

NORTH COUNTY FIRE PROTECTION DISTRICT

330 S. Main Avenue • Fallbrook, California 92028-2938 • Phone: (760) 723-2005 • Fax: (760) 723-2072 • Web: www.ncfire.org

BOARD OF DIRECTORS

RUTH HARRIS
BOB HOFFMAN
FRED LUEVANO
KENNETH E. MUNSON
JOHN VAN DOORN

STEPHEN J. ABBOTT - Fire Chief/CEO - sabbott@ncfire.org
ROBERT H. JAMES - District Counsel - robertjameslaw@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: FEBRUARY 23, 2021

Enclosed is your Board package for the Regular **February** Board Meeting. We have tried to include the information you will need to effectively consider and act on agenda items.

DUE TO THE COVID-19 OUTBREAK AND PURSUANT TO THE DECLARATIONS BY GOVERNOR NEWSOME AND THE COUNTY OF SAN DIEGO UNTIL FURTHER NOTICE, ALL BOARD MEETINGS WILL BE TELEPHONIC ONLY.

The Board, Staff and Public may participate by using the following information:

Audio-only: Call: 1-408-419-1715 or 1-408-419-6290. Meeting ID: 834 677 344, followed by #.

Visual/Audio: <https://bluejeans.com/834677344>.

Board documents are online at: <https://www.ncfire.org/2021-02-23-board-regular-meeting>.

Please note this month's meeting is scheduled for Tuesday, February 23, 2021, beginning at **4:00 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

DUTY ~ INTEGRITY ~ RESPECT



NORTH COUNTY FIRE PROTECTION DISTRICT

AGENDA FOR REGULAR BOARD MEETING

FEBRUARY 23, 2021

4:00 p.m.

DUE TO THE COVID-19 OUTBREAK AND PURSUANT TO THE DECLARATIONS BY GOVERNOR NEWSOME AND THE COUNTY OF SAN DIEGO UNTIL FURTHER NOTICE, ALL BOARD MEETINGS WILL BE TELEPHONIC ONLY.

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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.

CALL TO ORDER

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE

1. PUBLIC COMMENT — PRESIDENT VAN DOORN (pgs. 5-6)

- **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 – Elections, Officers and Terms SOG § 4.2.6.3.).

2. THIRD & FOURTH QUARTER 2020 — BOARD RECOGNITION PROGRAM — (pgs. 7-10)

ACKNOWLEDGEMENT OF INDIVIDUALS — CHIEF ABBOTT AND B/S STEPHEN-PORTER

- **QUARTERLY ITEM:** Acknowledged individuals the Board selected for their efforts in the Third & Fourth Quarter 2020.

ACTION AGENDA

CONSENT EVENTS:

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, JANUARY 2021 (pgs.11-18)

- **STANDING ITEM:** Review and approve Minutes from January meeting as presented.

4. REVIEW AND ACCEPT FINANCIAL REPORT FOR FEBRUARY 8, 2021 (pgs. 19-22)

- **STANDING ITEM:** Review and Accept Financial Report for February 8, 2021 as presented.

5. REVIEW AND ACCEPT FINANCIAL REPORT FOR JANUARY 2021 (pgs. 23-30)

- **STANDING ITEM:** Review and Accept Financial Report for January as presented.

6. REVIEW AND ACCEPT POLICIES & PROCEDURES (pgs. 31-34)

- **RULES AND REGULATIONS – CONDITIONS OF EMPLOYMENT – PROBATIONARY PERIODS:** Policy updated to comply with current and North Zone practices.

7. REVIEW AND ACCEPT ANNUAL FIRE PREVENTION REPORT (pgs. 35-44)

- **STANDING ITEM:** Review and Accept Financial Report Annual Fire Prevention Report as presented.

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.



8. **REVIEW AND ACCEPT FOURTH QUARTER 2020 CUSTOMER SATISFACTION SURVEY** (pgs. 45-52)
➤ QUARTERLY REPORT: Review and accept report for the Fourth Quarter 2020 as presented. This quarterly report continues to reflect customer satisfaction is in the excellent range (98%) with 67 of 300 surveys returned and 314 Service and Sympathy Card sent in the Fourth Quarter of 2020.
9. **MONTHLY OPERATIONS ACTIVITY REPORT – JANUARY 2021** (pgs. 53-64)
➤ STANDING EVENT: Monthly Report demonstrating Call Mix, Turnout Time, Call by Unit, Transports, Total Response Times, Aid Received & Provided, Monthly Inspection Report, Health & Safety – Injuries & Accidents and Turnover of Care statistics.

ACTION EVENTS:

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

10. **REVIEW AND ACCEPT FINANCIAL AUDIT FOR FY 2019/2020 — FIM JUUL AND CHIEF ABBOTT** (pgs. 65-130)
➤ ANNUAL ITEM: Review and Accept FY 2019/2020 audit.
11. **REVIEW AND APPROVE JOB DESCRIPTION AND PLAN FOR FULFILLMENT OF ACCOUNTING/PAYROLL TECHNICIAN JOB — D/C REYNOLDS AND CHIEF ABBOTT** (pgs. 131-136)
➤ ANNUAL ITEM: Review and Approve Job Description and Plan as presented.
12. **REVIEW AND CONSIDER NOMINATIONS FOR CSDA BOARD OF DIRECTORS — CHIEF ABBOTT** (pgs. 137-144)
➤ RECURRING EVENT: Review options for making a nomination to the CSDA Board, Southern Region, Seat A.
13. **REVIEW AND CONSIDER APPROVAL OF SOLE SOURCE FOR STATION 3 MODULAR — B/C KRUMWIEDE, D/C McREYNOLDS AND CHIEF ABBOTT** (pgs. 145-146)
➤ RECURRING EVENT: Review and approve request to designate Modular at Station 3 as a Sole Source as presented.
14. **CONSIDER REQUEST TO REVIEW INVOCATION PROCESS — B/S STEPHEN-PORTER AND DIRECTOR EGKAN** (pgs. 147-148)
➤ New Item: Request by Director Egkan to review the invocation process.

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.

15. **STRATEGIC DIRECTION DISCUSSION — CHIEF ABBOTT** (pgs. 149-158)
➤ Recurring Item: Review and discuss Strategic Direction.

STANDING DISCUSSION EVENTS:

All Events listed under the Standing Discussion Events are items presented every meeting.

- **LEGAL COUNSEL REPORT:** (pgs. 159-162)
"COVID-19 and the Workplace: Can Employers Make Vaccinations Mandatory?"
- **WRITTEN COMMUNICATION:** (pgs. 163-170)
- **BOARD RECOGNITION PROGRAM**



- **NEWS ARTICLES:** *As attached.* (pgs. 171-202)
- **COMMENTS/QUESTIONS:** (pgs. 203-204)
- **STAFF:**
 - Chief Abbott
 - Other Staff
- **BOARD**
- **BARGAINING GROUPS**
- **PUBLIC COMMENT**

CLOSED SESSION

The Board will enter closed session to discuss Events 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 VAN DOORN:** (pgs. 205-206)
 - An announcement regarding the items to be discussed in Closed Session will be made prior to the commencement of Closed Session.
- CS-2. **CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — MANAGEMENT GROUP NEGOTIATIONS – CHIEF ABBOTT:**
 - NCFPD MANAGEMENT GROUP DISTRICT NEGOTIATORS:
CHIEF ABBOTT AND SPECIAL COUNSEL BERLINER
- CS-3. **CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — NON-SAFETY GROUP NEGOTIATIONS – CHIEF ABBOTT:**
 - FFA NON-SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS:
CHIEF ABBOTT AND SPECIAL COUNSEL BERLINER
- CS-4. **CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — SAFETY GROUP NEGOTIATIONS – CHIEF ABBOTT:**
 - FFA SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS:
CHIEF ABBOTT AND SPECIAL COUNSEL BERLINER
- CS-5. **REPORT FROM CLOSED SESSION — PRESIDENT VAN DOORN**

ADJOURNMENT

SCHEDULED MEETINGS

The next Regular Board meeting is: **Tuesday, March 23, 2021, 4:00 p.m. - Telephonic.**

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; [4] District's website at <http://www.ncfire.org>. 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.ncfire.org>, subject to the Staff's ability to post the documents before the meeting. The date of posting was **February 19, 2021.**"

Board Secretary Loren Stephen-Porter:

Loren A. Stephen-Porter

Date: February 19, 2021



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

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: FEBRUARY 23, 2021
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 – Elections, Officers and Terms SOG § 4.2.6.3.).*

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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: FEBRUARY 23, 2021
SUBJECT: EMPLOYEE RECOGNITION PROGRAM REPORT – PRESENTATION OF INDIVIDUALS

ACTION AGENDA

RECOMMENDATION:

Staff recommends the Board acknowledge the following individual(s) selected to be recognized for their efforts during the Third and Fourth Quarter of 2020.

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 made their selection from the individuals below.

SECOND QUARTER RECOGNITION – INFORMATION RECEIVED ON INDIVIDUALS:

For the Third and Fourth Quarter of 2020, the Board selected the following individual(s) for recognition their outstanding efforts:

• **SEPTEMBER 26, 2020 – LETTER OF THANKS FOR PERFORMANCE ON OES DEPLOYMENT:**

B/C MacMillan	Engineer Bracci	FF/PM Anderson
B/C Mann	Engineer Harlin	FF/PM Krenz
Captain Berry	Engineer Moore	FF/PM Lewis
Captain Fieri		FF/PM Lian
Captain Harrington		FF/PM Rivera
		FF/PM Spencer

FISCAL ANALYSIS:

As the previous quarter awards were in abeyance, the Program is within budgetary standards. Members will be able to select between an engraved Cross pen or a Hydroflask for their recognition award.

SUMMARY:

The Staff joins the Board in acknowledging the extraordinary efforts of these members.

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BOARD OF DIRECTORS

CINDY ACOSTA

JEFFERY EGKAN

DAVID KENNEDY

KENNETH E. MUNSON

JOHN VAN DOORN

STEPHEN J. ABBOTT - Fire Chief/CEO - sabbott@ncfire.org

ROBERT H. JAMES - District Counsel - roberthjameslaw@gmail.com

LOREN A. STEPHEN-PORTER - Executive Assistant/Board Secretary - lstephen@ncfire.org

January 27, 2021

Valley Fire:

1. G. Mann & B. MacMillan
2. R. Berry, B. Moore, J. Harlin & R. Lewis
3. A. Fieri, J. Bracci, B. Lian & M. Anderson

Creek Fire:

1. T. Harrington, C. Spencer, J. Rivera & K. Krenz
2. R. Berry, B. Moore, J. Harlin & R. Lewis

At the January 26, 2021 Board meeting, the Board received the enclosed letter from Santee Fire Department lauding the work of the individuals assigned to the Valley and Creek fires and noting the exemplary work performed by your groups in supporting the fire suppression efforts. The Board wants to add our congratulations for making this extraordinary effort under difficult conditions. Most assuredly, the communities and their members you helped to protect thank you also.

The Board recognizes especially Captain Berry who was noted as leading his Crew with enthusiasm and professionalism, in spite of difficult and tedious assignments. He and his Crew volunteered to undertake the less desirable assignments and maintained a positive attitude throughout. Job well done Captain Berry and your Crew!

On behalf of the Board, please accept our heartfelt appreciation and know that we thank you all for the work you do in providing excellence in supporting the District, whether it is in rendering care, fighting fires or otherwise supporting our community or others. Thank you for helping to further the goals of the District, for setting this fine example of teamwork and elevating the morale of the members of North County Fire Protection District. We invite you all to the February 23rd Board meeting to be publicly recognized for this work.

Very truly yours,

John van Doorn
President, Board of Directors



PROUDLY SERVING THE COMMUNITIES OF FALLBROOK, BONSALE AND RAINBOW

DUTY ~ INTEGRITY ~ RESPECT

Regular Board Meeting for February 23, 2021

Page -8



SANTEE FIRE DEPARTMENT

"We protect life and property in our community through aggressive fire suppression, public education and emergency medical service, with leadership and professionalism."

September 26, 2020

Stephen Abbott, Fire Chief
North County Fire Protection District
330 South Main Avenue
Fallbrook, CA 92028-2938

Dear Chief Abbott,

I am writing this letter to express my sincere appreciation for the hard work, dedication and professionalism exhibited by your crew on the recent OES ST 6840A deployment to the Valley and Creek Fires. I was fortunate enough to be the STEN-T under Division Chief John Hisaw. Our strike team consisted of units from three different zones including central, metro and north zones. Having multiple zones participate in a single large group can be complex and convoluted, but this group was exceptional and quickly gelled as a solid group of 22 instead of 6 different agencies.

Captain Rich Berry led his crew with enthusiasm and professionalism. He directed his crew and put in a lot of hard work over several days of difficult and tedious assignments. He and his crew maintained a positive attitude for the duration of our long and difficult assignment. He and his crew volunteered for several less than desirable assignment and they saw the assignments through to completion without a peep. The crew was a pleasure to work with and I look forward to the opportunity to do so again in the future.

