County Deputy Sheriffs' Assn. v. Board of Retirement*. The Court of Appeals found that the Boards made precise and explicit promises to these Legacy Members regarding what their CERL pension included and the Legacy Members organized their work lives in reliance on those promises. Accordingly, the Court of Appeals held that the Boards are bound by the Post-*Ventura* Settlement Agreements and all Legacy Members are entitled to include terminal pay in compensation earnable to the limited extent such pay was designated as pensionable by their relevant Post-*Ventura* Settlement Agreement.

Vested Right to Immutable Pension Benefits

Finally, having determined that PEPRA modified CERL with respect to on-call and standby pay and pension enhancements, the Court addressed whether these modifications unconstitutionally impaired the vested pension rights of Legacy Members. In doing so, the Court analyzed the First District Court of Appeals decision in *Marin Assn. of Public Employees v. Marin County Employees' Retirement Assn.* issued in 2016 and which is now pending before the state Supreme Court.

Specifically, the *Marin* decision held that public pension system members are not entitled to an immutable, unchanging pension benefit for the entirety of employment, but are entitled only to a “reasonable” pension. The *Marin* court further held that detrimental pension modifications need not always be accompanied by comparable new advantages. The *Marin* court focused heavily on the “dire financial predictions necessitating urgent and fundamental changes to improve the solvency of various pension systems” in concluding that PEPRA’s modifications to the CERL definition of compensation earnable for Legacy Members was “reasonable” and therefore, did not impair Constitutionally protected vested rights.

In analyzing various state Supreme Court decisions, the *Alameda* Court declined to follow *Marin*, concluding that the Court could not engage in the individualized balancing test mandated by the Supreme Court’s vested rights jurisprudence using the *Marin* decision. Ultimately, the *Alameda* Court found that applying detrimental changes to the pension benefits of Legacy Members is only justified by **compelling evidence that the required changes manifest a material relation to the successful operation of the pension system**. The Court determined that this analysis must be done on an individualized basis. Therefore, the Court remanded the lawsuits back to the trial court to undertake that individualized analysis for each of the three retirement systems.

The Future of Alameda, Marin & Vested Rights Jurisprudence

The state Supreme Court granted review of the *Marin* case on November 22, 2016, but put the case in abeyance until the First District Court of Appeals reached a decision in the *Alameda County* case, presumably in order to consolidate both cases should the Supreme Court grant review of the *Alameda* decision. However, given the remand to the trial court, it is unclear if, procedurally, the state Supreme Court could potentially review the *Alameda* decision, in conjunction with its review of the *Marin* decision, in the near future. Suffice it to say, we now have two divergent decisions on the fundamental notion of a vested right to immutable pension benefits in the aftermath of PEPRA.

In the meantime, all eyes are currently turned toward the pending state Supreme Court case in *Cal Fire Local 2881 v. California Public Employees' Retirement System* where the Court will again

consider the so-called “California Rule” which is, generally, the notion that a public employee is vested in the pension benefit promised at the start of employment such that those benefits cannot be modified even for *prospective* service. That case concerns PEPRAs termination of the ability of CalPERS members to purchase unqualified service credit (i.e., “airtime”), but the decision may very well have implications for all pension benefits in general, including those at stake in *Marin* and *Alameda*

Accordingly, all public employers should be aware of the ever-changing analysis on this issue.

NCFPD finds revenue measure not immediately feasible

Village News

Last updated 1/12/2018 at 4:29pm

The North County Fire Protection District will postpone its effort for voter approval of a revenue measure.

The NCFPD board voted 5-0 Dec. 12 to accept a recommendation to postpone pursuit of a revenue measure until additional public outreach efforts increase the chance of passage for such a property tax increase, and future activities will include refining the public information message dissemination and determining the timing and extent of public outreach efforts.

“We discovered through this process that we need to do a better job of communicating to the public what our needs are,” NCFPD Fire Chief Steve Abbott said.

In May, NCFPD staff issued a request for proposals for a revenue measure feasibility analysis and public opinion survey. The board voted 3-1 June 27, with Ken Munson opposed and Ruth Harris absent, to authorize a contract with David Taussig and Associates. The Aug. 22 board meeting created an ad hoc committee of board members and NCFPD staff to define specific objectives to be achieved by a revenue measure.

The revenue measure could be a Community Facilities District, a general obligation bond or a benefit assessment. All three of those measures would increase property taxes for NCFPD landowners. A general obligation bond would involve a vote of all registered voters within the district and would require a two-thirds majority for passage. A Community Facilities District or a benefit assessment would involve a landowner vote and would need a simple majority for passage.

The NCFPD board held a special meeting Sept. 12 and authorized Strategy Research Institute to conduct a public opinion survey to determine the feasibility of pursuing a revenue measure. The ad hoc committee refined the survey information over the next month to reflect the district’s highest-priority challenges. The survey was conducted in November, and the results were presented to the ad hoc committee Dec. 1.

The survey evaluated various scenarios but indicated that the district currently lacks sufficient support to proceed with a revenue measure.

The district provided fire protection service only when the Fallbrook Fire Protection District became the North County Fire Protection District in 1986. Paramedic service was added in 1990 which increased personnel by 25 percent but with no new revenue source.

“We took on paramedic service in 1990 because nobody was providing it,” Abbott said. “Since that time we’ve been subsidizing that program.”

The funding for emergency medical operations has been at the expense of funding for facility upgrades.

“Our facilities have a fair amount of deferred maintenance,” Abbott said. “We’ve got needs we can’t meet in large part because we’ve been providing this extra level of service.”

Fallbrook Hospital closed in December 2014. Patients had been transported to that hospital by NCFPD ambulances, and transport to hospitals further away has increased mileage for district ambulances and the travel time for NCFPD staff. The insurance reimbursement rate has declined in recent years from approximately 70 percent to approximately 50 percent, and changing demographics in the community have increased the ratio of calls during a year from 70 to 100 calls per 1,000 population.

The district would first need to approve a financial commitment for an outreach program. An election ballot measure itself has an estimated cost of \$30,000 if the proposal is on the ballot for a general election in which other jurisdictions share the cost of Registrar of Voters’ expenses.

“We won’t see something happen immediately, but beyond that I honestly don’t know,” Abbott said.

NCFPD approves purchase of new electrocardiograms

Village News

Last updated 1/11/2018 at 10:51pm

The North County Fire District will be replacing 10 electrocardiogram units.

The NCFPD board voted 5-0 Dec. 12 to approve the purchase of 10 LIFEPAK 15 EKG monitors which will replace the district's current devices.

"That's essentially replacing equipment that we've had around almost double their service life," NCFPD Fire Chief Steve Abbott said.

The district began its paramedic program in 1990 and has been using Physio Control EKG monitors. In 2003, the district replaced its LIFEPAK 10 EKG monitors with the LIFEPAK 12 monitors the district currently uses. The LIFEPAK 12 units have a recommended life span of seven years, but NCFPD finances caused the district to use those monitors longer by negotiating factory service and support. Physio Control no longer services the LIFEPAK 12 model, so those are also no longer eligible for an extension of the maintenance contracts.

An on-site field study evaluated the ZOLL X-Series 12-lead EKG monitor and the Physio Control LIFEPAK 15 units, which are the only two viable products on the market. NCFPD staff requested pricing and purchasing options from each vendor. The field evaluation resulted in a preference for the LIFEPAK 15.

"It's certainly a more modern product," Abbott said.

The total purchase price for the 10 units is \$303,331.34. Physio Control offered the district the opportunity to make \$60,666.27 annual payments over five years with no interest charge. The district's first payment will not be due until July 1.

"We were able to get a good deal," Abbott said.

The capital equipment replacement reserve fund will be used to pay for the new EKG monitors, although only \$47,686.27 from that fund will be needed each year as the district will no longer have the \$12,980.00 annual expense for the maintenance contracts on the existing EKG monitors.

"We're very happy with the purchase," Abbott said.

Board Continues Local Emergency Proclamation for Lilac Fire | News

The County Board of Supervisors voted Tuesday to continue the county-wide local emergency proclamation for the Lilac Fire due to ongoing debris and erosion control tasks as well as cost recovery efforts from state and federal agencies.

A month after the fire, County officials also updated the Board on the progress of those efforts.

The Lilac Fire began in the Bonsall area on Dec. 7 during extreme Santa Ana conditions. Supervisors ratified a proclamation of local emergency on Dec. 11.

During a presentation Tuesday, County recovery manager Amy Harbert said 113 homes were destroyed and 55 others were damaged. Two business structures were destroyed and another five damaged. Additionally, 90 other out buildings, sheds, or barns were destroyed and 18 damaged. On public property, 200 acres of brush burned in County parks.

As of Jan. 9, the projected costs to the County for Lilac Fire response and cleanup is estimated to be \$3.9 million, said Holly Crawford, director of the County Office of Emergency Services. The final overall cost of the fire has not yet been calculated due to the ongoing work with cleanup and erosion control.

Crawford said that about half of that cost may be eligible for reimbursement through a federal Fire Management Assistance Grant. The grant reimburses eligible local governments for up to 75 percent of fire response costs.

The County is also requesting additional state and federal reimbursement assistance that would cover efforts beyond the initial response for erosion control, repairing damaged roads and infrastructure, debris removal, cleanup of facilities and other government costs.

Crawford noted that the Federal Emergency Management Agency did not make direct assistance to fire survivors available, but the County's Recovery Team is working with voluntary organizations to try to assist individuals with debris removal and other services.

The County opened a Local Assistance Center for residents just four days after the fire began and more than 269 households visited the center during the nine days it was open. The center was staffed by 30 service providers including County, state and federal agencies, and Voluntary Organizations Active in Disaster. Many of the people served had lost their homes or had their home damaged by smoke.

Crawford said the San Diego Foundation has received a little over \$300,000 in donations to fund Lilac Fire Recovery which will be directed to those organizations helping Lilac Fire survivors.