Please know that they represented the North County Fire Protection District, the North Zone and the San Diego County region with pride and professionalism, leaving a lasting and positive impact.

Jeff Hernandez

A handwritten signature in black ink, appearing to read "Jeff Hernandez". The signature is fluid and cursive.

Battalion Chief, B-2C
Santee Fire Department
Valley / Creek Fire STEN-T

Fire Administration - 10601 Magnolia Ave., Building 5, Santee, CA 92071, 619.258.4100 x207
Station 4 - 8950 Cottonwood Avenue
Station 5 - 9130 Carlton Oaks Drive

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1 **January 26, 2021**

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

4 President van Doorn called the meeting to order at 4:00 p.m.

5 **THE INVOCATION GIVEN BY CHAPLAIN HELMAN.**

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

7 **ROLL CALL:**

8 **Present:** Directors Acosta, Egkan, Kennedy, Munson and van Doorn.

9 **Absent:** None.

10 **Staff Present:** Fire Chief/CEO Abbott, Attorney James and Board Secretary Stephen-
11 Porter. In the audience were: D/Cs Mahr and McReynolds, B/Cs Mann and Macmillan,
12 F/M Fieri, FiM Juul and members of the public and Association.

13
14 **PUBLIC ACTIVITIES AGENDA**

15 1. **PUBLIC COMMENT:** President van Doorn addressed the audience and inquired whether
16 there were any public comments regarding items not on the Agenda. There being no
17 comments, the Public Comment Section was closed.

18 2. **CHALLENGE COIN AWARD – ENGINEER/PM COLLIN BAKER AND CHIEF ABBOTT:** Engineer
19 Baker presented Mr. Don Hale and Mr. Shawn Hill to the Board. He informed the Board that
20 when E114 arrived on scene, they found Shawn Hill and Don Hale providing first aid
21 to the patient who had sustained a laceration to the head due to a fall. Mr. Hale and
22 Mr. Hill took it upon themselves to act, utilizing a trauma kit from Mr. Hale's personal
23 vehicle in order to apply direct pressure dressings to the head wound. Both
24 individuals undertook risk to themselves by rendering aid on the sidewalk of a very
25 busy street facing oncoming traffic. They were nominated for the Challenge Coins
26 as their action reflects caring and action the District strives for by their employees'
27 support of community members. The Board thanked Mr. Hale and Mr. Hill for their
28 exceptional service to the community.

29 3. **THIRD AND FOURTH QUARTER 2020 AWARDS FOR BOARD RECOGNITION PROGRAM — CHIEF**
30 **ABBOTT AND B/S STEPHEN-PORTER:** Chief Abbott presented the individuals and Crews who
31 had been acknowledged for recognition in the third and fourth quarters of 2020. The Board
32 considered which of the submissions to recognize for their award. In addition, Director
33 Egkan recommended FM Fieri for his proactive efforts in several areas and his willingness
34 to work with the public to find solutions for building and other Bureau issues. On a motion
35 by President van Doorn, seconded by Vice President Kennedy the motion to recognize the
36 individuals involved in support of the Valley Fire passed unanimously. Discussion ensued
37 with consensus that President van Doorn would work with the Board Secretary to send
38 letters to all being recognized in quarters three and four on behalf of the Board.
39

40 **ACTION AGENDA**

41 **CONSENT ITEMS:**

- 42 4. **REVIEW AND ACCEPT REGULAR BOARD MEETING MINUTES FOR DECEMBER 8, 2020**
43 5. **REVIEW AND ACCEPT FINANCIAL REPORT FOR DECEMBER 2020**
44 6. **REVIEW AND ACCEPT POLICIES & PROCEDURES – NONE**
45 7. **REVIEW AND ACCEPT 2ND QUARTER OVERTIME TRACKING REPORT**

46 President van Doorn inquired whether there were any questions on Consent Items 4-7.
47 Director Egkan noted a correction in item 4, regarding nominating of officers President van
48 Doorn asked for a motion to approve the Consent Agenda with modification to the minutes.
49 On a motion by Director Munson, seconded by Director Egkan the motion to approve the
50 Consent Agenda as modified passed unanimously.
51

52 **ACTION ITEMS:**

- 53 8. **REVIEW AND APPROVE CONTRACT FOR MEDICAL STANDBYS WITHIN DISTRICT EOA AND**
54 **APPROVE RESOLUTION 2021-01 — D/C MAHR AND CHIEF ABBOTT:** D/C Mahr presented
55 Resolution 2021-01 to the Board, noting this the second renewal of the contract with Mercy
56 Medical for provision of BLS level services at the San Luis Rey Downs Track & Training
57 Center. He noted the agreement has been without issues and the District is not considering

58 providing this service to the Center at this time. On a motion by Director Munson, seconded
59 by Vice President Kennedy, the motion to approve Resolution 2021-01 and the contract
60 passed unanimously.

61 9. **REVIEW AND APPROVE RESOLUTION 2021-02 ALLOWING THE DISTRICT TO PURSUE GRANT**
62 **FUNDING FOR EXTRACTION EQUIPMENT THROUGH GRANT PROGRAM – CHIEF ABBOTT:** Chief
63 Abbott presented the Resolution and Grant request to the Board noting the District's
64 previous successes with the NRG process and the anticipated savings of \$44,654 that would
65 be realized if awarded for extrication equipment. It is anticipated that if successful, the new
66 set would replace the outdated one at Station 4 as this one sees the highest proportion of
67 vehicle accidents along I-15 and Hwy 76. On a motion by Vice President Kennedy,
68 seconded by Director Egkan the motion to approve Resolution 2021-02 and to submit the
69 grant for extrication equipment to the NRG Program passed unanimously.

70 71 **DISCUSSION AGENDA**

72 10. **LONG RANGE FINANCIAL PLANNING DISCUSSION – CHIEF ABBOTT:** Chief Abbott
73 introduced Habib Isaac to the Board to give the Financial Planning Update. Mr. Isaac
74 reported on four main areas: Key assumptions, Primary drivers, Current financial position
75 and Recession scenario, with a summary of the discussion, followed by a question and
76 answer period. He noted the key assumptions were Revenues came from: property tax,
77 fees, CFD special taxes and reimbursements and miscellaneous revenues. Expenses were
78 primarily: salaries, medical and other benefits, operations, debt and capital equipment and
79 facilities expenses. Mr. Isaac discussed the impact of projections of inflationary adjustments
80 on those factors. He noted that Reserves should be at Minimum: 90 days of operating,
81 capital 5 years of upcoming expenses, Worker's Compensation \$750k, Personnel liability
82 20% of target (\$340k). Target for Reserves is: Operating – 180 days of operating, capital -
83 5 year of upcoming expenses, Worker's Compensation \$750k, Personnel liability fixed at
84 \$1.7M. In relation, North County Fire Protection District's reserves outlined showing the
85 current financial position projections over the next seventeen years. Mr. Isaac outlined two

86 financing options for equipment and facilities, pay-as-you-go and debt funding, both being
87 discussed. The impact of a possible recession was also discussed.

88 Mr. Isaac recommended continuously evaluating the financial plan to proactively watch
89 financial outlook with an annual update. President van Doorn opined that the outlook
90 appeared better than two years ago but was concerned for stations well past their useful life
91 as opposed to the anticipated replacement timeline. Discussion ensued regarding whether
92 to have a Board workshop. The consensus was to schedule a workshop in May prior to the
93 Preliminary Budget to consider opportunities and alternatives to increase or improve the
94 financial plan.

95
96 **STANDING DISCUSSION ITEMS:**

97 ● **LEGAL COUNSEL REPORT:** Counsel James presented his report "*Public Officials'*
98 *New Social Media Open Meeting Law – Part 2.*" Brief discussion ensued regarding using
99 social media platforms to communicate with constituents and associated dangers and
100 impacts. This is informational only, no action required.

101 ● **WRITTEN COMMUNICATIONS:** Brief discussion ensued regarding the items,
102 Informational only, no action required.

103 ● **BOARD RECOGNITION PROGRAM**

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

106 ● **COMMENTS:**

107 ● **STAFF REPORTS/UPDATES:**

108 ● **STEPHEN ABBOTT, FIRE CHIEF/CEO:** Chief Abbott informed the Board of the incredible
109 amount of collaborative effort throughout the County to enhance distribution of the COVID
110 vaccines when the State contracts started to fall short of distribution. He noted that each
111 agency has been providing vaccinators to "Pods." There has been a reimbursement method
112 designed to recover for agency costs. Chief Abbott noted that ACA1 is back on the docket,
113 which would change the threshold for public approval of certain propositions from sixty-six
114 to fifty-five percent. A new proposal SB55, which would prohibit development in the SRA,

115 has been introduced and is being opposed by CSDA and FDAC. It would have a massive
116 impact to districts like ours. He informed the Board "Text 911" is now active. There will be
117 training for the crews in the future on how to respond to these events. Rincon is starting its
118 own paramedic services for the backcountry. The District is working on or has received
119 several grants including receipt of a grant \$25,000 to buy VHF radios, a countywide
120 submission for VHF radios and Captain Garing and FF Lindsey working on a AFG grant for
121 a Type 6. Chief Abbott updated the Board on the Sandia Creek gate issue. He noted it is a
122 County public works/road issue and the proposal meets or exceeds required standards.
123 Finally, Chief Abbott reported on the COVID death of Captain Mertz of Rancho Santa Fe Fire
124 District, noting this is their second line of duty death this year. North County Fire Protection
125 District is supporting their District during this time of crisis. Informational only, no further
126 action required.

127 ● **CHIEF OFFICERS AND OTHER STAFF: D/C MAHR:** D/C Mahr informed the Board there
128 has been much involvement by the staff with COVID support. Chief Mahr expects to have
129 the Operations report next month, at which time he invites the Board to make suggestions
130 on format and information they would like to see in the report. He noted that by the end of
131 the year, activity was up approximately 10% overall. Chief Mahr discussed the staffing due
132 to fire and inclement weather. **D/C McREYNOLDS:** D/C McReynolds informed the Board that
133 five new Single Role employees had been hired, one from our Explorer Program. He noted
134 that for the first time in a while, no one at the District has COVID and approximately 70% of
135 staff has received the vaccine. Chief McReynolds welcome Nancy Goss back from leave,
136 noting she is doing a great job. **FM FIERI:** FM Fieri informed the Board that the Sandia Gate
137 is moving along. He noted the Meadowood multi-family dwelling units have submitted
138 structural plans. All initial state-mandate inspections have been completed with only final re-
139 inspections outstanding. All school inspections have been completed with corrections
140 outstanding. Weed abatements have been completed with four forced abatements. One
141 staff member is out on leave and a retired annuitant will be coming in to do the state
142 mandated inspections. There was an arrest made for arson at the Econolodge, which looks
143 like it will go all the way to conviction. **B/C MACMILLAN:** B/C MacMillan informed the Board

144 that staff in the stations are doing a great job mitigating the effects of COVID, using masks,
145 disinfecting and using the District-supplied UV lights. **FIM:** FIM Juul informed the Board her
146 department is busy wrapping up the tax season. **B/C Mann:** B/C Mann reported a problem
147 with transporting patients to Temecula Valley Hospital. **B/S STEPHEN-PORTER:** Reminded the
148 Board and Staff of Form 700 requirements and timing.

149 ● **BOARD: DIRECTOR ACOSTA:** Director Acosta thanked everyone for working so hard
150 and looking out for the community. **DIRECTOR EGKAN:** Director Egkan echoed the responses
151 of Directors van Doorn and Kennedy, asking people to use common sense about COVID.
152 He noted he had a recent family member had passed and was saddened by the passing of
153 the RSF member from COVID. **VICE PRESIDENT KENNEDY:** Vice President Kennedy echoed
154 President van Doorn's comments, stating it was important for individuals to be responsible.
155 He noted the Captain Mertz was a friend and a mentor. He also told of another at Vista Fire
156 who has Stage 4 cancer. He asked everyone to recognize the inherent risk of the firefighter's
157 job. **DIRECTOR MUNSON:** Director Munson echoed the comments of the Board members
158 preceding him and thanked staff for their hard work and care. **PRESIDENT VAN DOORN:**
159 President van Doorn noted that Captain Mertz became infected with COVID while serving
160 his duties for RSF. He encouraged people to take the disease seriously and remember the
161 lethality of it. He noted it is not to be disregarded and encouraged everyone to be responsible
162 and wear a mask so that we could get past this crisis.

163 ● **BARGAINING GROUPS: VPA BRADSHAW:** VPA Bradshaw stated that the death of Captain
164 Mertz weigh heavily on the staff, especially with the recent loss of the last captain only a
165 month ago. All staff sympathizes with RSF loses and bears the weight that exists in this
166 time. The staff is looking forward to moving forward past these difficult times.

167 ● **PUBLIC COMMENT:** No comments.

168 **CLOSED SESSION**

169 **OPENING CLOSED SESSION:**

170 At 5:33 p.m., President van Doorn inquired whether there was a motion to adjourn to Closed
171 Session. On a motion by Director Egkan, seconded by Director Acosta, the Board approved
172

173 moving to Closed Session. President van Doorn read the items to be discussed in Closed
174 Session and the Open Session was closed. A break ensued after the reading of the Closed
175 Session Items. At 6:15 p.m., and the Board entered Closed Session to hear:

176 **CS-1. ANNOUNCEMENT — PRESIDENT VAN DOORN:** An announcement regarding the items to
177 be discussed in Closed Session will be made prior to the commencement of Closed Session.

178 **CS-2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR — GOVERNMENT CODE**
179 **§ 54956.8 — CHIEF ABBOTT:**

180 PROPERTY LOCATION: 4157 Olive Hill Road, Fallbrook, CA 92028;

181 PARTIES: North County Fire Protection District (Seller);

182 UNDER NEGOTIATION: Terms of Sale

183 DISTRICT NEGOTIATORS: Chief Abbott, District Counsel James

184 **CS-3. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — MANAGEMENT**
185 **GROUP NEGOTIATIONS – CHIEF ABBOTT:**

186 NCFPD MANAGEMENT GROUP DISTRICT NEGOTIATORS: CHIEF ABBOTT, DISTRICT
187 COUNSEL JAMES, SPECIAL COUNSEL BERLINER

188 **CS-6. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — NON-SAFETY**
189 **GROUP NEGOTIATIONS – CHIEF ABBOTT:**

190 FFA NON-SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS: CHIEF ABBOTT, DISTRICT
191 COUNSEL JAMES, SPECIAL COUNSEL BERLINER

192 **CS-7. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — SAFETY**
193 **GROUP NEGOTIATIONS – CHIEF ABBOTT:**

194 FFA SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS: CHIEF ABBOTT, DISTRICT
195 COUNSEL JAMES, SPECIAL COUNSEL BERLINER

196 **CS-8. REPORT FROM CLOSED SESSION — VICE PRESIDENT VAN DOORN**

197 ● **REOPENING OPEN SESSION:**

198 On a motion by Director Egkan, which was seconded by Director Acosta, which passed
199 unanimously, the Board returned Open Session at 8:10 p.m. the following items were
200 reported out to the public:

201 CS-2. CONFERENCE WITH REAL PROPERTY NEGOTIATOR — GOVERNMENT CODE
202 § 54956.8 — CHIEF ABBOTT: On a motion by Vice President Kennedy, seconded by
203 Director Egkan, the request to extend the escrow by 60 days and to place the property
204 back on the market if the sale is not complete at the end of the 60 days, was approved
205 unanimously.

206 CS-5. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — MANAGEMENT
207 GROUP NEGOTIATIONS – CHIEF ABBOTT: No reportable action.

208 CS-6. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — NON-SAFETY
209 GROUP NEGOTIATIONS – CHIEF ABBOTT: No reportable action.

210 CS-7. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — SAFETY
211 GROUP NEGOTIATIONS – CHIEF ABBOTT: No reportable action.

212 213 **ADJOURNMENT**

214 A motion was made at 8:15 p.m. by on a motion by Director Egkan, seconded by Director
215 Acosta the motion to adjourn the meeting and reconvene the Regular meeting on
216 February 23, 2021, at 4:00 p.m., carried unanimously.

217 Respectfully submitted,

218 
219 _____

220 Loren Stephen-Porter

221 Board Secretary

222
223 Minutes approved at the Board of Director's Meeting on: February 23, 2021

1 February 8, 2021

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

4 President Van Doorn called the meeting to order at 5:01 p.m.

5 **THE INVOCATION GIVEN BY CHIEF ABBOTT.**

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

7 **ROLL CALL:**

8 **Present:** Directors Acosta, Egkan, Kennedy, Munson and Van Doorn.

9 **Absent:** None.

10 **Staff Present:** Fire Chief/CEO Abbott, Attorney James, Attorney Berliner and Board
11 Secretary Stephen-Porter.

12
13 **PUBLIC ACTIVITIES AGENDA**

14 1. **PUBLIC COMMENT:** President Van Doorn addressed the audience and inquired
15 whether there were any public comments regarding items not on the Agenda. There being
16 no comments, the Public Comment Section was closed.

17
18 **CLOSED SESSION**

19 ● **OPENING CLOSED SESSION:**

20 At 5:05 p.m., President van Doorn inquired whether there was a motion to adjourn to Closed
21 Session. On a motion by Vice President Kennedy, seconded by Director Egan, the Board
22 approved moving to Closed Session. President van Doorn read the items to be discussed
23 in Closed Session and the Open Session was closed. A break ensued after the reading of
24 the Closed Session Items. At 5:07 p.m., and the Board entered Closed Session to hear:

25 CS-1. **ANNOUNCEMENT — PRESIDENT VAN DOORN:** An announcement regarding the items to
26 be discussed in Closed Session will be made prior to the commencement of Closed Session.

27 CS-2. **CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — MANAGEMENT**
28 **GROUP NEGOTIATIONS – CHIEF ABBOTT:**

29 NCFPD MANAGEMENT GROUP DISTRICT NEGOTIATORS: CHIEF ABBOTT, DISTRICT
30 COUNSEL JAMES, SPECIAL COUNSEL BERLINER

31 **CS-3. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — NON-SAFETY**

32 **GROUP NEGOTIATIONS – CHIEF ABBOTT:**

33 FFA NON-SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS: CHIEF ABBOTT, DISTRICT
34 COUNSEL JAMES, SPECIAL COUNSEL BERLINER

35 **CS-4. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — SAFETY**

36 **GROUP NEGOTIATIONS – CHIEF ABBOTT:**

37 FFA SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS: CHIEF ABBOTT, DISTRICT
38 COUNSEL JAMES, SPECIAL COUNSEL BERLINER

39 **CS-5. REPORT FROM CLOSED SESSION — VICE PRESIDENT VAN DOORN**

40 **● REOPENING OPEN SESSION:**

41 On a motion by Director Egkan, which was seconded by Vice President Kennedy, which
42 passed unanimously, the Board returned Open Session at 8:05 p.m. the following items were
43 reported out to the public:

44 **CS-3. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — MANAGEMENT**

45 **GROUP NEGOTIATIONS – CHIEF ABBOTT:** No reportable action.

46 **CS-4. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — NON-SAFETY**

47 **GROUP NEGOTIATIONS – CHIEF ABBOTT:** No reportable action.

48 **CS-5. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — SAFETY**

49 **GROUP NEGOTIATIONS – CHIEF ABBOTT:** No reportable action.

50
51 **ADJOURNMENT**

52 A motion was made at 8:10 p.m. by on a motion by Vice President Kennedy, seconded by
53 Director Acosta the motion to adjourn the meeting and reconvene the Regular meeting on
54 February 23, 2021, at 4:00 p.m., carried unanimously.

55 ///

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57 ///

58 Respectfully submitted,

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Loren Stephen-Porter

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Board Secretary

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Minutes approved at the Board of Director's Meeting on: February 23, 2021

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

TO: BOARD OF DIRECTORS
FROM: FM CHERIE JUUL AND CHIEF ABBOTT
DATE: FEBRUARY 23, 2021
SUBJECT: REVENUE & EXPENDITURES AS OF JANUARY 31, 2021 (58%)

Revenue Sources	Budgeted	Collected	Over/Under	% of Budget
Property Taxes - FBK	15,940,646.00	9,017,606.00	(6,923,040.00)	57%
Property Taxes - RNBW	303,000.00	182,198.00	(120,802.00)	60%
Ambulance and Collections	2,245,000.00	1,475,238.00	(769,762.00)	66%
GEMT-State Supplement	90,000.00	-	(90,000.00)	0%
Prevention Fees	185,000.00	70,380.00	(114,620.00)	38%
Tower Lease Agreements	103,000.00	59,234.00	(43,766.00)	58%
Other Revenue Sources	50,000.00	23,314.00	(26,686.00)	47%
Interest	50,000.00	32,290.00	(17,710.00)	65%
Cost Recovery	80,000.00	24,847.00	(55,153.00)	31%
Inspection Fee (Fire Prevention)	-	14,125.00	14,125.00	#DIV/0!
Fallbrook Healthcare District	92,000.00	56,749.00	(35,251.00)	62%
Community Facilities District (CFD)	116,942.00	11,893.00	(105,049.00)	10%
Strike Team Reimbursements	151,523.00	160,093.00	8,570.00	106%
Other Reimbursements	100,000.00	56,051.00	(43,949.00)	56%
Mitigation Fees & Interest - FBK	300,000.00	204,293.62	(95,706.38)	68%
Donations & Grants	104,157.00	108,068.00	3,911.00	104%
Annexation fees	-	-	-	
Transfers & Loans	-	-	-	
Total Revenue:	19,911,268.00	11,496,379.62	(8,414,888.38)	58%
	Budgeted	Spent	Over/Under	% of Budget
TTL Expenditures YTD thru 01-31-2021	18,957,776.00	11,437,314.00	(7,520,462.00)	60%
Revenue over Expenditures		59,065.62		

North County Fire Protection District
 For the Tenth Month Ending April 30, 2020
83% of Budget

COLOR KEY	
Within/Below Budget	
Within 10% of Budget	
>10% of Budget (see notes)	

Description	January actual	Running Total	Final Budget	Amount Remaining	% Used	Notes
TOTAL PERSONNEL	951,280.00	9,984,085.00	15,424,695.00	5,440,610.00	64.7%	Strike Team OT/Replacement
101 Total Board Administration	25,586.00	170,387.00	464,900.00	294,513.00	36.7%	
102 Total Administration	18,022.00	277,061.00	679,303.00	402,242.00	40.8%	
103 Total Fire Prevention	-	6,383.00	62,400.00	56,017.00	10.2%	
104 Total Emergency Services	9,494.00	306,864.00	457,102.00	150,238.00	67.1%	Strike Team exp
105 Total Emergency Med Svcs	1,764.00	166,552.00	460,202.00	293,650.00	36.2%	
106 Total Volunteers/Explorers	-	-	-	-	0.0%	
107 Total Communications	9,367.00	349,049.00	620,004.00	270,955.00	56.3%	MDC & AVL paid for yr
108 Total Shop/Maintenance	11,387.00	150,741.00	355,905.00	205,164.00	42.4%	
109 Total Training	3,114.00	26,193.00	83,265.00	57,072.00	31.5%	
120 Total General Fund Reserve	-	-	350,000.00	350,000.00	0.0%	
GRAND TOTAL	1,030,014.00	11,437,315.00	18,957,776.00	7,520,461.00	60.3%	
200 Total Capital Expenditures	-	607,646.17	1,610,935.00	1,003,288.83	37.7%	

**NORTH COUNTY FIRE PROTECTION DISTRICT
Tax Apportionments FY 20-21**

DATE	APP #	GROSS	REFUNDS & ADJUSTMENTS	FY 20/21 NET	FY 20/21 RUNNING	FY 19/20 NET	FY 19/20 RUNNING	
8/12/2020	1	223,517.70	1,322.63	222,195.07	222,195.07	229,418.43	229,418.43	
9/22/2020	2	206,806.13	1,611.36	205,194.77	427,389.84	79,480.12	308,898.55	
10/20/2020	3	337,997.18	19,167.85	318,829.33	746,219.17	154,586.49	463,485.04	
11/17/2020	4	931,116.26	7,707.83	923,408.43	1,669,627.60	534,416.39	997,901.43	
12/15/2020	5	4,992,829.71	11,988.46	4,980,841.25	6,650,468.85	5,133,895.38	6,131,796.81	
1/19/2021	6	2,325,339.06	11,430.52	2,313,908.54	8,964,377.39	2,451,410.99	8,583,207.80	
2/16/2021	7			-	8,964,377.39	359,238.37	8,942,446.17	
3/16/2021	8			-	-	-	-	
4/13/2021	9			-	8,964,377.39	3,210,146.99	12,152,593.16	
5/11/2021	10			-	8,964,377.39	2,553,885.70	14,706,478.86	
6/22/2021	11			-	8,964,377.39	290,352.38	14,996,831.24	
7/22/2021	12			-	8,964,377.39	373,389.57	15,370,220.81	
TOTAL YTD		9,017,606.04	53,228.65	8,964,377.39	8,964,377.39	8,583,207.80	8,583,207.80	
							Net Rev Increase 4.44%	

RAINBOW FIRE PROTECTION SUBZONE

Tax Apportionments FY 20/21

DATE	APP #	GROSS	REFUNDS & ADJUSTMENTS	FY 20/21 NET	FY 20/21 RUNNING	FY 19/20 NET	FY 19/20 RUNNING	
8/18/2020	1	4,301.57	25.45	4,276.12	4,276.12	4,195.51	4,195.51	
9/22/2020	2	3,980.01	31.01	3,949.00	8,225.12	1,453.47	5,648.98	
10/20/2020	3	6,504.72	368.86	6,135.86	14,360.98	2,826.97	8,475.95	
11/17/2020	4	17,919.34	153.94	17,765.40	32,126.38	9,760.17	18,236.12	
12/15/2020	5	96,615.23	230.73	96,384.50	128,510.88	94,409.63	112,645.75	
1/19/2021	6	52,876.95	225.11	52,651.84	181,162.72	53,866.73	166,512.48	
2/16/2021	7			-	181,162.72	6,951.95	173,464.43	
3/16/2021	8			-	181,162.72	-	173,464.43	
4/13/2021	9			-	181,162.72	62,105.80	235,570.23	
5/11/2021	10			-	181,162.72	50,125.46	285,695.69	
6/22/2021	11			-	181,162.72	5,661.27	291,356.96	
7/22/2021	12			-	181,162.72	7,164.56	298,521.52	
TOTAL YTD		182,197.82	1,035.10	181,162.72	181,162.72	166,512.48	166,512.48	
							Net Rev Increase	
							8.80%	