Harbert said the SDCountyRecovery.com website has been available for residents since the fire began with information and resources related to recovery and rebuilding efforts. The County also has a dedicated recovery hotline and email address for unincorporated county residents affected by the fire.

Additionally, Harbert said, the County has assigned individual liaisons to each homeowner who lost their home to help them navigate the recovery and rebuilding process.

To date, the County Department of Environmental Health has overseen the removal of over 14,500 pounds of household hazardous waste. It has also offered a one-day household hazardous waste collection event and placed disposal bins in the communities to help fire survivors with ash and debris removal. Additionally, to date, 62 of the 113 destroyed homes have been cleaned of ash and debris or are in the process of this cleanup.

The County has opened an Erosion Control Assistance Center to help private property owners by giving out free sandbags, gravel bags and fiber rolls.

Harbert said County Public Works has repaired 1,300 feet of guardrail damaged by the fire along Old Highway 395, replaced 15 road signs and posts that were damaged, and removed 15 trees that fell in public areas.

Harbert told supervisors there are fire survivors still working with their insurance companies, private contractors or volunteer groups to clean up ash and debris, and that the County will continue to work with the community through the recovery process.

Lilac Fire burn areas prepare for rain

Connatix

FALLBROOK, Calif. -- Almost a month after the Lilac Fire, communities in San Diego are bracing for a new threat: mudslides.

With the first significant rainfall in months due early next week in the San Diego area, county officials and Cal Fire firefighters are helping communities ravaged by the fire to take steps to protect their property.

"Even though there's no smoke and the fire is basically is history, reality is the potential for damage still exists," Cal Fire Captain John Heggie said. "So what we're out here doing is filling sandbags, identifying those areas and trying to mitigate these issues as best we can," Heggie said.

Last month, the fast-moving wildfire destroyed much of the Rancho Monserate Country Club in Fallbrook.

"Once the fire goes through basically all that vegetation is gone. Those roots that hold that soil down are now basically going to be exposed. So if we get any type of substantial rain, there's a good chance we could have some outflow of material," Heggie said.

The lack of vegetation and roots on burned-out hillsides and canyons like the ones surrounding Rancho Monserate leaves them much more vulnerable to potential landslides, mudslides and flooding, putting the community at risk once again.

"There's a steep drainage right behind this community so we're putting those sandbags in those areas specifically to ensure that those houses don't get any type of damage," Heggie said.

The first of the rain is [expected in the area Monday](#), so crews have one more day to clear drains and shore up the hillsides.

The county also is offering sandbags at [more than two dozen](#) locations in preparation for the wet weather.

Residents affected by Lilac Fire prepare for winter storm - CBS News 8 - San Diego, CA News Station

Amanda Shotsky

SAN DIEGO (NEWS 8) - Rain is headed to San Diego and people affected by the Lilac Fire are preparing for the worst.

Just a month ago, thousands of people in North County were running from the flames, but now they are gearing up for a winter storm that could cause more damage to the region - but help is available.

Free sandbags, fiber rolls and instructional brochures are available at a county facility in Bonsall for those who live in and around the burn area of the Lilac Fire, which blackened 4,100 acres and destroyed 157 structures after erupting in the Pala area on Dec. 7.

The Erosion Control Homeowners Assistance Center at 2370 Pala Road is generally open between 8 a.m. and 5 p.m. Mondays through Saturdays and 9 a.m. to 2 p.m. Sunday, though its hours are subject to change. Department of Public Works employees are available there to advise people on how to protect their homes and yards and can make site visits to inspect and assess individual properties.

The sacks and sand with which to fill them are available at the following locations (members of the public are asked to bring their own shovels):

- 4900 Bonita Road, Bonita;
- 40080 Ribbonwood Road, Boulevard;
- 39524 Daily Road, Fallbrook;
- 39431 De Luz Road, Fallbrook;
- 4375 Pala Mesa Drive, Fallbrook;
- Lakeside River Park Conservancy, 12108 Industry Road, Lakeside;
- 21610 Crestline Road, Palomar Mountain;
- 16971 Highway 76, Pauma Valley;
- 28205 N. Lake Wohlford Road, Valley Center;
- 35227 Highway 79, Warner Springs.

In addition, bags only -- no sand -- are available at the following sites:

- 1321 Deer Springs Road, San Marcos;
- 8709 Circle R Drive, Escondido;
- 10308 Meadow Glen Way East, Escondido;

Records reveal history of fire code violations at San Luis Rey Downs

NORTH COUNTY (KGTV) - A Team 10 investigation reveals details about the history of fire code violations at San Luis Rey Downs Training Center, where 46 horses died and three people were injured in the Lilac Fire.

We also have never-before-seen cell phone video of the devastation at San Luis Rey Downs, taken by a source who shared it with us. We've blurred the graphic shots of dead horses on the ground.

Team 10 requested records of fire inspections from the fire marshal who oversees the facility. References in the earliest report note violations dating back to 2005, which show multiple issues related to fire extinguishers, smoke alarms, exit doors and stairs, hazardous materials, flammable liquids and so on.

The violations were always repaired, but they appeared to keep happening. The most recent inspection from March of 2017 showed that the facility had no reported violations. Team 10 interviewed North County Fire Protection District Fire Marshal Patricia Koch, who is in charge of these inspections.

We asked Koch if she had any concerns, given that the inspection reports showed violations happening year after year. "They did have [violations] come up but they're always quick to comply and fix whatever violations have been noted," she told us.

Koch added that while the list of violations may look long, it's actually not, and most of the violations were related to routine maintenance. "If you're looking at the Lilac fire, none of these had anything to do with their losses. None of these violations," she told us.

New Study by Spectrem Group Reveals that Most Public Pension Fund Members are Unaware That Their

Spectrem Group

CISION

PR Newswire

CHICAGO, Jan. 4, 2018 /PRNewswire/ -- Despite record-setting performance among U.S. equities in 2017, a significant number of U.S. public pension funds remain woefully underfunded. A newly released [study](#) by Spectrem Group reveals that most members whose retirement in part depends on the performance of their pension fund are unaware of this performance gap and the risk it poses. The study also reveals a broad gap between how members want their funds managed and the actual approach many managers may be taking.

The study is based on an online survey of members across the country, and respondents include individuals whose pension is with CalPERS, the NYC Retirement Systems (NYC Funds) and a "National" group, including individuals from the New York State Common Retirement Fund, the Florida Retirement System, the Missouri State Employees' Retirement System, The Teacher Retirement System of Texas, as well as a small group from other public pension plans.

"There's a clear disconnect between pension fund managers, who are testing new investment styles and strategies, and members, who would prefer to see their pension fully funded," said George H. Walper, Jr., President of Spectrem Group. "Pension fund managers should refocus their efforts on the wants and needs of their investors, prioritizing investment decisions to maximize performance, while limiting votes to shareholder proposals that directly impact their fund and its members."

Performance Expectations

With nearly half of members (48 percent) indicating they will rely on their pension for at least half of their retirement income, there was overwhelming support for strong performance from their pension fund:

- Ninety-two percent of members consider their pension fund's ability to generate returns at or above the fund's target level to be important or very important, with CalPERS members the most likely to identify this as important or very important (96 percent).
- Ninety-three percent consider the fund's ability to generate returns at or above overall market performance to be important or very important, with CalPERS members again the most likely to focus on this factor (97 percent).
- Ninety-five percent believe the fund's ability to effectively manage risk is important or very important.

Knowledge Level

Members are relatively confident about their level of understanding when it comes to their pension - they believe they are very well or moderately informed about their actual investment return (56 percent); their target investment return (54 percent); the expenses and fees paid (60 percent) and the benefit structure (61 percent). They are less confident in their knowledge of the costs associated with shareholder activism, the composition and investing experience of the fund's board and the amount of time spent by fund managers reviewing and voting on shareholder proposals.

While members believe they have a relatively high level of knowledge, there's a clear gap in how much they really know about their pension's actual performance and funding level.

- Forty percent of members believe their funds have performed in line with the market for the past few years, which has often not been the case.
- Forty-six percent of NYC Funds members believe their pension fund has outperformed the market, when in fact their returns have been below both market performance and their target level.
- Forty-two percent of CalPERS members similarly believe their fund has outperformed the market, despite returns which have been below the fund's own target level.
- Only 31 percent of members believe their pension is underfunded, when in fact, all respondents' pensions are underfunded to some degree. Perhaps most notably, 80 percent of NYC Funds members believe their pension is fully funded, when their fund is only approximately 68 percent funded.

Members also lack in-depth knowledge of their pension fund's portfolio allocations and the riskiness of its investments.

- For example, while more than 20 percent of CalPERS assets are allocated to higher-risk alternative investments, just 14 percent of CalPERS members think that more than 10 percent of the fund is represented by alternative investments.
- Similarly, only 13 percent of NYC Funds members believe that alternative investments represent more than 10 percent of their portfolio, when in reality alternative investments comprise 12 percent of NYC Funds' portfolio.
- More than one-third (37 percent) of CalPERS members want to see their fund reduce the amount they have invested in alternative energy; nearly one-third (32 percent) of NYC Funds members want the same.

Fund Management & Voting

An overwhelming majority of members care about their pension fund's performance above all else, and believe fund managers should act accordingly.

- When asked about fund management, 75 percent of members indicated that the most important issue for fund managers should be to focus on maximizing returns and getting the pension fully funded, while just 14 percent want fund managers to focus first and foremost on advancing social and political causes.
- Of the members who identified returns as the most important area of focus for pension fund managers, 86 percent believe the fund should make decisions to maximize returns, not to advance

social or political causes.

- Of the members who identified the advancement of social and political causes as important for management, 90 percent indicated that fund performance is still somewhat or very important.
- Approximately two-thirds of members (63 percent) believe investment managers should focus their time and resources first and foremost on ensuring that investments meet or exceed both the fund's target level and the overall market performance, while just 11 percent believe managers should use fund resources to advance worthy political and/or social causes.