NORTH COUNTY FIRE PROTECTION DISTRICT MONTHLY INVESTMENT REPORT
--

January 31, 2021

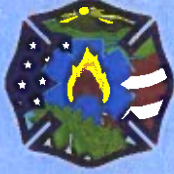
FALLBROOK	BALANCE	INTEREST	
		RATE	
County of San Diego/General Fund - FBK	1,036,452.78	0.01%	Operating
County of San Diego/General Fund - RNBW	1,355,978.86	0.01%	Operating
County of San Diego/Capital Reserve	401,547.01	0.01%	Capital Reserves
County of San Diego/Fire Mitigation Fund - FBK	980,165.52	0.01%	Mitigation Fees
County of San Diego/Fire Mitigation Fund - RNBW	4,067.96	0.01%	Mitigation Fees
Local Agency Investment Fund	2,152,873.15	0.46%	LAIF
Workers' Comp JPA	484,827.92	0.26%	PASIS Funds
Bank of America/PASIS	68,762.15	0.01%	
First National/Benefit Fund	156,519.14	0.50%	
First National/Payroll	382,818.43	0.50%	
First National/Accounts Payable	64,115.22	0.50%	
First National/Accounts Receivable	210,860.63	0.50%	
Pacific Western Bank/Accounts Receivable	1,646,471.85	0.00%	
TOTAL	8,945,460.62		

**NORTH COUNTY FIRE PROTECTION DISTRICT
AMBULANCE REVENUE FY 2020-2021**

MONTH	BILLED	CONTRACTUAL WRITE DOWNS	TOTAL AR		BAD DEBT WRITE-OFFS	REFUNDS	ADJ AR	DEPOSITS RECEIVED	BILLING FEES	FY 20-21 NET REVENUE	FY 19-20 NET REVENUE
			FY 20-21	FY 19-20							
7/31/2020	492,609.07	283,771.92	208,837.15	274,112.06	28,136.09	1,978.64	178,722.42	208,837.15	11,557.11	197,280.04	155,833.88
8/31/2020	582,619.64	342,604.08	240,215.56	215,953.31	22,564.45	(488.08)	218,139.19	240,215.56	11,527.20	228,688.36	181,256.99
9/30/2020	501,223.47	311,137.26	190,086.21	307,159.93	34,584.87	-	155,501.34	190,086.21	11,559.78	178,526.43	198,107.55
10/31/2020	614,786.25	352,938.54	261,847.71	248,890.07	29,209.13	-	232,638.58	261,847.71	9,607.98	252,239.73	205,273.64
11/30/2020	739,440.49	453,266.94	286,173.55	229,003.49	14,417.78	5,893.97	265,861.80	286,173.55	10,018.01	276,155.54	186,525.33
12/31/2020	754,358.25	476,631.07	277,727.18	331,817.90	41,860.46	-	235,866.72	277,727.18	12,050.24	265,676.94	179,942.32
1/31/2021	757,831.07	455,132.41	302,698.66	201,170.29	25,647.83	-	277,050.83	302,698.66	11,153.46	291,545.20	212,967.00
2/28/2021			-	240,188.15			-			-	186,887.92
3/31/2021			-	208,936.67			-			-	175,643.85
4/30/2021			-	198,311.38			-			-	172,516.79
5/31/2021			-	279,286.84			-			-	162,862.20
6/30/2021			-	230,124.08			-			-	217,930.48
TOTAL:	4,443,068.24	2,675,482.22	1,767,586.02	1,808,107.05	196,420.61	7,384.53	1,563,780.88	1,767,586.02	77,473.78	1,690,112.24	1,330,906.71
					Net A/R Change		-2.24%			New Revenue Change	26.99%

Document Date	Document Number	Vendor Name	Transaction Description	Document Amount
1/1/2021	2021 MEMBERSHIP	CSDA	2021 MEMBERSHIP	7,805.00
1/1/2021	1/1/21-1/31/21	FDAC	1/1/21-1/31/21	8,926.30
1/1/2021	JAN STMNT	THE STANDARD	JAN BILLING	638.00
1/1/2021	01012021	POLICE AND FIRE PSYCHOLOGY	129-12/19 SERVCS	1,400.00
1/1/2021	DEC 20 BILLING	ROBERT JAMES	DEC 20 BILLING	4,850.00
1/1/2021	210123	OSTARI	1/1/221-1/31/21 SRVC	1,850.00
1/1/2021	1/1-1/31/21 SRVC	DIRECTV	1/1-1/31/21 SRVC	152.99
1/1/2021	1/1-2/1/21 SRVC	TIME WARNER CABLE	1/1-2/1/21 SRVC	1,294.73
1/1/2021	1/1-2/1/21 FIBER	TIME WARNER CABLE	1/1-2/1/21 SRVC	344.73
1/1/2021	000015833368	AT&T	12/1-12/31/20 servc	1,970.75
1/1/2021	21NOCFPDC06	COUNTY OF SAN DIEGO - RCS	cap code paging	52.50
1/1/2021	21NOCFPDN06	COUNTY OF SAN DIEGO - RCS	FIRE RADIOS JAN	5,618.00
1/1/2021	JAN TO FEB2021 SRVC	STREAMLINE AUTOMATION SYSTEMS, LLC	JAN TO FEB2021 SRVC	275.00
1/1/2021	DEC 2-JAN1, 2021	VERIZON WIRELESS	SRVC DEC 2-JAN1, 2021	77.24
1/1/2021	012307538	XEROX - PASADENA	meter read	310.53
1/1/2021	012307537	XEROX - PASADENA	base charge	158.31
1/4/2021	OSH 3001	Collin Baker	BAKER OSH 3001	823.50
1/4/2021	062997645X201222	DIRECTV		134.53
1/5/2021	ACLS	MAX PAUR	PAUR ACLS BIENNIAL	139.00
1/5/2021	1/5/21 STMNT	Fowler Pest Control	STMNT 1/5/21	540.00
1/5/2021	12/4/20-1/5/21 SRVC	FALLBROOK PUBLIC UTILITY DISTR	12/4/20-1/5/21 SRVC	389.65
1/5/2021	12/4-1/5/21	FALLBROOK PUBLIC UTILITY DISTR	12/4-1/5/21	532.65
1/6/2021	018487	LIFE LINE EMERGENCY VEHICLES	GRILLE COVER	43.92
1/6/2021	18578	DCS Testing & Equipment, Inc	hose & extinguisher testing	9,199.50
1/6/2021	78028	THE COUNSELING TEAM	DEC STMNT	600.00
1/7/2021	J84071	VALLEY POWER SYSTEMS, INC	PROBE	122.48
1/8/2021	ST PM LIC	RYAN GARING	STATE PM LIC	225.00
1/8/2021	COMM5360	MATHIEU LINDSEY	TUITION COMMS360	1,066.50
1/8/2021	502073	SOUTH COAST EMERGENCY VEHICLE SERV	502073 INV	56.37
1/8/2021	11261	Ultra Graphix	T'S	3,367.19
1/11/2021	TUTION BUS	NICK CRILLY	BUS tuition	823.50
1/11/2021	32010	FALLBROOK PROPANE GAS CO.	STA 5 1/11/21 FILL	241.29
1/11/2021	DEC STMNT	Wittman Enterprises, LLC	DEC STMNT	12,050.24
1/11/2021	1/11/21-2/10/21	TIME WARNER CABLE	1/11/21-2/10/21	96.98
1/11/2021	11048	FALLBROOK PROPANE GAS CO.	DELIVERY 1/11/21	241.29
1/13/2021	04P2455	San Diego Friction Products, inc.	SHOP PARTS	2,272.37
1/13/2021	502148	SOUTH COAST EMERGENCY VEHICLE SERV	tensioner	130.20
1/13/2021	299650	KRONICK MOSKOVITZ, TIEDEMANN GIRARD	legal fees	1,500.00
1/15/2021	PR 1/15/21	FALLBROOK FIREFIGHTERS' ASSN	PR 12/20/20-1/2/21	2,668.14
1/15/2021	PR SR 1/15/21	FALLBROOK FIREFIGHTERS' ASSN	PR 12/20/20-1/2/21	31.59
1/15/2021	PR 1/15/21	FIREFIGHTERS LEG. ACTION GRP	PR 12/20/20-1/2/21	297.90
1/15/2021	PR 1/15/21	LINCOLN NATIONAL	PR 12/20/20-1/2/21	2,437.10
Document Date	Document Number	Vendor Name	Transaction Description	Document Amount
1/15/2021	1/15/21 STMNT	LEGAL SHIELD	1/15/21 STMNT	586.20
1/15/2021	1948	Fallbrook Alarm	3MOS SERVC	189.00
1/15/2021	1/15/21 STMNT	FALLBROOK OIL COMPANY	1/6/21-1/14/21 INVCS	1,816.19

1/15/2021 106817	UNIFORM SPECIALIST/ACE UNIFORMS	LOREN	482.74
1/16/2021 53216	UNIFORMS PLUS		316.18
1/19/2021 10496	Sullivan Solar Power	REMOVAL/REINSTALL EQUIP STA 2	2,750.00
1/25/2021 21-0122-39374	S&R TOWING	TOYOTA SIENNA	400.00
1/26/2021 01A0036333755	READY FRESH	Jan 19 Jan 26 2021	48.77
1/27/2021 E101082452	EIDE BAILLY	DEC 2020 SRVCS	3,853.55
1/29/2021 PR 1/29/21	LINCOLN NATIONAL	pr 1/3/21-1/16/21 PAYDATE 1/29	2,451.02
1/29/2021 PR 1/29/21	FALLBROOK FIREFIGHTERS' ASSN	PR 1/29/21	2,702.42
1/29/2021 PR 1/29/21 SR	FALLBROOK FIREFIGHTERS' ASSN	PR 1/29/21	30.42
1/29/2021 1/29/21 PR	FIREFIGHTERS LEG. ACTION GRP	PR 1/29/21	297.90
1/29/2021 FSA REIMBURSEMENT	FIERI, ANTHONY C.	REIMBURSE FSA	45.00
1/29/2021 FSA REIMBURSEMENT	JOSEPH BRADSHAW	FSA REIMBURSEMENT	20.00



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

TO: BOARD OF DIRECTORS
FROM: D/C McREYNOLDS AND CHIEF ABBOTT
DATE: FEBRUARY 23, 2021
SUBJECT: APPROVAL OF POLICIES AND PROCEDURES

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

1. **RULES AND REGULATIONS – CONDITIONS OF EMPLOYMENT – PROBATIONARY PERIODS:**
 - Policy updated to comply with current and North Zone practices.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
CONDITIONS OF EMPLOYMENT

SECTION 223.09
FEBRUARY 23, 2021 ~~FEBRUARY 24, 2009~~

PAGE 1 OF 3

PROBATIONARY PERIODS

1.0. PURPOSE:

- 1.1. To establish District policy governing probationary periods. To provide the Fire Department with an opportunity to observe the work of new and recently promoted members. To provide the Fire Department with an opportunity to assure that all employees meet the required work standards within the year.

2.0. POLICY:

- 2.1. The Fire ~~District~~ department shall operate in accordance with all District policies concerning probationary periods contained within the District's [Rules and Regulations](#).

3.0. PROCEDURE:

- 3.1. All initial and promotional appointments to permanent full-time positions (~~excluding non-safety single role EMT and Paramedics~~) within the Fire ~~District~~ department shall be subject to a probationary period of twelve (12) months. In any instances of long term absences, the District reserves the right to place the employee's probation in abeyance and extend probation until the employee returns to work.
- 3.2. Probationary Status may be extended for up to an additional six (6) months, if the supervising Chief Officer through conference with the Operations and Training Divisions, determines that additional time for evaluation/training is warranted.
- 3.3. It is expected that during the probationary period, all safety members will be assigned to at least one six (6) month period at Headquarters Station 1. The individual's Battalion Chief may use their discretion to determine at what time during the probation period this six months assignment will occur. Exceptions from this expectation may be made based on District needs, as approved by the Fire Chief/CEO.
- 3.4. ~~For the position of Firefighter/Paramedic, at least once during each trimester block of the probationary period, the appointing authority or immediate supervisor shall evaluate the performance of the probationary employee, using the EDR Form PAC Form—ensuring all tasks and proficiencies in the module task book are met to a satisfactory level and the appropriate task book. The PAC evaluation rating will aid the employee and the supervisor in measuring the employee's progress in fulfilling the requirements of permanent status. The probationary Firefighter/Paramedic must be evaluated and receive a satisfactory EDR PAC and appropriate task book by at least two different Captains supervisors during the probationary period. Probationary Firefighters employees may not work outside their normal duty~~



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
CONDITIONS OF EMPLOYMENT

SECTION 223.09
FEBRUARY 23, 2021 ~~FEBRUARY 24, 2009~~

PAGE 2 OF 3

PROBATIONARY PERIODS

- 3.4. ~~station/crew until completion of their first trimester workbook and successful completion of associated test(s).~~ they have completed three (3) months on shift and, have demonstrated proficiencies with task book signatures in the following disciplines ~~On the floor for a minimum of three months AND obtained workbook signatures in the following:~~
- Hose
 - Ladders
 - Radios
 - Ropes
 - SCBA

The Duty ~~A Battalion~~ Chief and ~~the~~ the Probationary Firefighter's Captain have the authority ~~can decide~~ to allow if a Probationary Firefighter to ~~can~~ work outside their normal duty station prior to completing the requirements listed above if ~~They must both agree that the extenuating circumstances of the probationary employee working outside their normal duty station~~ the assignment would ~~would~~ assist the District with staffing needs and/or allow for a valuable training opportunity (i.e. Strike Team deployment).