Members also seek greater transparency from their pensions given that significant costs are incurred by the fund as part of the shareholder proposal voting process. Pension funds receive and vote on thousands of shareholder proposals a year, few of which have majority support, leaving some investors concerned that the time and resources dedicated to this could be better spent elsewhere.

- Nearly three quarters (74 percent) of members feel their fund should abstain from voting on a proposal if it cannot explain and justify its vote. This is especially true of NYC Funds members (86 percent) and CalPERS members (77 percent).
- Eighty-nine percent of CalPERS members are slightly or very concerned that extensive voting on shareholder proposals is diverting time and resources from more important priorities.
- Forty-six percent believe CalPERS may have gone too far with its challenges to companies, with members 71 and over the most concerned about this (51 percent).
- Forty-three percent believe every dollar spent on these activities is one less dollar allocated to leveraging the best investment research available, with members age 31 – 50 most concerned about this (50 percent).
- A full 90 percent of NYC Funds members indicate they are similarly slightly or very concerned that fund management is focused on the wrong issues.
- Nearly half (48 percent) believe NYC Funds may have gone too far with its challenges to companies, with members age 30 and younger most concerned about this (51 percent).
- Forty-one percent believe that every dollar spent on these activities is one less dollar allocated to leveraging the best investment research available, with members age 31 – 50 most concerned about this (45 percent).
- Almost two-thirds (63 percent) of CalPERS and NYC Funds members believe fund managers should focus their time and resources on only those votes for which they can thoroughly analyze the proposal and be well informed, and vote for issues that will benefit the fund's beneficiaries.

Survey Methodology

This survey was conducted online between mid- and late November 2017 and compared CalPERS and NYC Retirement Systems ('NYC Funds') against a "National" group, including individuals from the New York State Common Retirement Fund, the Florida Retirement System, the Missouri State Employees' Retirement System, The Teacher Retirement System of Texas, as well as a small group from other public pension plans. In total, there were 807 CalPERS members, 771 NYC Funds members and 1,687 National members that responded to the survey.

About Spectrem Group

Spectrem Group (www.spectrem.com) strategically analyzes its ongoing primary research with investors to assist financial providers and advisors in understanding the Voice of the Investor.

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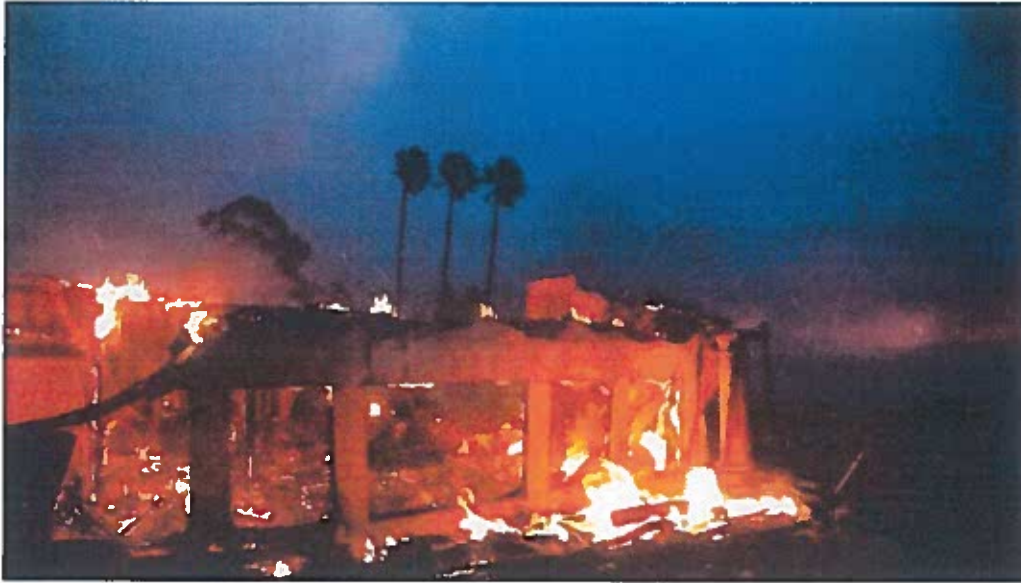
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Trump approves federal aid for Los Angeles County, other fire-ravaged Southland regions

Toni McAllister

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A structure burns in the Creek Fire area. Courtesy Cal Fire

President Donald Trump Tuesday approved [California's request for a presidential major disaster declaration](#) in response to recent wildfires in the state, including those in Los Angeles, San Diego, Ventura and Santa Barbara counties.

Gov. Jerry Brown sent Trump a letter last month requesting the declaration to aid in recovery efforts.

According to the White House, the presidential declaration will free up federal funding for areas affected by wildfires that began Dec. 4.

Brown previously issued a state emergency declaration on Dec. 5 in Los Angeles and Ventura counties and on Dec. 7 in San Diego and Santa Barbara counties. Trump issued a federal emergency declaration Dec. 8 authorizing the Federal Emergency Management Agency and other federal agencies to help respond to the wildfires. At the time, the [Thomas Fire](#) in Ventura County, the Lilac Fire near Fallbrook in San Diego County and a trio of fires in Los Angeles County were still burning.

California's two Democratic senators, Kamala Harris and Dianne Feinstein, sent Trump a joint letter supporting Brown's request.

"This year's wildfire season in California has been nothing short of catastrophic," according to their letter. "Over 1.2 million acres have burned in the state this year. In October, wildfires destroyed thousands of homes and killed 44 people in Northern California. Since the beginning of December, six large wildfires have burned nearly 300,000 acres in Southern California."

The senators noted that two people have died as a result of the Thomas Fire in Ventura County, [including one firefighter — San Diego-based Cal Fire engineer Cory Iverson](#).

Brown said more than 1,000 homes have been confirmed destroyed and that "given past fires and initial estimates for these fires, we expect the damages to well exceed the requirements for federal assistance."

The governor said federal funds will go in part toward removing large amounts of debris to eliminate the threat to public health and safety.

“Prompt removal of the debris is also necessary to enable community rebuilding and economic recovery of impacted communities,” Brown wrote.

Federal funds will also go toward helping those whom state officials expect will be left homeless or displaced for an extended period of time.

Brown requested the major disaster declaration for San Diego, Los Angeles, Santa Barbara and Ventura counties, specifically requesting help from federal disaster-relief programs focused on housing and temporary shelters, unemployment assistance, crisis counseling, legal services and hazard mitigation services.

In Los Angeles County, the Creek Fire near Sylmar scorched more than 15,600 acres, the [Skirball Fire](#) in the Sepulveda Pass burned about 422 acres and the Rye Fire near Santa Clarita blackened more than 6,000 acres.

The Lilac Fire near Bonsall between Fallbrook and Oceanside scorched 4,100 acres and destroyed or damaged more than 200 buildings.

–*City News Service*

Trump approves federal aid for Los Angeles County, other fire-ravaged Southland regions was last modified: January 2nd, 2018 by

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San Diego adding roving fire engines to shrink response times

David Garrick

San Diego will try something new in its uphill battle to shrink emergency response times in the sprawling and increasingly congested city: roving “peak-hour” fire engines not connected to any station and deployed at busy times in busy areas.

City officials say they plan to add six peak-hour engines – three in July 2019 and another three in July 2020 – to help meet a goal of having emergency crews arrive at the scene within seven and a half minutes 90% of the time.

Fire Chief Brian Fennessy said this month that the city is meeting that goal about 79% to 80% of the time, predicting the peak-hour engines could significantly boost that.

The engines will operate with four-man crews from 9 a.m. to 9 p.m. each day in areas where response times have been weak, or where regular crews are not available because of training.

City officials say it’s crucial to have peak-hour engines during late afternoon and evening commute hours, when emergency calls are typically at their highest volume.

To fully staff all six engines, the city plans to hire 48 additional firefighters at a cost of \$6.3 million per year. No capital costs are anticipated because the city has several reserve engines it can use.

Fennessy stressed that peak-hour engines are not a substitute for new fire stations in key geographic locations, which he called the ultimate solution to the city’s response time struggles.

“I’ve never considered serving any of the fire station gaps with peak-hour engines instead of, rather than in addition to, fire stations,” Fennessy told the City Council this month.

Peak-hour engines, however, can shrink response times in areas where new fire stations are badly needed, but where construction has been delayed by lack of money or other problems.

Fennessy said an example is a planned station on the edge of City Heights that outside consultants Citygate called San Diego’s No. 1 response time priority in reports published in 2011 and 2017.

City officials considered seven potential locations in the area before buying a Fairmount Avenue site in May that has significant environmental hurdles.

Those issues have prompted city officials to estimate construction of the three-story station won’t begin until fall 2020, frustrating nearby residents and community leaders.

Councilwoman Georgette Gomez, who represents many of the neighborhoods the station would serve, said it’s baffling that a consultant’s report called for a new station there in 2011 and the city is still three years away from construction.

Fennessy said land in the area is scarce and some other potential sites wouldn’t have had as great an impact on response times in the area.

He said, however, that a peak-hour engine would be ideal for the area until the new station opens.

Other parts of the city likely to be considered for peak-hour engines, based on the 2017 consultant’s report, include Pacific Beach, south University City, Torrey Pines, Rancho Bernardo, Sabre Springs and southeastern San Diego.

Three areas with weak response times slated to get new fire stations are north University City in 2020, Black Mountain Ranch in 2021 and the UC San Diego campus in 2022.

Additional new stations include one already under construction in Little Italy and one planned in the Otay Mesa area.

Peak-hour engines will save the city money compared with quickly filling all of the 12 emergency-response gaps identified by the consultant, Fennessy said.

The savings go beyond just the cost of building 12 new stations at roughly \$15 million per station. Staffing a new station typically adds about \$2 million per year to the city's budget on an ongoing basis.

[Oklahoma's Boomer and Sooner travel to Pasadena](#)

CAPTION

The University of Oklahoma's mascots, two ponies named Boomer and Sooner, made the trek to Pasadena for the 2018 Rose Bowl game. Two student groups, the RUF/NEKS and Lil' Sis, care for them.

[Why camp out for the Rose Parade?](#)

Navigating the Hazy World of Recreational Marijuana Use Following Proposition 64's Passage

By Alysha Stein-Manes on December 28, 2017



Last year, California voters passed Proposition 64 (“Prop 64”), making the recreational use and sale of marijuana generally permissible under California law. Specifically, Prop 64 legalizes the use of marijuana for non-medical reasons by adults *age 21 and over*. While Prop 64 made the use of recreational marijuana legal under *state* law as of November 9, 2016, it only directs the State of California to begin issuing business licenses for the *sale* of recreational marijuana beginning January 1, 2018. Federal law still prohibits possession of marijuana, whether for recreational or medicinal purposes.

On January 1, 2018, the first State-issued licenses will take effect for sales to recreational users. However, the new law provides cities and counties the authority to regulate recreational marijuana businesses, including by banning such businesses in their jurisdictions altogether. Thus, the effectiveness of state licenses may vary from region to region within the state. Several major California cities, including Los Angeles, San Francisco, San Diego, Oakland, and San Jose have already approved regulations permitting sales within their jurisdictions. Other cities, including Riverside, Fresno, Bakersfield, Pasadena, and Anaheim have elected to prohibit recreational sales, either permanently or temporarily.

While cities and counties may regulate the *sale* of recreational marijuana, regulating its usage is within the State’s purview. This appears to mean that a resident of a city that bans the sale of recreational marijuana may not be able to *buy* (or even grow) the product within his or her home city, but he or she will be able to buy the product elsewhere and consume it in a private home within that city’s boundaries (See Health & Safety Code sections 11362.1 and 11362.2(b)).

Given the ability of a private citizen, age 21 and older, to now legally use recreational marijuana throughout the State, Prop 64 raises many issues for employers that currently implement drug free work place policies and drug testing programs.

Does Prop 64 Change an Employer’s Ability to Regulate Marijuana Usage in the Workplace?

Proposition 64 does not change the status quo regarding the enforcement of drug free workplace policies and testing programs. In fact, the language in Prop 64 specifically provides that Prop 64's amendments shall not

[B]e construed or interpreted to amend, repeal, affect, restrict, or preempt: . . . The rights and obligations of public and private employers to maintain a drug and alcohol free workplace or require an employer to permit or accommodate the use, consumption, possession, transfer, display, transportation, sale, or growth of marijuana in the workplace, or affect the ability of employers to have policies prohibiting the use of marijuana by employees and prospective employees, or prevent employers from complying with state or federal law.

This critical language was included in Prop 64 in order to ensure that employers are able to maintain or create their own policies regarding their employees' marijuana use.

Therefore, even after Prop 64's passage, all employers may still prohibit employees from possessing, using, or being under the influence of drugs, including marijuana, in the workplace, while on the employer's premises; while operating employer-owned equipment; while driving employer-owned vehicles; when attending functions or events as a representative of the employer; or while in uniform.

Furthermore, "safety sensitive" employees can still be subject to random drug testing, and those testing requirements and potential consequences of positive testing remain unchanged. All other classes of employees continue to be subject to testing based on the "reasonable suspicion" standard, post-accident, or return to duty situations as addressed in many employer policies. The reasonable suspicion standard likewise applies to searches of an employee's work area. What constitutes reasonable suspicion will depend in part on how that phrase is defined by an employer's drug testing policy.

Employers should consider reviewing current personnel policies and MOUs to determine whether they need to be updated in order to explicitly state the employer's expectations regarding the possession and use of marijuana in the workplace. Employers may also want to indicate in such policies that California law does not legalize recreational marijuana for individuals under the age of 21, public consumption of marijuana or driving while under the influence of marijuana.

Do Employers Now Have to Accommodate the Use of Marijuana for Medical Reasons?

Despite changes to state law, federal law remains unchanged. Marijuana is still considered a "Schedule I" drug under the federal Controlled Substances Act. This means that under federal law, including the Americans with Disabilities Act ("ADA"), employers are not required to accommodate "illegal" drug use, including marijuana usage.

While the status of an employer's obligation to accommodate marijuana usage for medical reasons under state law also appears to remain unchanged following Prop 64's passage, the controlling California case on this issue, *Ross v. RagingWire Telecommunications, Inc.*, may be vulnerable now that California has legalized recreational marijuana.

In the *Ross* case, the California Supreme Court held that employers are not required to accommodate an employee's use of marijuana, even if the marijuana was recommended by a health care professional. The Court noted that, although the Compassionate Use Act of 1996 prohibits people who use marijuana under the care of a physician from being charged criminally, the Act does not grant marijuana the same status as a legal prescription drug. (Health & Safety Code section 11362.5.) Similarly, the Court reasoned that, since the California Fair Employment and Housing Act ("FEHA") does not require employers to accommodate illegal drug use, the employer could lawfully terminate the employee for using medical marijuana. (Government Code section 12940 et seq.) The Court further stated that marijuana cannot be "completely legalize[d] for medical purposes" because

it is illegal under federal law.

Though *Ross* is still good law even though Prop 64 passed, based on the Court's reasoning, it is possible that a court examining identical facts could come to a different conclusion based on California's legalization of marijuana. On the other hand, because marijuana is still designated a Schedule I drug under the federal Controlled Substances Act, a court could point to the federal law and maintain that the applicability of the California Compassionate Use Act and the FEHA are limited

Employers will ultimately have to do a cost benefit analysis if the issue of accommodating an employee's use of marijuana arises. Absent further guidance from the State or the courts, employers should not have to make such accommodations.

What About Conduct Outside of the Workplace?

The legalization of recreational marijuana under California law may pose potential enforcement challenges when implementing workplace drug policies and conducting drug tests on employees. For example, an employee may test positive for marijuana (*i.e.*, the presence of "THC" in their system) based on off-duty consumption. That employee may argue that despite the test, he or she has complied with the letter of the employer's policy because the policy only bans use, possession or being under the influence of marijuana while on the employer's property or while on duty. In fact, many factors impact whether someone tests positive for marijuana, including the person's individual metabolism, frequency of use, amount of use, and type of test (urine, blood, hair) used. Many tests are unable to determine *when* a person consumed marijuana.

Employees generally have a constitutional right to privacy with respect to their off-duty conduct unless such conduct has a nexus to their employment. Whether a court will find a nexus to employment may depend on the particular position at issue. For example, peace officers are held to a higher off-duty standard of behavior than other types of classifications. Employees who come into regular contact with children are often also held to a higher standard.

Employers should review their drug free workplace policies to ensure that they clearly state that an employee may be disciplined for off-duty use under certain circumstances. Such a policy should indicate that off-duty drug use may be subject to discipline if such conduct can be reasonably said to affect an employee's job duties. When disciplining an employee for such off-duty conduct, however, we recommend that employers discuss such discipline with legal counsel.

Where Do We Go From Here?

LCW will be tracking further guidance arising from Prop 64 and its implementing regulations over the coming year and will provide updates as needed.

If you have any questions about this issue, please contact our Los Angeles, San Francisco, Fresno, Sacramento, or San Diego office.

Oceanside Man Killed In Fallbrook Crash

FALLBROOK, CA – A 45-year-old Oceanside man was killed when his car went off a winding road in Fallbrook, struck a boulder and rolled into a tree, the California Highway Patrol said Thursday.

The victim, whose name was withheld pending family notification, was the lone occupant of the 2017 Nissan Sentra that crashed just after 11:50 p.m. Wednesday on northbound Olive Hill Road just west of state Route 76 in the Bonsall area, CHP Officer Mark Latulippe said.

The driver apparently lost control of the sedan on a left-leaning curve on the rural two-lane roadway, Latulippe said. The sedan went off the right side of the road and the victim, who was apparently not wearing a seat belt, was partially ejected when the car hit the boulder, rolled and crashed into the tree.

CHP officers shut down Olive Hill Road at Shamrock Road during an on-scene investigation early Thursday morning. The roadway was reopened about 2:30 a.m. and the crash remained under investigation Thursday.

By City News Service / Image via Shutterstock

Senate Reauthorizes AFG/SAFER and USFA

December 22, 2017

Sunset date for AFG/SAFER grant programs pushed out to 2024.



Fairfax, Va. - The U.S. Senate Thursday night passed the United States Fire Administration, AFG, and SAFER Program Reauthorization Act (H.R. 4661). The House of Representatives passed the same bill Monday. As a result, the measure is on its way to the president's desk, saving the FIRE and SAFER Grant programs from expiring on January 2 and pushing their sunset dates out to September 30, 2024.

The legislation will:

- Authorize \$76.49 million in funding for the U.S. Fire Administration (USFA) through Fiscal Year (FY) 2023..
- Authorize approximately \$750 million each for the Assistance for Firefighters Grant (AFG, also known as the FIRE Grant) program and Staffing for Adequate Fire and Emergency Response (SAFER) Grant program through FY 2023.
- Move the sunset date for the AFG and SAFER Grant programs to September 30, 2024.
- Clarify that SAFER Grant funds can be used to change the status of part-time firefighters to full-time positions.
- Develop online training programs, through USFA, to help fire departments better manage AFG and SAFER Grants.
- Develop a framework and take measures at FEMA to prevent waste, fraud and abuse of AFG and SAFER Grant programs.

The IAFC thanks Senators John McCain (R-Ariz.), Jon Tester (D-Mont.), Ron Johnson (R-Wis.) and Claire McCaskill (D-Mo.) for their leadership in passing H.R. 4661 in the Senate.

The IAFC also thanks Representatives Barbara Comstock (R-Va.), Pete King (R-N.Y.), Bill Pascrell, Jr. (D-N.J.), Dave Reichert (R-Wash.) and Steny Hoyer (D-Md.) for their leadership in passing H.R. 4661 in the House of Representatives.