- 3.5. ~~For the position of Probationary Engineer or Engineer/Paramedic, Probationary Captain, and Probationary Battalion Chief, a PAC shall be completed at least once every four six months during the probationary period documenting the probationary employee's performance. A North Zone Position Task Book for each of these positions must be completed prior to the employee completing their probationary period. , the appointing authority or immediate supervisor shall evaluate the performance of the probationary employee, using the EDR Form PAC Form and the appropriate task book. (Engineer's Taskbook-6 Month; Engineer's Taskbook-11 Month.) The rating will aid the employee and the supervisor in measuring the employee's progress in fulfilling the requirements of permanent status.~~

3.6. ~~For the position of Captain or Captain/Paramedic, at least once every six months during the probationary period, the appointing authority or immediate supervisor shall evaluate the performance of the probationary employee, using the EDR form PAC Form and the appropriate task book. (Captain's Taskbook-6 Month; Captain's Taskbook-11 Month.) The rating will aid the employee and the supervisor in measuring the employee's progress in fulfilling the requirements of permanent status.~~

- 3.7.3.5. All other new and recently promoted employee members shall be placed on probation for one year. At least twice during the probationary period, the appointing authority or immediate supervisor shall evaluate the performance of the



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
CONDITIONS OF EMPLOYMENT

SECTION 223.09
FEBRUARY 23, 2021 ~~FEBRUARY 24, 2009~~

PAGE 3 OF 3

PROBATIONARY PERIODS

probationary employee, using the ~~EDR Form~~ PAC Form and associated documentation.

~~3.8.3.6.~~ Prior to the end of probation, the Fire Chief/CEO or designee shall inform the employee of their permanent status, extend the probation or terminate/demote the employee. (Refer the [Personnel Reclassification Policy](#) for procedural guidelines.) Employees who have been promoted that subsequently fail to meet the job performance standards for the specified position will be demoted to their previously held rank.

~~3.9.3.7.~~ At any time during the probationary period, the Fire Chief/CEO/~~CEO~~ or designee may remove an employee whose performance does not meet the required standards, provided that the employee has been afforded adequate training, and that they shall report the removal and the reasons therefore in writing to the Human Resources and to the employee concerned. The Fire Chief/CEO or designee may, depending upon the circumstances justifying the rejection, recommend that the name of the rejected probationer be either removed or restored to the eligibility list.

~~3.10.3.8.~~ A new employee on probation who is ~~dismissed~~rejected, does not have the right to appeal that ~~dismissal~~rejection through the grievance procedure.



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

TO: BOARD OF DIRECTORS
FROM: FIRE MARSHAL FIERI AND CHIEF ABBOTT
DATE: FEBRUARY 23, 2021
SUBJECT: ANNUAL PREVENTION REPORT FOR YEAR 2020

CONSENT AGENDA

BACKGROUND:

This report reflects the Fire Prevention activities for 2020. The following data is a compilation of Fire Prevention activities. Many of the imposed changes in the Bureau will be outlined in this report, as well as the supporting data.

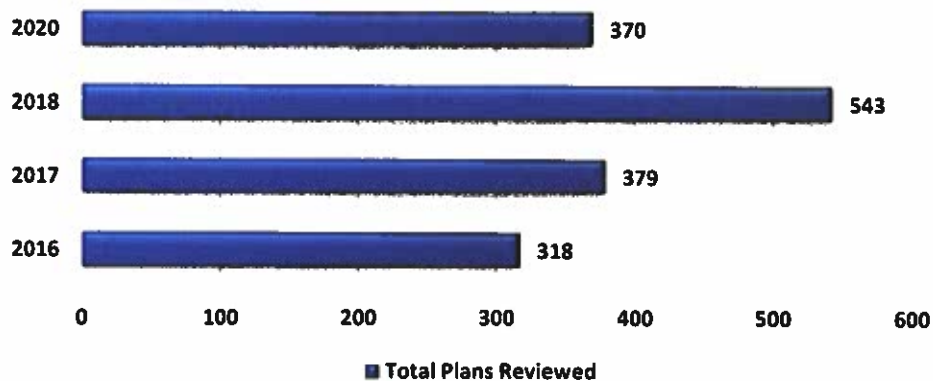
INTENT:

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

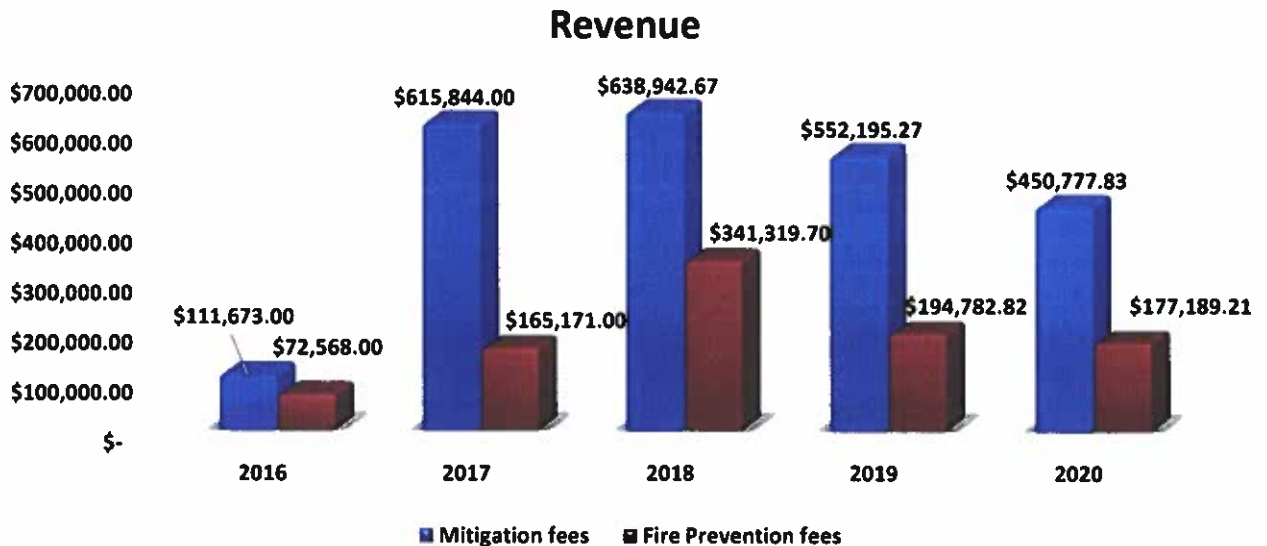
PLAN REVIEW:

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.

Total Plans Reviewed



REVENUE:



INSPECTIONS:

ANNUAL ENGINE COMPANY INSPECTIONS:

Engine companies performed 371 business inspections out of 870. As a result of COVID-19, engine companies were limited in what inspections they could complete. When San Diego County fell into the Purple Tier (the most restrictive tier) we halted engine company inspections in order to reduce risk among our staff as well as our community. At other times, when our engine companies were able to go back out to continue business inspections, many remained closed due to COVID-19 restrictions.

NEW CONSTRUCTION INSPECTIONS:



STATE-MANDATED INSPECTIONS:

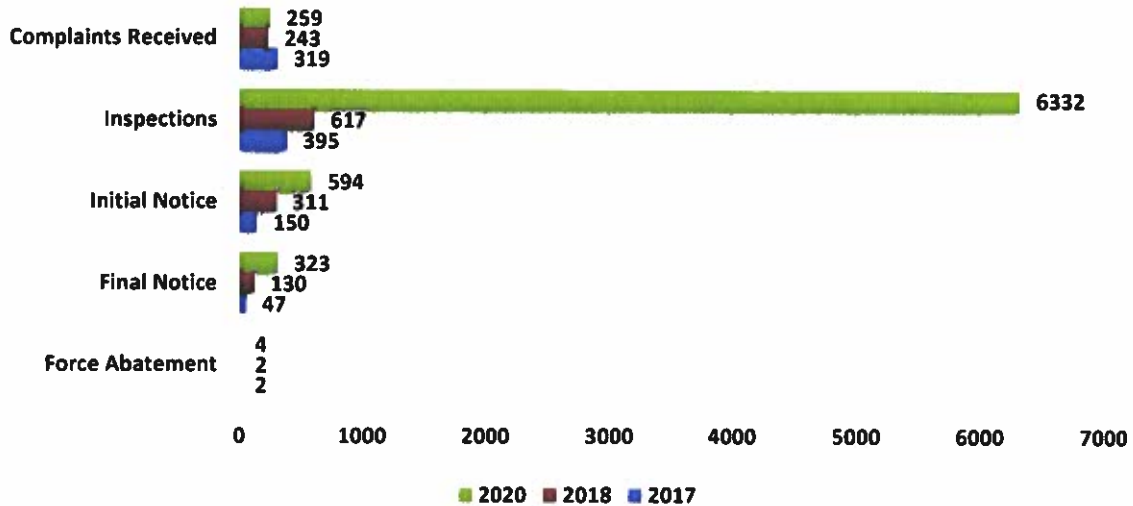
The annual State-Mandated Inspection Program inspections consist of the following occupancy classifications: education facilities, residential structures and institutional facilities. The Fire Protection Specialists have completed all the required State-Mandated inspections as follows except for the residential care facilities to reduce the spread of COVID-19. The list provided below is a break-down:

- 121 apartments, condos, hotels, motels were inspected for fire and life safety compliance.
- 17 public and private schools were inspected for fire and life safety compliance.
- One detainment block at the Sheriff Substation was inspected for fire and life safety compliance.

WILDLAND/URBAN INTERFACE INSPECTIONS:

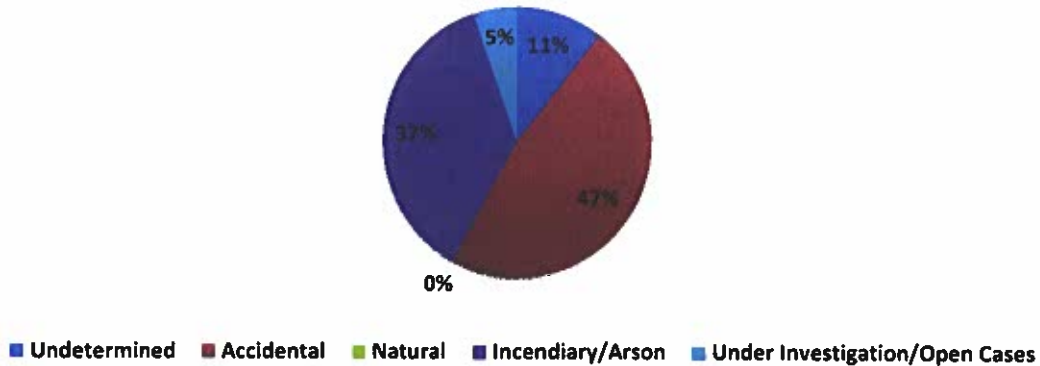
In the late spring, the District annually sends out 20,424 notices to district property owners in order to start the vegetation hazard abatement efforts. Throughout the year, we address community concerns regarding vegetation management and/or defensible space via phone inquiry, front counter visits and online submissions. The Customer Service/Social Media Specialist tracks all complaints, assists Staff with mailing and tracking notices, researches owner information and tracks citation notices so that we follow our abatement process and resolution. Fire Protection Specialists conduct field inspections of all 6,544 Local Responsibility Area (LRA) parcels. In the State Responsibility Area (SRA), we responded to 185 requests for assistance and complaints from residents. Included in this report is a map of our District showing the location and size of the LRA within our District lines (Appendix A). With the addition of our Customer Service/Social Media Specialist position, we have been able to track, maintain and handle large volume of phone inquiries related to our weed abatement efforts which gives the Fire Protection Specialist the ability to be in the field conducting inspections. We have a very high success rate with very few complaints leading to force abatement. The 2020 fire season had many residents concerned about the threat of wildfire in the community and the prevention staff has been putting many staff hours into following up with resident complaints and concerns. Provided below is a chart indicating the number of parcels inspected compared to prior years.