Chief Thomas Jenkins, IAFC president and chairman of the board, thanks all IAFC members who contacted their federal representatives to urge reauthorization of the FIRE/SAFER Grant programs.

About the International Association of Fire Chiefs (IAFC) The IAFC represents the leadership of firefighters and emergency responders worldwide. IAFC members are the world's leading experts in firefighting, emergency medical services, terrorism response, hazardous materials spills, natural disasters, search and rescue, and public safety legislation. Since 1873, the IAFC has provided a forum for its members to exchange ideas, develop professionally and uncover the latest products and services available to first responders. [Learn more](#)



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[Newsmakers](#) December 12, 2017

CalPERS Reports 11.2% Return for Fiscal Year 2017

Portfolio gains led by public equities, which returned nearly 20%.



The \$344 billion California Public Employees' Retirement System (CalPERS) reported an 11.2% net investment gain for the Public Employees' Retirement Fund (PERF), and an increase of more than \$24 billion in assets for the fiscal year ending June 30, 2017.

CalPERS attributed the double-digit returns to strong financial markets, as the portfolio was led by its public equity program, which returned 19.6% for the year. Private equity also buoyed the portfolio, delivering a 13.9% net return,

followed by real assets, which returned 7.4%. It also reported three-, five-, and 10-year returns of 4.6%, 8.8%, and 4.4%, respectively.

Investment assets stood at \$326.4 billion for PERF, which had a funding level of 68.3% as of June 30, 2016. CalPERS said that as a result of the discount rate change from 7.5% to 7% through the three-year phase-in, the PERF funded status is estimated to be 68% as of June 30, 2017. This estimate assumes a 7% discount rate that will be in effect in fiscal year 2019-20 for the state, and fiscal year 2020-21 for schools and public agencies.

“We have a clear plan forward to ensure long-term sustainability of the Fund and to increase our funded status, but it will take time,” said CalPERS CEO Marcie Frost in a statement. “Our plan to raise the funded status is built on three strategies: addressing financial challenges, operating our organization as efficiently as possible to contain costs, and following sound investment principles.”

In late 2016, the CalPERS Board voted to lower the discount rate for the PERF from 7.5% to 7.0% over the next three years. The move “was done to give employers more time to prepare for the changes in contribution costs,” wrote CalPERS CIO Ted Eliopoulos in the fund’s comprehensive annual financial report. “While this means many

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employers and employees will see increases to their costs, it also brings the PERF more aligned with what CalPERS can responsibly assume to return from our investments over the longer term.”

The one-, three-, five-, and 10-year returns for public equity are 19.6%, 5.3%, 11.6%, and 4.4%, respectively, while the one-, three-, five-, and 10-year returns for private equity are 13.9%, 8.1%, 11.5%, and 9.3%; and the one-, three-, five-, and 10-year returns for global fixed income, and real assets is 0.3%, 3.5%, 3.4%, and 6.5%; and 7.4%, 8.6%, 10%, and (0.9%), respectively.

CalPERS also reported that as of June 30, 2017, the asset allocation for PERF was 48.3% in global equity, 19.4% in global fixed-income, 11.2% in real assets, 8.0% in private equity, 7.8% in inflation assets, 4.8% in liquidity, and the remaining 0.5% was allocated to “Total Plan Level,” which includes multi-asset class, absolute return strategies, transition, and plan level portfolios.

The PERF said it paid \$21.4 billion in annual pension benefit payments to nearly 670,000 retirees and beneficiaries—an increase of 3% from the previous fiscal year’s total of nearly 650,000 retirees and beneficiaries.

Tags: [CalPERS](#), [pension](#), [Public Employees' Retirement Fund](#), [returns](#)

A Smaller Public Workforce Means Deteriorated Services, Right? Not Necessarily.

December 20, 2017



Government officials are at a crossroads. (Shutterstock)

Two recent *Governing* news reports, "[A Downsized Public Workforce May Be a Permanent Consequence of the Recession](#)" and, just a week later, "[State Spending Grows at Lowest Pace Since Great Recession.](#)" should be a red flag for public officials. Neither article suggests that a turnaround is in the foreseeable future. That suggests that governments are at a crossroads -- that they either will need to accept deteriorating government services as the new reality or adopt what for jurisdictions operating with traditional management practices would be a radical rethinking of the way work is organized and managed.

The second route would be a far smarter one for state and local governments, for their employees and for the public they serve, and there's plenty of experience in the private sector for them to draw on. The 1990-91 recession, along with increasing global competition, hit profitability severely and prompted corporations to abandon decades-old thinking. To that point, business organizations had not seen meaningful change since the post-war era. Executives made the decisions, managers carried out their commands and workers did what they were told. Companies were organized and managed as top-down, control-oriented hierarchies.

Workers were a cost to be controlled and minimized. Satisfying performance standards was all that was expected. What today is understood to be high performance was not a consideration.

But declining profitability prompted radical change. Layers of management were eliminated, decision-making was delegated and bureaucratic practices were eliminated, all to reduce costs and make companies more competitive. The old textbooks on organizational planning and work systems were effectively discarded. W. Edwards Deming, the Total Quality Management guru, was an early catalyst, arguing that front-line workers should be trusted. TQM

was followed by re-engineering and the growing recognition that empowered workers could play a valued role in improving the efficiency of operations.

A meta-analysis in the early 1990s, based on more than 100 productivity studies, concluded that rethinking the work/management paradigm could trigger productivity gains of at least 30 to 40 percent. The years since have seen a revolution in management thinking. The business press through the decade reported significant performance gains when workers were empowered to address problems. Workers in a variety of settings now function independently and see their managers only occasionally. Research confirms that employees find the experience satisfying and rewarding.

The obvious point is that performance gains mean that fewer workers are needed. Technology is important, but the focus should be on fully utilizing the capabilities employees already have.

There are, to be sure, public employers that have adopted proven practices to raise performance levels. Tennessee's success [was chronicled](#) in *Governing's* November issue. And I recently posted [a column in this space](#) describing the significant gains and cost savings of Denver's Peak Performance program. Unfortunately, however, similar stories are rare. For the most part, state and local government lags far behind the private sector in rethinking the way work and workers are managed.

The barriers are obvious: decades-old civil service laws; elected officials focused on public-policy issues and who have little if any experience managing large employee groups; unions and an aging workforce that resist change; and supervisory practices that make government jobs unattractive to millennials.

Little help is coming from academia. Like elected officials, public-administration experts are focused primarily on policy concerns. In contrast to the private sector, there has been comparatively little research on innovative work practices.

And unfortunately, experts on people management have not been influential in government. Few human-resources directors report directly to elected officials. Their role [continues to be dominated by administrative duties](#). Only a few HR directors have organizational roles that enable them to be accepted as champions for needed change.

We know what policies and practices can be expected to raise performance levels. Reform is not a simple problem, nor is the issue one that can be solved quickly, but the potential for improved results in government is certainly the same -- if not higher -- as in successful companies.

A possible early step would be to identify and publicize success stories. That's effectively what Denver has done. The former Peak Performance director is now a popular speaker at conferences. That is a success story that could be adopted at minimal cost in every jurisdiction.

Another possible step would be for government groups to undertake comparative studies to grade performance, as the Volcker Alliance [did recently for state budgeting](#). Financial-management procedures were given grades of A to D-minus, and the report proposed a set of best budgeting practices.

Broad-based studies to assess workforce-management practices in government have never been undertaken, and what attention has been paid to best practices has not triggered widespread change. Grading management practices could provide the needed impetus. And it's time for ineffective practices to be criticized.

There is no reason to accept the argument that nothing can be done to stop or reverse service deterioration in government. The book *Reinventing Government* was published 25 years ago. The expectations it created were high, but in far too many states and localities reinvention has been forgotten. There can be no justification for continuing to rely on outdated management practices -- none. Change is possible; we know what needs to happen; the common thread in the few success stories we do have is the importance of strong, credible leadership.



Did The California Supreme Court “Rip A Huge Hole” In Prop 13 & 218?

Ethan Elkind

UPDATE: This post has been modified from its original version to reflect some ambiguity in the court's decision that I missed on first read.

California local governments have long been stymied in efforts to raise taxes for basic infrastructure and services by California's constitution. Two voter-approved constitutional amendments, Prop 13 and Prop 218, require that any new local “special tax” (i.e. for a specific purpose and not for general revenue for the government) receive two-thirds voter approval.

It's a high bar that has made it more difficult for locals to fund transit, parks, and other specific needs. And when local governments do secure two-thirds support, the initiatives are often the result of promises to spread the revenue around to make as many voters happy as possible, rather than prioritizing efforts to spend the money as cost-effectively as possible (the two are not always synonymous).

So it's potentially a big deal that the California Supreme Court ruled today that any city or county “general tax” measure (i.e. not one for a specific purpose like transit or parks) that is placed on the ballot via the initiative process (a petition signed by 15 percent of the city's voters) is not bound by Prop 218 requirements. Because the court's reasoning could similarly apply to “special taxes” that otherwise require a two-thirds supermajority, it potentially opens the door for simple majority approval of any new tax measure placed by special interests.

The facts of [California Cannabis Coalition vs. City of Upland](#) involve a nonprofit that secured enough signatures to get a medical marijuana initiative on the ballot in the City of Upland. The initiative included proposed fees on new dispensaries, but the city council concluded the fees were too high. As a result of the excess revenue, the city deemed the fees to be a general tax requiring majority approval under Prop 218 in the next general election.

The case ironically ended up being moot for these parties, as the Upland ballot measure was defeated handily by city voters. But the Supreme Court wanted to rule on the question as to whether or not Prop 13 and Prop 218 meant to cover all local tax measures placed on the ballot, regardless of they got there — or just the ones placed on the ballot by “local governments” (i.e. the city, county or local agency).

Ultimately, the court concluded that the voter initiative power can only be limited when measures like Prop 13 or Prop 218 specifically state that they're limiting these powers. Otherwise, they only apply to government entities like a city council or transportation agency.