Weed Abatement



FIRE INVESTIGATIONS:

Fire Investigation Responses/Call-Outs



The Bureau had 22 call out requests for origin and cause investigations, leading to one arrest.

PROGRAMS:

COLLABORATION WITH FALLBROOK FIRE SAFE COUNCIL (FSC):

This program utilizes volunteers to perform vegetation maintenance for the elderly or disabled. We continue to maintain our relationship with the Fallbrook FSC. However, because of COVID-19 restrictions, we were unable to collaborate with them in 2020.

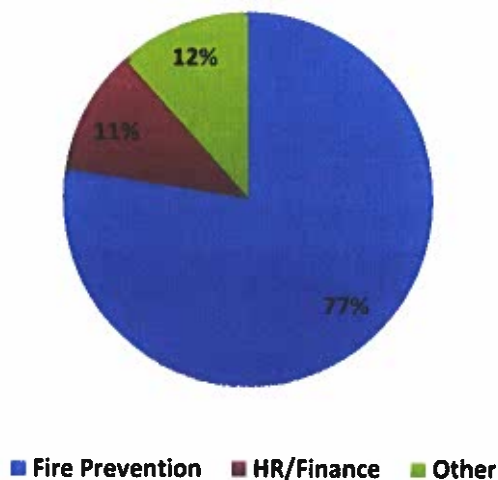
PUBLIC EDUCATION:

In 2020, we were unable to participate in public education events due to COVID-19. We instead chose to promote fire safe practices via our social media channels (Facebook, Instagram and Twitter) by regularly pushing out videos and infographics (Appendix B). Additionally, we published a one-page ad in the local Sourcebook Magazine which is sent out annually to all residents within the District (Appendix C).

OFFICE IMPACT:

The Fire Prevention Bureau assisted approximately 1,050 visitors annually within our office during 2020. We see approximately 10 visitors per day when our offices are open. A large portion of the Bureau's time is dedicated to engaging with community members over the phone regarding a myriad of topics (e.g. weed abatement, plan review and inspections). Our Bureau receives approximately 30 to 45 calls each day.

Office Visitors



2021 PROJECTIONS:

We will continue to maintain our finances for both plan review and mitigation fees. This will also maintain the number of plan reviews and their associated field inspections. Horse Creek Ridge (wrapping up) through the construction phase. Meadowood (grading), Campus Park West (planning phase), Ocean Breeze Ranch (planning approved), East and West Peppertree development (planning phase), two large residential care facilities

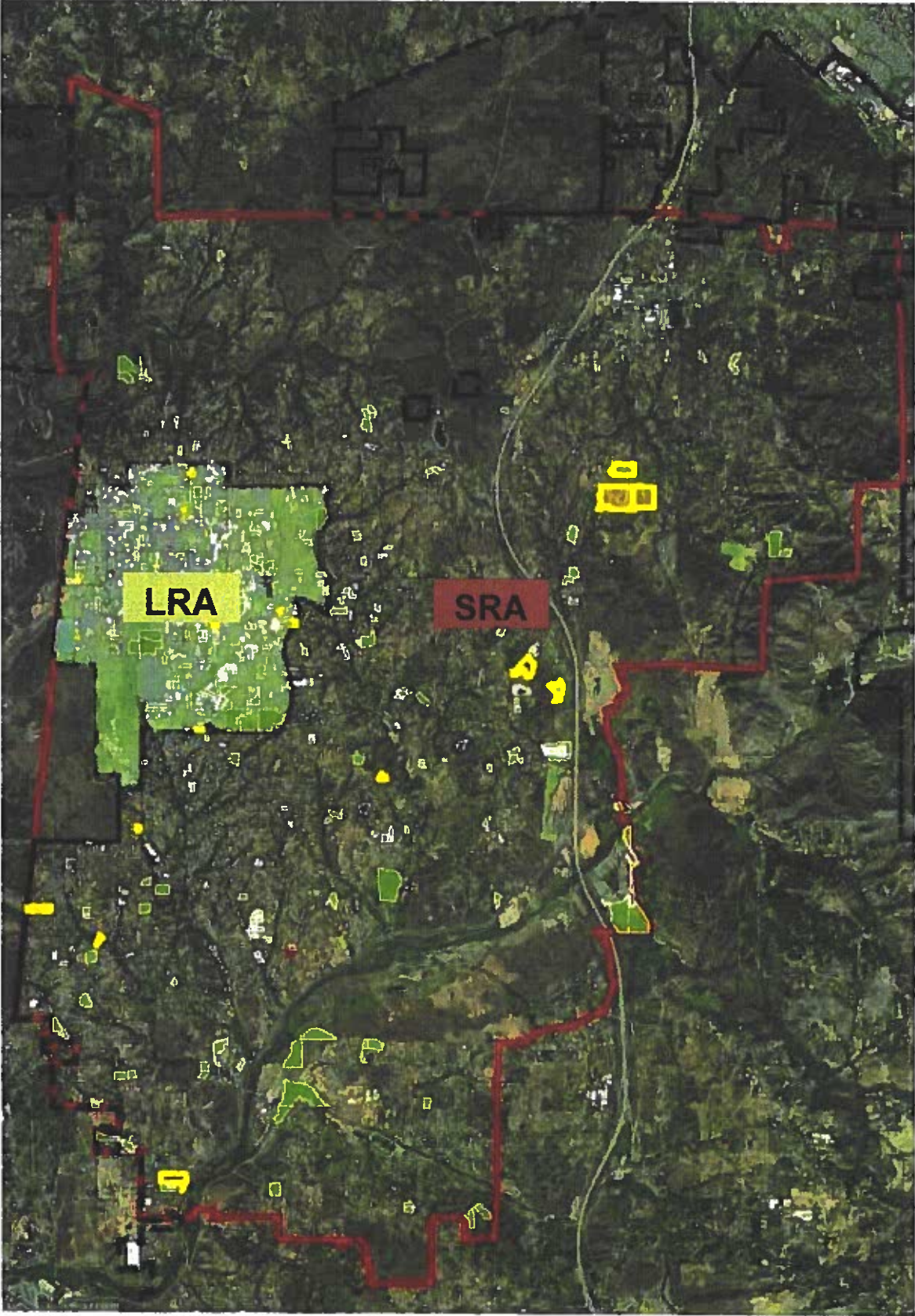
(Mission Estancia opening this year), Care Field Senior Care Facility (planning phase), Monserate Winery (planning/grading/underground), Aurora Heights (over half way done), Polo Club/Bonsall Oaks (planning), Willow Tree Private School (planning), Fairview (grading phase), an energy storage facility, three County parks and other smaller projects are in the early stages of development. The Fire Prevention Bureau should maintain our workload and revenue over the next year. (Appendix D)

SUMMARY:

New programs (Streamline for new construction and engine company inspections/ArcGIS for weed abatement) have been developed to improve organization, accountability and scheduling. The addition of having a Customer Service/Social Media Specialist has been beneficial in handling a large amount of public inquires face-to-face or on the phone. The part-time front counter coverage has also helped with plan review submittals and retrieval that, in turn, has drastically increased the amount of time the Fire Protection Specialist can be conducting plan review and field inspections such as: new construction, state mandated inspections, weed abatement and public fire life safety complaints.

Having the Customer Service/Social Media Specialist position has also allowed the Bureau to develop and implement a tracking and record maintenance program so that we can enforce weed abatements within the Local Responsibility Area as well as complaints within the State Responsibility Areas. As a team, we continue to strive to meet the needs of the District.







Appendix A




Appendix B

Carbon Monoxide Poisoning Prevention

Carbon monoxide (CO) is a colorless, odorless gas that can kill without any warning. As winter approaches and people begin to use their heaters, we will see an increase in CO poisoning incidents. Know the steps you can take today, to prevent CO poisoning in the future.

 <p>Ensure that you have working CO detectors near or inside of every bedroom in your home.</p>	 <p>Follow the manufacturer's manual when using outdoor appliances (generators, space heaters, grills, etc.).</p>	 <p>If you suspect CO poisoning (nausea, dizziness, shortness of breath, or confusion) seek immediate medical attention.</p>
 <p>Change the batteries in your CO detectors when you change your clocks in the fall and spring.</p>	 <p>Do not run your car inside a garage attached to a home, even if the door is open.</p>	 <p>Do not use outside heating or cooking devices indoors.</p>

Source: CDC



 North County Fire Protection District

Favorites June 18 2020

Please take a moment to watch the following clip and visit the San Diego County Fire Chiefs Association Youtube channel.

On their channel you will find tips on how to harden your home create defensible space on your property and stay prepared in the event of wildfire We will be sharing these videos periodically on our page

WILDFIRE SAFETY A PUBLIC SAFETY MESSAGE



YOUTUBE.COM

San Diego County Wildfire Safety - A Public Safety Message

San Diego County Fire Chiefs Association Wildfire Safety San Diego

Appendix C

KEEP YOUR HOME FIRE SAFE

ESTABLISH DEFENSIBLE SPACE AROUND YOUR HOME.

- No combustible material within 5' of home.
- "Lean, Clean, & Green" Zone: It is important to regularly thin and prune vegetation within the first 50' of your home.
- Reduced Fuel Zone: Create spacing between vegetation to slow potential spread.

FOR BOTH ZONES:

Stack firewood at least 30 feet away from all structures and fences.

Keep 10 feet of clearance around propane or butane tanks.

Trim off any dead tree limbs.

Remove debris and pine needles from under trees and inside of rain gutters.

Stagger plants, shrubs, and trees in order to reduce the chance of fire spreading.

Clear your property of any unnecessary fuel like garbage, trimmings, and other flammable waste.

Ensure your address is visibly posted at the end of your driveway so that we can easily find you in the event of an emergency.



For more information on North County Fire Protection District, please visit our website:
www.ncfire.org OR call us at (760) 723-2005

Emergencies

To report an emergency please dial 9-1-1.



Prevention

If you would like to report hazardous weeds or brush, or to schedule a fire inspection, please contact our Fire Prevention Bureau at:
(760) 723-2010.

You can also submit a report online at:
www.ncfire.org/weed-abatement

Information

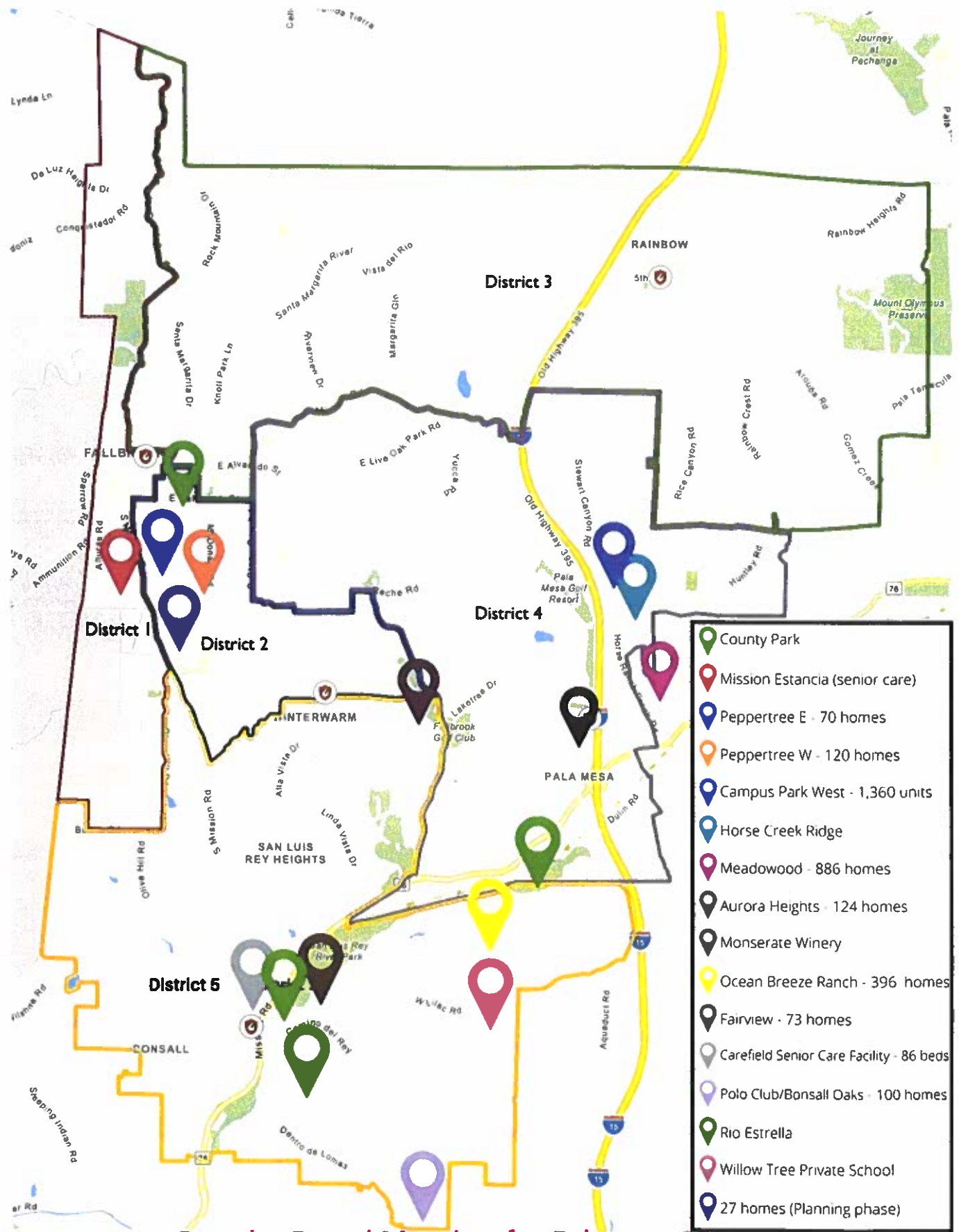
To obtain information on current fire & emergency incidents, please follow us on:



@NorthCountyFire

Or by calling our Fire Information Line at:
(760) 723-2035

Appendix D





**NORTH COUNTY FIRE
PROTECTION DISTRICT
OPERATIONS**

TO: Board of Directors
FROM: Operations/EMS Division
DATE: Tuesday, February 23rd, 2021
SUBJECT: Customer Satisfaction Survey Program, 2020 – 4th Quarter Results

CONSENT AGENDA

RECOMMENDATION:

Review the report as submitted. In looking at the overall percentage of satisfaction with our service, our customers continue to rate their level of satisfaction overwhelmingly in the “excellent” category.