The potential result is that any citizen, nonprofit or business group that wants to place a special tax measure or fee on the ballot for something like a new school or transit line may only need a simple majority voter approval, provided they can get enough signatures for their measure. And unless barred by some other law, I gather there's nothing stopping agency representatives or elected leaders in their individual capacities from sponsoring these campaigns in ways that essentially amount to the city, county, or agency sponsoring the measure themselves.

As an example, take a transit sales tax measure in a place like Los Angeles County. In the past, the county's transportation agency, LA Metro, has sponsored these initiatives under their state law grant of authority, and the county supervisors have approved placing them on the ballot. Due to Prop 218, they've required two-thirds approval.

But now suppose an elected leader who serves on Metro, or a nonprofit or business group closely aligned with Metro, wants to place such a tax measure on the ballot. Provided they can fundraise for the signature gathering

(which would be expensive in a county as large as Los Angeles), they would now only need a simple majority approval at the ballot box. In short, this decision could be transformational for local “self-help” efforts to fund badly needed infrastructure projects.

Or as Jon Coupal, head of the pro-Prop 13 Howard Jarvis Taxpayers Association tweeted after the decision, described it:

At a time when California is struggling to reduce emissions from the transportation sector due to growing commutes from the lack of housing and transit near jobs, this decision could be significant for finally allowing locals the flexibility they need to fund these investments. Under *California Cannabis Coalition vs. City of Upland*, local government finance for a host of environmentally significant projects, from parks to transit to infill housing infrastructure, may have just gotten easier to pass.

California wildfires prompt tougher rules for utilities

The Associated Press

Devastating California wildfires this year — and expectations of more to come under the extremes of climate change — prompted regulators Thursday to toughen rules for utility companies to keep power lines clear of brush and tree branches that can easily spark into flames.

Public Utilities Commission president Michael Picker called the regulations adopted unanimously by the board "a major rewrite" of the state's fire-prevention rules for utilities as climate change drives up wildfire risks in much of California.

In a year when the state's fire season threatens to go year-round, state officials "accept and acknowledge that the scope of the problem is changing," Picker said.

The board's action comes as fire officials look for the causes of wildfires currently burning in Southern California, including a 380-square-mile (980-square-kilometer) fire that has become the fourth-largest in state history. The Los Angeles Times on Thursday quoted a witness as saying she saw arcing power lines throwing sparks at the scene of one of the fires in the San Fernando Valley.

Fire officials also are looking at any role that sparks from wind-whipped power lines played in October's wildfires in Northern California, which killed 44 people and caused more than \$9 billion in property damage, more than any fire recorded in the United States, according to insurance industry figures.

The new state rules for utilities, power lines and vegetation concentrate on areas deemed of higher fire risk. The changes increase the minimum space among power lines and between power lines and vegetation, and speed up timetables for patrols and repairs in areas of higher fire risks.

The agency first began considering the issue after a series of Southern California wildfires in 2007. Those fires were tied to swaying and arcing power lines, some of which fell during heavy winds.

Currently, a redrawing of California's fire-risk maps is more than doubling the area that officials consider at heightened risk of wildfire, from 31,000 square miles (80,000 square kilometers) to 70,000 square miles (180,000 square kilometers), or 44 percent of the state's land.

State officials and climate experts point to increasing extremes of weather in California, which last winter swung from five years of drought to near-record rain.

The U.S. Forest Service this week reported a record 129 million trees have perished, raising fire risks, in the state since the drought began. They were killed by hot, arid weather and forest pests that are thriving in the warmer conditions.

Utility companies cooperated with regulators in developing the tougher rules.

"PG&E supports this as a good, next step, and we know there is more to do," the state's largest utility, Pacific Gas & Electric Co., said in a statement.

Wildfires prompt San Diego to spend \$33M on modern chopper, large hangar

David Garrick

San Diego is spending \$33 million on a cutting-edge firefighting helicopter and a new hangar at Montgomery-Gibbs Field to house the new chopper and two older models the city operates.

City officials said the new chopper will play a key role in helping San Diego fight larger and more aggressive wildfires that California has begun experiencing as climate change accelerates.

The City Council this week unanimously approved \$20 million for the new chopper, which is capable of dropping nearly three times the water of the city's current choppers — 1,000 gallons versus 375 gallons.

The council also approved spending just under \$13 million on the hangar, but that approval came after a contentious debate about whether the money would be better spent on building fire stations in neighborhoods with weak response times.

A consultant's report released in the spring recommended San Diego prioritize new stations to fill geographic coverage gaps in six areas of the city with response times that exceed national standards.

[Study says San Diego needs more fire stations, new approaches](#)

Based on that report, the city's independent budget analyst recommended the council consider spending the money earmarked for the hangar on a new station or some other public safety priority.

"While the project would serve the needs of the city, the helicopter hangar would not move the city toward its previously identified high priority goal for the Fire-Rescue Department of reducing emergency response times in areas of the city where service level standards are currently not being met," Chris Olsen, fiscal and policy analyst for the IBA, told the council during a Wednesday hearing.

Three council members agreed and lobbied their colleagues to delay a decision until next year on the hangar money, which is part of a \$23 million payout the city is receiving under a 1998 national settlement with tobacco companies.

Council President Myrtle Cole said boosting coverage in neglected areas of the city is more important than a hangar for helicopters.

"With the increasing number of fires and emergencies, it is important that our communities have equity in service," she said.

Fire Chief Brian Fennessy said fire stations remain the highest priority for the city, but that the tobacco money must be spent within three years and the hangar is the only shovel-ready project the department has right now.

A fire station planned for Fairmount Avenue near City Heights, the city's highest priority station, can't be built that quickly because of environmental hurdles on land the city recently bought for the station, he said.

The chief also emphasized that the hangar is a crucial project.

"Aside from the new helicopter, I've got \$16 million worth of aircraft sitting out in the weather," said Fennessy, referring to the two choppers the city already owns. "This is a citywide response vehicle that needs to be housed."

Councilman Scott Sherman agreed, saying it would be shortsighted not to properly house the \$20 million helicopter.

"To me, that would be like going down to a car lot and buying a Lamborghini and taking it home and throwing it out on a dirt lot," Sherman said.

The council voted 7-2 in favor of funding the hangar project, but added stipulations that city officials create a timeline for new fire stations by January and a funding plan for the Fairmount station by February.

Fennessy said having three choppers instead of two would ensure the city has at least two available at all times, explaining that the choppers are frequently out of service for maintenance and repairs.

The new helicopter is called a Firehawk, which Fennessy said is quickly becoming the standard for attacking wildfires.

The [Los Angeles County Fire Department](#) owns three and is buying two more, and the California Department of Forestry and Fire Protection agreed last week to buy 12, he said.

In addition to dumping water on wildfires, it can conduct hoist-air rescues, shoreline rescues, swift-water rescues, night vision goggle operations, patient transports, vehicle rescues, large animal rescues and infrared detection.

Fennessy said the city needed to upgrade its choppers in the face of greater wildfire danger.

"Climate change is causing year-round fire seasons," he said. "Fires are spreading more rapidly and becoming larger, and we're seeing greater loss of life and structures than we've ever seen before."

The city's existing firefighting helicopters are made by Bell.

The first was manufactured in 1980 and bought by the city in 2005, just over a year after the notorious 2003 Cedar Fire made clear the region lacked adequate resources to fight wildfires.

The second was bought new in 2008, shortly after the 2007 Witch Fire. Fennessy said it's more effective and reliable and gets much more use by firefighters than the 1980 model, but noted it has the same water capacity — 375 gallons.

The purchase of the chopper would include a \$9.8 million initial payment and then payments including interest averaging \$2 million per year through 2029. It would not be eligible for the tobacco money because it's not a construction project.

[Three must-see headlines](#)

NFPA Journal - Large-Loss Fires 2016

Last year, 25 fires in the United States resulted in losses of at least \$10 million each, for a total of \$1.4 billion in direct property losses. For a bit of perspective, though, that figure was dwarfed by a single Canadian wildfire.

BY STEPHEN G. BADGER

NFPA REPORTS ANNUALLY on large-loss fires and explosions that occurred in the United States the year before. Those fires are defined as events that result in property damage of at least \$10 million. There were 25 such fires in 2016, resulting in a total of over \$1.4 billion in direct property losses. In order to compare losses over the past 10 years, we adjust losses for inflation to 2007 dollars. When adjusted for inflation, the number of fires in 2016 that would have been categorized as large-loss fires—that is, fires resulting in a loss of \$10 million in 2007 dollars—drops to 18, with an adjusted loss of slightly more than \$1.2 billion.

In 2016, six fires—four fewer than the previous year—resulted in more than \$20 million each in property damage. These fires resulted in a combined property loss of \$1.2 billion, or 83.2 percent of the total loss in large-loss fires and 11.4 percent of the total fire losses in the United States in 2016.

According to "[Fire Loss in the United States During 2016](#)," published in the September/October issue of NFPA Journal, U.S. fire departments responded to an estimated 1,342,000 structure and nonstructure fires, which resulted in an estimated loss of \$10.6 billion. Many of these fires were small or resulted in little or no reported property damage. Although the 25 large-loss fires accounted for only 0.002 percent of the estimated number of fires in 2016, they accounted for 13.2 percent of the total estimated dollar loss. In addition, those 25 fires accounted for 14 civilian deaths, with another 183 civilians and eight firefighters injured. Last year was the eighth year out of the past 10 that a wildland/urban interface (WUI) fire topped the list of the year's biggest large-loss fires. In three of those years, 2011, 2015, and 2016, wildfires accounted for the largest and second-largest fires, and in 2007 the three largest fires in terms of estimated loss were WUI fires. In the past 10 years, there have been 33 wildland fires that accounted for more than \$10 million each in direct property losses. In human terms, these fires have been responsible for 31 deaths, 278 injuries, and \$7.3 billion in loss to property.