BACKGROUND:

This report focuses on two areas, direct feedback based on surveys sent to patients transported by North County Fire and our Service/Sympathy card program. The distribution of the survey is based on the 2020 Payer Class percentages according to our ambulance billing company, Wittman Enterprises. This quarter’s customer satisfaction results incorporate surveys received from October 1st, 2020 through December 31st, 2020. The following is a listing of the type and number of individual payer classes that are randomly mailed surveys on a monthly basis.

2020 Payer Class

Private Commercial Insurance (includes Champus/Active Duty)	26
Medi Cal	10
Medicare (includes Senior HMO)	54
Cash	10
Total	100

DISCUSSION:

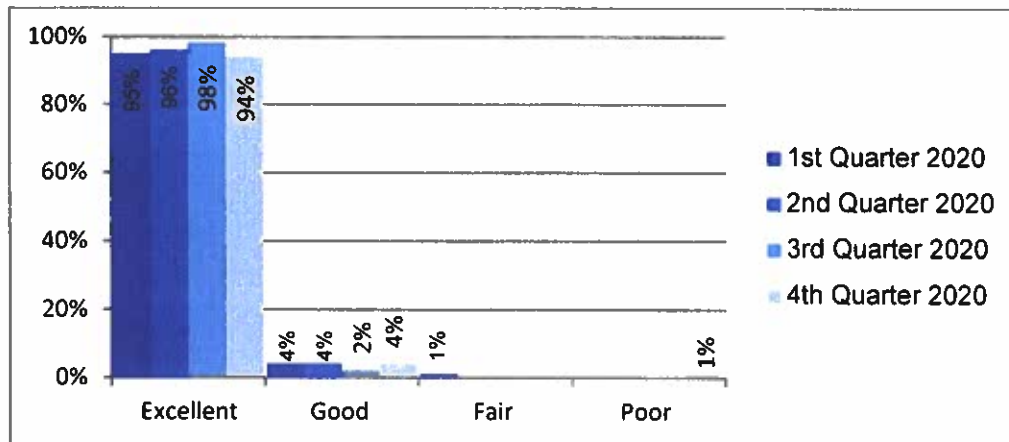
The survey results are reported on quarterly intervals to all safety employees. The sharing of this information with all employees provides a heightened awareness regarding our customer’s experience in the field. If a system or human deficiency trend is noted, the management staff will coordinate any measures necessary to correct the problem.

Customer Satisfaction Survey Program
Tuesday, Feb 23, 2021
Page 2 of 3

The first section of the *Satisfaction Survey Form* evaluates the customer's overall satisfaction with our service by rating it from "Excellent" to "Poor." The second section of the form allows the customer to provide comments on their perception of the service they received. This quarter 300 surveys were mailed and 67 surveys were returned (22%).

Ninety five percent (98%), or 79, of the surveys returned indicated "excellent" customer satisfaction as indicated on the chart below:

2019-2020 Customer Satisfaction Results



The customer comment portion of the survey has proven to be most effective by allowing us to hear the customer's opinions or concerns firsthand, thus allowing us to mitigate any problems as quickly as possible. These comments are reported on *Attachment-A* of this report.

In order to maintain Continual Quality Improvement (CQI) for this program, the responses are reviewed for any unusual comments or areas of concern. When necessary, incident documents will be reviewed. If a poor rating or adverse report is noted, the Operations Chief reaches out to seek clarification and ultimately improve services. If indicated, this review may warrant further investigation or training to mitigate potential customer service issues.

SERVICE/SYMPATHY CARD PROGRAM:

The District continues to utilize a Service/Sympathy Card Program to promote excellence in our emergency delivery services. This particular program allows our firefighters to correspond with our customers by personally signing and mailing "Service Cards." This post-incident program has proven invaluable in maintaining a positive relationship with our community through personal contact between our firefighters and the customers they serve. The "Sympathy Cards" are utilized in the same way by corresponding concern with a deceased patient's family.

The following data identifies the total number of Service and Sympathy cards completed by each crew during this report's time frame:

	"A" CREW	"B" CREW	"C" CREW	TOTAL
4TH Q 2020	78	140	96	314
3RD Q 2020	122	131	86	339
2ND Q 2020	154	157	119	430
1ST Q 2020	90	101	84	275

The above numbers represent 25% of total cards sent by A Shift, 45% of total cards sent by B Shift and 30% of total cards sent by C Shift.

FISCAL ANALYSIS:

The increased use of Service Cards has contributed to increased expenditures in both printing and postage. Annually, the Program costs approximately \$2,000.00 to operate. It is our belief that enhanced public relations and the benefits these cards represent is worth the expenditure.

SUMMARY:

The North County Fire Protection District takes seriously the demeanor and professional conduct of its employees while providing emergency services. Our Customer Survey Program provides a tool to measure and quantify this area and if necessary, implement and/or modify the emergency delivery system to ensure its ability to meet customer expectations. This program, which is now in its seventeenth year, consistently reflects a high degree of satisfaction with the services delivered by the employees of the North County Fire Protection District, beginning from the request for service up to and including final mitigation of the incident.



North County Fire Protection District
Customer Satisfaction Survey
Fourth Quarter 2020
October-December
Attachment A



Intake Number	Date Received	Follow Up	Customer Comments
20-04-01	10/5/2020		The EMTs stayed with me until I was checked into a room at the hospital. Very nice because the ER does not have anyone to help make a person feel significant. If I could complain about anything it would be the ambulance itself. This was the roughest riding vehicle I have ever been in short of an empty 5 ton in the military 25 years ago. The paramedics were outstanding.
20-04-02	10/5/2020		Super-fast response time. Very professional and reassuring. Love you guys! Thank you!
20-04-03	10/12/2020		Our family has had to call 911 for aid for our mom who resided at Silvergate Assisted Living. They have always been respectable and caring to our mom. Also, very efficient. We are sad to say, this last time on August 15 th , is the last time because our beloved mom passed away of COVID-19 on August 17 th , 2020. She begged us to take her but we convinced her to let the paramedics take her because it would be quicker and she would receive immediate care. Thank you again for all the times you came to her aid.
20-04-04	10/12/2020		I had nothing but absolutely excellent service from our North County Fire Department men when they responded at my home. They came down to my level (cement patio where I fell), were safe, well-spoken, and surrounded me and comforted me! They quickly assisted the paramedics as I was lifted to the cement as well. I'm most grateful for their service. It is wonderful to know that they are here in Fallbrook for our needs.
20-04-05	10/13/2020		Thank you for treating me very respectfully at a time I was so upset and fearful of what was happening in my life. Very professional in medical field and concerned of any problems. Thank you again.
20-04-06	10/15/2020		The entire team accomplished their mission 100%! Thank you, ladies and gentlemen, from the bottom of my heart.
20-04-07	10/15/2020		Thank you!
20-04-08	10/15/2020		There is no way to improve on perfection! You guys are great, thank you so much!
20-04-09	10/15/2020		Fast, kind and efficient! Thanks very much for your excellent help.
20-04-10	10/15/2020		You have saved me several times thank you so much! God bless each of you. Thank you.
20-04-11	10/15/2020		They were here in second time. Great service. Thank you.
20-04-12	10/15/2020		They were here in minutes. Great service.
20-04-13	10/17/2020		Excellent.
20-04-14	10/19/2020		Service was very professional and prompt. Men are well trained and courteous. Thanks!
20-04-15	10/20/2020		Excellent.
20-04-16	10/20/2020		I seem to remember that it took a bit too long for them to arrive. So, my response is the response time was too long.
20-04-17	10/21/2020		You saved our lives!!
20-04-18	10/22/2020		Thank you for your excellent service.



North County Fire Protection District
Customer Satisfaction Survey
Fourth Quarter 2020
October-December
Attachment A



Intake Number	Date Received	Follow Up	Customer Comments
20-04-19	10/22/2020		I have absolutely no complaints about my son's care. There was nothing I would change. He was taken to the hospital I requested, and all went well. I am 76 and my husband is 80 when our son fell, we were unable to get him. So, in reality, more help arrived than I really needed but it all was much appreciated. Thank you all so much.
20-04-20	10/22/2020		Excellent.
20-04-21	10/24/2020		North County Fire Protection has always been professional and knowledgeable when assisting me during emergency situations. The response time is superior, and the crew have always been respectful and courteous
20-04-22	10/24/2020		Excellent.
20-04-23	10/27/2020	Very happy with NCFPD service.	The fire department was great but insisted I had to go to Palomar instead of UCSD. I would have paid out of pocket! Maybe you can present that as an option! Palomar was the worst experience of my life. After determining that I had 2 broken arms, I had to get a CAT scan. By the time I was put in a room it was 6 hours. After I arrived, I was kept as an outpatient for 3 days. I thought I was an inpatient. I never was told why. I wanted to be transported to UCSD but was told I couldn't as I was already discharged one day sooner. Hello? Why was I there 2+ hours later? I was discharged with my plan. UCSD told me not to go to ER when I get the care I needed. This is not your fault but wanted you to know that I will die before going back to Palomar. I suggest you don't take patients to their hospital.
20-04-24	10/27/2020		We do not have the words to express how much we appreciate your first responders. Our family is so grateful to have the very best of our wonderful country here to help us in the best and worst of times. Thank you, thank you, thank you!!
20-04-25	10/27/2020		Every individual that arrived that morning was professional yet kind and comforting. You obviously never want to have to call 911 -- especially for a child! -- but they helped make a very scary situation not as scary. They were incredibly reassuring, explained everything thoroughly and, most importantly, were kind and gentle with our little boy.
20-04-26	10/31/2020		Thank you for your quick response to my 911 call. Your prompt assistance was efficient and crucial to me. I have no suggestions. Keep up the good work and hereby please accept my appreciation.
20-04-27	11/1/2020		Everything taken care of promptly and efficiently.
20-04-28	11/5/2020		Excellent service, very professional, kind and compassionate!
20-04-29	11/9/2020		I feel the fire department and paramedics did a strong job.
20-04-30	11/16/2020		Service was fast and very gentle and caring. Couldn't ask for better service. Very kind and comforting.
20-04-31	11/27/2020		With multiple calls everyone has been very kind and does a wonderful job.
20-04-32	11/28/2020		The team was very professional and made the correct diagnosis right away. They were very caring and made me comfortable. I give them a score of 10!



North County Fire Protection District
Customer Satisfaction Survey
 Fourth Quarter 2020
 October-December
 Attachment A



Intake Number	Date Received	Follow Up	Customer Comments
20-04-33	11/28/2020		They were her fast and were very professional. I have COPD and chronic bronchitis. When my oxygen gets low, I need professional help to get to the hospital. They took my vitals and acted fast. Very happy with them. Thank you!
20-04-34	11/30/2020		You were so quick on responding to our call. Considering the pain I was in and high fever, it was strongly recommended I go to the ER. Thank you so much for being there for me.
20-04-35	11/30/2020		Excellent!
20-04-36	11/30/2020		Excellent service, quick response, courteous and knowledgeable. They really knew what they were doing and made me feel good and taken care of. I can't say anything bad about their help they rendered me. Thank you NCFPD you are awesome, and we are lucky to have you.
20-04-37	11/30/2020		Mrs. Leticia Hernandez is very grateful to all the North County Fire Protection District staff. Thanks a lot.
20-04-38	11/30/2020		Excellent.
20-04-39	11/30/2020		The paramedics were very friendly and did very safe work.
20-04-40	12/1/2020		They were magnificent. They were prepared to enter my home from information of 911 operator, and prior preparation with me in event of disablement in case of a fall where I am incapable of rising to standing. Each fireman was obviously trained as to his procedure to get me stabilized on stretcher and conveying me to awaiting ambulance. Due to neighborhood's rural location, sirens were not needed. The ambulance crew stayed with me until I had been transferred to an emergency area. I found my home secured when I returned home about 9 hours after the accident. To my awe, I realized no blood on flood even though I had a good share on my clothing. My floor had been cleaned by a fireman going above and beyond the call of duty.
20-04-41	12/1/2020		Everyone was great. They helped me in my time of need. Thank you from the bottom of my heart.
20-04-42	12/1/2020		Excellent.
20-04-43	12/1/2020		Service could not have been any better. Too bad Fallbrook does not have a hospital. Thank you.
20-04-44	12/1/2020		Service could not have been any better. Too bad Fallbrook does not have a hospital. Thank you
20-04-45	12/2/2020		The paramedics that came to our home were very professional and caring. They quickly attended to him to assess and stabilize him as he had lost consciousness and I was not able to get him to come to. They took good care of him in transport to the hospital. Our family is very grateful to our Fallbrook Fire department and paramedics.
20-04-46	12/4/2020		On October 3 rd , I fell in garage, broke both bones and severely dislocated ankle. I could not get up. Family called 911. Paramedics were here quickly, and they were terrific!! I wish I remembered names of guys in back. Absolutely wonderful.