Neighborhood Conflagration A 10-alarm fire in Massachusetts began in a building undergoing renovations. Strong winds spread the fire to a neighboring structures, eventually damaging or destroying 16 buildings and a row of vehicles parked on the street. Losses were estimated at \$10 million. No deaths or injuries were reported.

Photograph: Getty Images

In each of the past 10 years, at least one fire has resulted in a loss of more than \$100 million, with a total of 26 such fires occurring over that period. Of these largest-loss fire events, 14 were WUI fires, 10 were structure fires, and two were vehicle fires. The two largest fires, both WUI fires, resulted in losses of more than \$1 billion.

In 2016, two fires with losses greater than \$100 million occurred; both were WUI fires, and one of them included losses that approached \$1 billion. That fire, the Chimney Tops 2 Fire in Tennessee, occurred in November and caused \$911 million dollars in damage, the third-highest damage total in NFPA records in the past 10 years and the eighth-highest in all NFPA records of U.S. fires. (Of those fires that were larger, six were wildfires and one was the 9/11 terrorist attack on the World Trade Center in New York.) The other 2016 fire that topped \$100 million in losses was the Clayton Fire, a California wildfire that resulted in nearly \$175 million in damage.

The Chimney Tops 2 Fire was set on Chimney Tops, a mountain in the Great Smoky Mountains National Park, and was first reported about 5:30 p.m. by park firefighters who observed smoke from the top of the hills. The fire originally involved almost inaccessible terrain distinguished by cliffs and thick vegetation, so water drops were

made by helicopters to assist in extinguishment. The fire burned for several days before a weather change in the early morning hours of November 28, including winds gusting to nearly 80 miles per hour (128.7 kilometers per hour), that blew the fire into residential and business areas of several communities outside the park. The National Weather Service had issued high-wind watches for the area on November 27 when the fire was at about 35 acres (14 hectares). The fire burned for several more days before it could be contained and extinguished, during which time evacuation orders were issued for the communities in the path of the fire. By the time the flames were extinguished, the fire had charred 17,140 acres (6,936 hectares) and destroyed 2,460 structures, including 2,100 homes and 60 businesses. The fire was responsible for 14 deaths and more than 150 injuries. Two juveniles were arrested and charged with arson, but the charges were later dropped.



California Nightmare A wildfire in Northern California destroyed an estimated 300 structures and resulted in nearly \$175 million in property damage. Photograph: AP/Wide World

The Clayton Fire broke out at about 5 p.m. on August 21 in Lake County, in Northern California. The fire was determined to be incendiary and a suspect was arrested. The fire was fought for several days until an increase in the wind speed and direction prevented firefighters from keeping up with the blaze, and the fire moved into residential areas. At this time, temperatures were in the 90s degrees F (30s degrees C), winds were 12 to 14 mph (19 to 23 kph) with gusts of 19 to 24 mph (31 to 39 kph), and the relative humidity dropped from 30 percent to 18 percent. By the time the fire was contained, it had

charred nearly 4,000 acres (1,619 hectares) and destroyed 300 structures, damaging 28 others.

Where the fires occurred and how

Of the 25 large-loss fires in 2016, 22 involved structures and resulted in a total property loss of \$348.6 million, or 24.1 percent of the combined losses for all large-loss fires. The other fires included the two WUI fires and one vehicle fire (a towboat) that resulted in combined losses of \$1.1 billion, or 75.9 percent of the losses in all the large-loss fires.

Six fires each broke out in storage properties and special properties. Of those, four were warehouses (one containing textiles, one with store merchandise, one with miscellaneous equipment, and one with unreported contents), one was a pallet storage yard, and one was a mini-storage facility. The combined losses in storage properties was \$115.5 million. In special properties, four fires occurred in structures that were under construction, including three apartment buildings and a hotel, and two occurred in properties that were under renovation, including an apartment building and a mixed-use property. The combined losses in special properties was \$87.2 million.



Blast Aftermath Oregon firefighters search through rubble of an office building destroyed by a natural gas explosion. Three firefighters and five civilians were injured in the blast, which resulted in more than \$7 million in property damage. Photograph: AP/Wide World

Four fires occurred in manufacturing plants—the facilities produced, respectively, baby food, chemicals, and vehicle parts, and one was a recycling plant—causing a combined loss of \$57.1 million.

Three large-loss fires occurred in stores and office properties, including two stores with losses totaling \$31.9 million and one office building with a loss of \$17.2 million, for a

combined loss of \$49.1 million.

Two fires occurred in the WUI, resulting in combined losses of nearly \$1.1 billion, and two fires occurred in public assembly properties (both were restaurants), with total losses of \$25.5 million.

One fire each occurred in a residential property (an apartment building, with losses of \$14.2 million) and a vehicle (a towboat, with losses of \$10.2 million).

The cause and origin of fires was undetermined or reported as unknown in 17 of the fires. In several cases, the destruction was so massive that investigators could not make a definitive cause determination or could not rule out several possibilities. Other fires are still under investigation. Cause was reported for eight of the 25 fires, including six of the structure fires. Three of the structure fires were due to a mechanical failure of some sort, two were caused by torch operations too close to combustibles, and one structure fire was reportedly due to an electrical failure of unknown type. The causes of the two WUI fires and one structure fire were listed as incendiary. The property loss in the three incendiary fires totaled almost \$1.1 billion, or 76.2 percent of the losses in the 25 large-loss fires.



Mountain Catastrophe A wildfire in Tennessee killed 14 people and resulted in losses of more than \$900 million. Photograph: Newscom

Operating status was reported for 14 of the 22 structure fires and the towboat fire. In 10 cases, the facility was open and operating, with eight at full operation and two in partial operation. Four were closed and the properties were unoccupied, accounting for \$69 million in losses. Five of the fires broke out between 11 p.m. and 7 a.m. These fires had a total direct property loss of \$83.5 million.

Smoke detection and automatic suppression equipment

Information about automatic fire or smoke detection equipment was reported for 15 of the 23 large-loss structure and towboat fires. Of those 15 fires, nine occurred in properties that had no automatic detection equipment installed. Six properties had smoke alarms present. Five of the systems operated as designed, and the operation in one fire was not reported.

Information about automatic suppression equipment was reported for 17 of the 23 structure and towboat fires. Of those 17 fires, seven properties had systems present and 10 had no systems. Four of the seven had wet pipe systems, one had a dry pipe system, one had a carbon dioxide system, and the type of system in the seventh fire was not reported. In three cases, the systems operated. In one of those three cases, the fire department reported that the system was ineffective due to a lack of water resulting from a pump failure during an electrical outage at a well that supplied the area. In another fire, five sprinklers operated and controlled the fire. In the third, the sprinkler system was not in the area of origin but when it operated, it did extinguish fire in its coverage area. In two fires, the systems did not operate, in one case it had been shut down prior to the fire and the other the system was installed but not completed when the fire broke out. In the remaining two incidents, the operation of the suppression system was not reported.

Six large-loss fires
topped
\$20 million
each in 2016,
totaling



WILDFIRE, Tennessee
\$911m
WILDFIRE, California
\$175m
WAREHOUSE FIRE, California
\$40m

WAREHOUSE FIRE, Minnesota
\$25m
CONSTRUCTION SITE, California
\$20m
MIXED PROPERTY STRUCTURE
UNDER RENOVATION, Washington
\$20m

\$1.19 BILLION

Of the 15 fires for which information on the presence of both detection and suppression equipment was reported, eight had neither an operational detection system nor an operational suppression system. Both types of systems were available in five incidents, and one property had only suppression equipment and one had only detection equipment.

What we can learn, where we get our data, and acknowledgements

Adhering to the fire protection principles reflected in NFPA's codes and standards is essential if we are to reduce the occurrence of large-loss fires and explosions in the U.S. Proper construction, proper use of equipment, and proper procedures in chemical processes, storage, and housekeeping will make fires less likely to occur and help limit fire spread should a fire occur. Proper design, maintenance, and operation of fire protection systems and features can keep a fire that does occur from becoming a large-loss fire.

NFPA identifies potential large-loss incidents by reviewing national and local news media, including fire service publications. A clipping service reads all U.S. daily newspapers and notifies NFPA's Research Division of major large-loss fires. NFPA's annual survey of the U.S. fire experience is an additional data source, although not the primary one. Web searches have proved useful in several cases where fire department and government reports have been released and published.

Once a fire has been identified, the NFPA requests information about it from the fire department or agency having jurisdiction. We also contact federal agencies that have participated in investigations, as well as state fire marshals' offices and military sources. The diversity and redundancy of these data sources enables NFPA to collect the most complete data available on large-loss fires.

NFPA would like to thank the U.S. fire service for its contributions of data, without which this report would not be possible. In some cases, the fire department, forestry officials, or government officials were unable to contribute complete details to NFPA because legal action is pending or ongoing, the incident was of a sensitive nature, or the size of the situation was overwhelming. The author also wishes to thank the staff of NFPA's Research Division for providing the support this study requires.

This report includes only fire incidents for which NFPA has official dollar-loss estimates. There are other fires that may have large losses but no official information has been reported to NFPA.

STEPHEN G. BADGER is a fire data assistant in NFPA's Applied Research Group and a retired firefighter from the Quincy, Massachusetts, Fire Department. Top Photograph: Getty Images

UC San Diego's WIFIRE tool predicting wildfire's path

Amanda Brandeis

LA JOLLA, Calif. (KGTV) - UC San Diego scientists are helping fight wildfires up north from behind their computers.

Their online tool, WIFIRE, provides valuable information for both the public and first responders.

With [WIFIRE](#), the public can monitor fire maps created with real-time data from different sources. The public can see the fire perimeter, wind speeds, temperatures, humidity and even fuel growth.

The team also created a tool that predicts fire behavior six hours out.

"When you know where the fire is going you can plan evacuations, can inform the public of what's going on, and more importantly make data-driven decisions," said Ilkay Altintas, the Chief Data Science Officer for the San Diego Supercomputer Center.

The prediction tool is only available to firefighters. Altintas says to an untrained eye, the prediction models could be more harmful than helpful. In a dynamic fire environment, models can turn out to be inaccurate. Altintas relies on fire authorities to analyze the data and then decide what information the public needs to know.

[You can access WIFIRE 24 hours a day.](#)

Gov. Jerry Brown says world must fight climate change in visit to Ventura County's Thomas fire – Daily News

Gov. Jerry Brown warned that the state's fire seasons will continue to get longer and more volatile, and called for a global fight against climate change after visiting devastated parts of Ventura County on Saturday morning.

The [Thomas fire](#), the largest of Southern California's six continuing infernos, expanded from 148,000 to 155,000 acres and was only 15 percent contained in its sixth day, even as officials flooded the area with local, state and federal firefighters and equipment — including two C-130 military transport aircraft.

The blaze destroyed 600 structures and threatened more as it spread north toward Santa Barbara. Already, \$17 million has been spent on fire-suppression efforts, the Ventura County Fire Department reported.

“This is the new normal,” Brown said, in a news conference after his tour. “We’re facing a new reality where fires threaten peoples’ lives, their properties, their neighborhoods and cost billions and billions of dollars. We have to have the resources to combat the fires, and also have to invest in managing our vegetation and forests and all the ways we dwell in this very wonderful place — but a place that’s getting hotter.”

Brown surveyed the fire damage and met with residents before joining local, state and federal officials at the command post at the Ventura County Fairgrounds in Ventura.

Brown has declared a state of emergency and authorized the deployment of 1,200 National Guard members to assist firefighters. California Highway Patrol and the Federal Emergency Management Agency are also supporting local and state fire officials.

On Friday, Brown requested that President Donald Trump approve an emergency declaration for more funds.

“There have (historically) been very long droughts in California and we are getting some of those returning very bad, and we’re going to get them returning more often,” Brown said. “And then, with climate change, some scientists are saying California is literally burning up.”

CalFire Chief Ken Pimlott said the six fires across southern California pose a special challenge to emergency responders because of prolonged volatile wind gusts and extremely dry conditions.

There are 8,500 firefighters attacking the six fires, which have burned 175,000 acres in total since Monday and destroyed 793 structures.

“The winds are variable and they will continue to be strong and dry through tomorrow and even next week,” Pimlott said. “It’s December and it’s amazing to see that we aren’t out of fire season. This is the challenge we face.”

As of Saturday morning, this was the status of other fires across southern California:

- In San Diego County, the [Lilac fire](#) was burning on 4,100 acres, at 20 percent containment.
- The [Creek fire](#), in the San Fernando Valley, was 80 percent contained across 15,619 acres.
- The [Rye fire](#) near Magic Mountain consumed 6,049 acres and was 65 percent contained.
- In Bel-Air and Brentwood, the [Skirball fire](#) was 75 percent contained inside 421 acres.
- The [Liberty fire](#) burned on 300 acres and was 90 percent contained in Murrieta.

Despite the continuing threat of winds sparking new fires, emergency responders have begun planning recovery efforts for individuals and government resources affected.

“We have to respond, but we have to plan what we can do in the forests and neighborhoods,” Brown said. “And we also have to deal with the larger challenge, which is climate change itself. I know that’s maybe a little remote, but it’s real and we’re experiencing what it’s going to look like on a very regular basis. That requires people everywhere in the whole world to pull together in the largest sense possible and take the heroic action we need to make our communities livable now and in the distant future.”

California Governor Calls Wildfires 'the New Normal'

BY: [Tribune News Service](#) | December 11, 2017

By Ruben Vives and Melissa Etehad and Jaclyn Cosgrove

Gov. Jerry Brown surveyed the devastation Saturday in Ventura -- the area hardest hit by firestorms that have displaced nearly 90,000 people in Southern California -- calling it "the new normal."

The visit came four days after Brown declared a state of emergency in response to the wildfires. In all, blazes from Ojai to Oceanside have destroyed more than 790 structures and burned 175,000 acres.

During a news conference at the Ventura County Fairgrounds, Brown said climate change may exacerbate the weather conditions that caused the wildfires to explode. He expressed sympathy for residents who had lost their homes and animals, saying the fires were horrific and a "terrible tragedy for so many people."

"This could be something that happens every year or every few years," he said. "We're about to have a firefighting Christmas."

By Saturday evening, officials said, the Thomas fire had crossed into Santa Barbara County. Residents in coastal communities, including Carpinteria, were told to be prepared to leave if necessary.

Dave Russell, a deputy incident commander for the California Department of Forestry and Fire Protection, said his greatest concern for Carpinteria is if the fire moves into nearby creek beds, which can have a chimney-like effect, pushing the fire quickly along the creek's path.

Fifty fire engines sat waiting across Carpinteria on Saturday evening, along with strike teams that could spring into action if the fire moved toward the coastal community.

Still, the approximately 8,500 firefighters battling the six wildfires were making progress.

As Santa Ana winds finally died down Friday, crews began to bring some of the largest fires under control. But red flag warnings remained in effect, and forecasters said the Santa Anas were expected to return to Southern California Saturday evening.

Firefighters had a successful day battling flames on the southern edge of the Thomas fire -- working toward the coast as well as parts of Ojai -- thanks to wind conditions and crews' ability to improve the fire lines they had established, according to Bill Murphy, a Cal Fire spokesman.

In the last six days, the Thomas fire has burned 155,000 acres and forced 88,000 people to flee their homes. Official estimates have put the cost of combating the fire at \$25 million.

Across Ventura County, blackened hillsides and charred palm trees with only their trunks remaining have become a common sight.

By Saturday evening, the blaze was 15% contained. Evacuations had been lifted for most of the city of Ventura and for Santa Paula.

The cause of the fire, which began Monday east of Highway 150 near Thomas Aquinas College, is under investigation.

Firefighters continued to encounter difficulty on the east side of the blaze, where helicopter crews dropped water above the city of Fillmore. But they made progress near Highway 33 and the 101 Freeway, on the west side of the blaze.

"This is a complex fire," said Rich Macklin, a spokesman for the Ventura County Fire Department. "There are

hundreds and hundreds and hundreds of men and women with packs on their backs, squirting the hills, putting the wet stuff on the red stuff."

Meteorologists had advised fire officials that if Santa Anas returned Saturday afternoon, they would push the fire toward Santa Barbara County, Sespe Wilderness and the Sespe Condor Sanctuary. Ventura County Sheriff's Sgt. Kevin Donoghue said firefighters were "benefiting from lower winds than what was expected."

With improved air quality Saturday morning, residents in the Ondulando neighborhood of Ventura returned to check on their homes. Members of the National Guard stood on street corners to protect people's homes.

The neighborhood was one of the hardest hit. Rows of homes on streets near the hillside were incinerated.

Terry Davis and his wife, Tahnil Davis, inspected their home on Via Arroyo Street, which had been spared by the fire. They credited their 12-year-old daughter's passion for softball for saving their house, as well as their neighbors'.

"We happened to be building a batting cage for her, so our backyard was completely gutted," Tahnil Davis said. "Firefighters were able to park their truck in our backyard and save homes."

At UC Santa Barbara, smoke from the Thomas fire drove Student Body President Hieu Le to write a letter to Chancellor Henry Yang, asking that classes be canceled until the air quality improves.

Lee has received more than 4,000 petition signatures since Thursday, backing him up. Many students wrote that their throats hurt and that they were having trouble breathing and focusing.

"Students and staff should not have to choose between their health and money and/or grades," one student wrote. "The response from the university has been unacceptable."

In Los Angeles County, firefighters made progress on blazes in Sylmar, Santa Clarita and Bel-Air. The Creek fire was 85% contained, and the Rye fire was 80% contained. The Skirball fire was 75% contained.

In northern San Diego County, the Lilac fire, which was 50% contained, had burned 4,100 acres and destroyed 182 structures along the Highway 76 corridor that stretches west from the 15 Freeway through Bonsall and Fallbrook. Officials cautioned that dry, swirling Santa Ana winds could kick up embers that might start new fires.

At least 46 horses were killed at a thoroughbred training facility, San Luis Rey Downs in Bonsall, where an estimated 450 were stabled. Mike Marten, a spokesman for the California Horse Racing Board, said Saturday that a small number of horses had escaped to the wilderness through a fence that was knocked down and had yet to be found.

Trainer Martine Bellocq suffered second- and third-degree burns over half her body as she tried to rescue six horses, according to Alan Balch, executive director of the California Thoroughbred Trainers. She was airlifted to UC San Diego Medical Center and placed in a medically induced coma, Balch said.

About 360 surviving horses from San Luis Rey Downs were moved to the Del Mar Fairgrounds. By Saturday, some 850 horses evacuated during the fires were stabled there.

Times staff writers Andrea Castillo and Sarah Parvini in Los Angeles contributed to this report.

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**NORTH COUNTY FIRE
PROTECTION DISTRICT
FIRE CHIEF/CEO**

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: JANUARY 23, 2018
SUBJECT: COMMENTS, REPORTS AND UPDATES

● **STAFF COMMENTS/REPORTS/UPDATES:**

● **STEPHEN ABBOTT, FIRE CHIEF/CEO:**

● **CHIEF OFFICERS & STAFF:**

● **BOARD:**

● **BARGAINING GROUPS:**

● **PUBLIC COMMENT:**

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**NORTH COUNTY FIRE
PROTECTION DISTRICT
FIRE CHIEF/CEO**

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: JANUARY 23, 2018
SUBJECT: CLOSED SESSION

CS-1. ANNOUNCEMENT — PRESIDENT MUNSON:

- *An announcement regarding the items to be discussed in Closed Session will be made prior to the commencement of Closed Session.*

CS-2. EVALUATION OF PERFORMANCE — GOVERNMENT CODE § 54957

- *FIRE CHIEF/CEO* DISTRICT NEGOTIATOR:
DISTRICT COUNSEL JAMES

CS-3. REPORT FROM CLOSED SESSION — PRESIDENT MUNSON

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