North County Fire Protection District
 Customer Satisfaction Survey
 Fourth Quarter 2020
 October-December
 Attachment A



Intake Number	Date Received	Follow Up	Customer Comments
20-04-47	12/4/2020		In regard to the B-shift group on Engine 115 and Medical unit 114 who responded to my home emergency call: At 73 years of age, the incident was my first injury that required the assistance of the fire department or ambulance transport. Being the first time, I haven't anything to compare my experience to but the five gentlemen who responded gave my wife and I immediate confidence that what needed to be done would be properly done, all contributing to my full recovery. I'll also say that the fire district is fortunate to have these five experienced and courteous men available to serve our community when needed. By the way, their rating level is only "very good" – I don't want to be responsible for any swelled heads!
20-04-48	12/4/2020		Good.
20-04-49	12/7/2020		Everything went fine.
20-04-50	12/7/2020		Needed lift assistance from chair. Arrival time was prompt. Crew was courteous, professional, experienced – knew what they were doing. So thankful for their service.
20-04-51	12/8/2020		Very caring personnel.
20-04-52	12/9/2020		After a fall in the yard my family called 911. They were quick to arrive and the members of the team were friendly and polite. Thank you for your super service.
20-04-53	12/9/2020		I'm thankful for your help.
20-04-54	12/10/2020		Excellent.
20-04-55	12/12/2020		They were so fast! Thank you so much for helping my baby during one of the most stressful moments of my life. Forever grateful.
20-04-56	12/15/2020		Thank you. Very kind and caring fire department.
20-04-57	12/21/2020		They were nice and they arrived quickly onsite. They saved my son's life. I'm grateful for each of them. PS. My son is in rehab now because of them. He would be deceased if they had not arrived on time.
20-04-58	12/21/2020		On October 7 th , 2020 we called 911 because my husband had chest pain. Your operator was very efficient, stayed on the line, and guided me until the paramedics and firemen got to our house (in less than 4-5 minutes). Your people went to work taking care of him and calming me down and gathering information. Your people were kind and worked quickly and efficiently. It was determined that he needed to go to the hospital so off they went to Palomar. The firemen stayed with me to help clean up my bathroom due to a flood caused by my husband falling in the bathroom and breaking the toilet tank! I'm so grateful for their help; it calmed me down. They were very kind. Overall, the event went well, thanks to all your peoples' well-trained response.
20-04-59	12/24/2020		Very prompt, respectful and efficient. They were very knowledgeable and knew what they were doing. Took pride in their work.
20-04-60	12/24/2020		They took me to TV Hospital and waited until a room was ready for me. Excellent service!
20-04-61	12/24/2020		Very kind, very efficient. Showed concern and were very professional. Even packed up my wedding ring safely in case my finger swelled.



North County Fire Protection District
Customer Satisfaction Survey
Fourth Quarter 2020
October-December
Attachment A



Intake Number	Date Received	Follow Up	Customer Comments
20-04-62	12/26/2020		The fire department and EMTs arrived in a timely manner, were professional in their assessment of my health situation, and determined that I needed to be transported to the hospital. While approaching TriCity Hospital the ER said to go to Scripps and so I ended up there and received excellent care. I very much appreciate the timely and outstanding emergency care I received.
20-04-63	12/28/2020		Excellent.
20-04-64	12/30/2020		Great service, thank you. Professional, I appreciated the masks. We're high risk. You might check to see if masks fit properly, one guy's mask seemed to slip easily. The female EMT especially did an A+ job.
20-04-65	12/30/2020	Patient contacted. Apology given.	The service was prompt and efficient overall. The only need for improvement was the main responder's inability to start an IV en route to the hospital. He tried 2 times. I was perfectly fine without it as I was able to take available pain medication without IV (orally) but my concern is for others who may need the IV right away. Thank you for your otherwise excellent service.
20-04-66	12/31/2020		The EMTs were professional, sympathetic, and compassionate. It was my first experience with an ambulance. I was frightened and they calmed my fears. The ride was comfortable and both EMTs stayed at my side and comforted me until the ER was able to accept me. Most importantly, they both had a great sense of humor. So grateful to have these young, brave professionals at my call. God bless you all!
20-04-67	12/31/2020	Dispute canceled. Bill paid.	I am surprised to receive this or a bill. I called for my husband I was accompanying my husband in the ambulance. I was just nervous, and the attendant insisted on putting the oxygen monitor on me. Then tried to admit me to the hospital for anxiety and I refused! Now I see a bill to my insurance and a bill to me. I am not happy about this trick. I would like to dispute this bill.

North County Fire

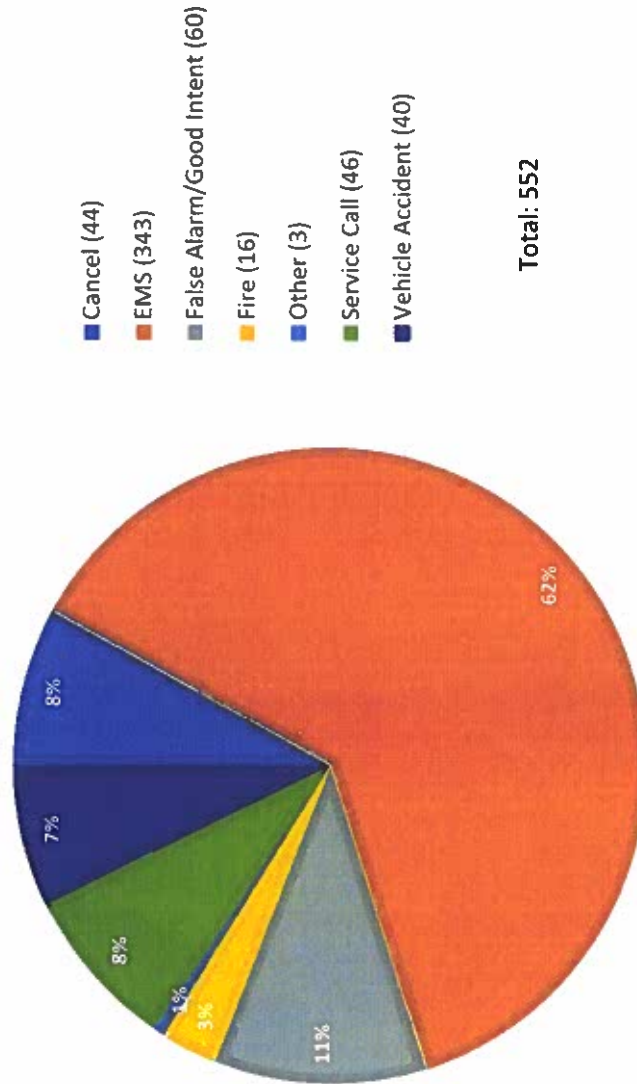


MONTHLY OPERATIONS ACTIVITY REPORT:

Jan 2021

Call Mix

JANUARY



* Future reports will separate true Mechanical False Alarms VS Good Intent

Total incidents year to date:

Jan 2020: 511

Jan 2021: 552



Turnout Time

(Time of station notification to responding)

90th Percentile – Emergency Calls Only

Shift	Unit Name	January	Shift	Unit Name	January	Shift	Unit Name	January
A-SHIFT	B111	0:01:36 (8)	B-SHIFT	B111	0:02:00 (8)	C-SHIFT	B111	0:02:07 (7)
	E111	0:02:20 (65)		E111	0:02:16 (79)		E111	0:02:17 (70)
	E112	0:01:55 (38)		E112	0:03:12 (42)		E112	0:02:26 (39)
	E113	0:02:12 (27)		E113	0:01:31 (11)		E113	0:02:17 (15)
	E114	0:02:39 (34)		E114	0:01:44 (30)		E114	0:02:38 (31)
	E115	0:03:04 (33)		E115	0:02:27 (31)		E115	0:02:22 (20)
	M111	0:02:27 (61)		M111	0:02:21 (54)		M111	0:01:59 (67)
	M114	0:01:41 (47)		M114	0:02:19 (42)		M114	0:02:03 (41)
	M115	0:03:11 (36)		M115	0:02:36 (43)		M115	0:02:48 (26)
				RA111	0:02:26 (14)			



Calls by Unit

January

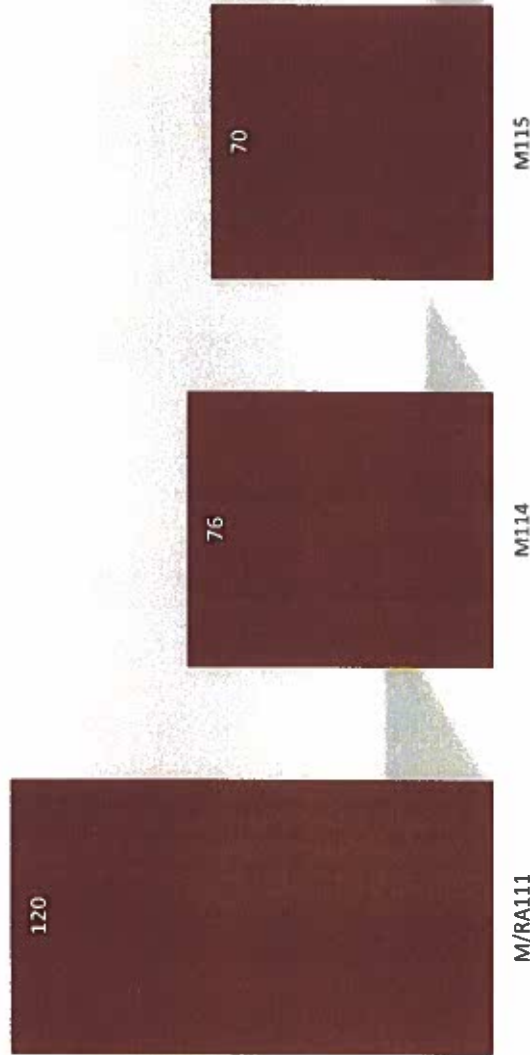


*In-jurisdiction only; includes calls that were canceled in route.



Transports

Total



Dec 2020: 290
Jan 2021: 266



Total Response Times

90th Percentile – Emergency Calls Only – 1st On Scene

Urban	Suburban	Rural
0:07:52 (266)	0:11:55 (20)	0:09:13 (33)

January 2021



Aid Received & Aid Provided

Aid Received (times arrived) into NORTH COUNTY FPD from CAL FIRE, CAMP PENDLETON, OCEANSIDE, PALA & VISTA

Jurisdiction	Home Jurisdiction	Incidents/Responses Filter (Time Arrived)
NORTH COUNTY FPD	CAL FIRE	2021 9.00
	CAMP PENDLETON	2.00
	OCEANSIDE FD	5.00
	PALA FD	0.00
	VISTA FD	11.00
Grand Total		27.00

Aid Provided (count of responses) by NORTH COUNTY FPD into CAL FIRE, CAMP PENDLETON, OCEANSIDE, PALA & VISTA

Home Jurisdiction	Jurisdiction	Incidents/Responses Filter
NORTH COUNTY FPD	CAL FIRE	2021 18
	OCEANSIDE FD	51
	PALA FD	3
	VISTA FD	17
Grand Total		89



Ambulance Unit Hour Utilization

Ambulance utilization calculates the number of hours a unit is committed to incidents

		Total Hours Committed		Hours Committed per ...		% Committed
		Total	Committed	Total	Total	
2020	M111	2,672		7.32		30.50%
	M114	1,426		3.91		16.28%
	M115	1,942		5.32		22.17%
	Total	6,040		16.55		68.95%
2021	M111	319		0.87		3.64%
	M114	179		0.49		2.04%
	M115	226		0.62		2.58%
	Total	724		1.98		8.26%

The spreadsheet outlines:

Total hours the unit was committed per year, hours per 24-hour shift & % of time committed



Monthly Inspection Report

2021



Health & Safety

Injuries &

Illness

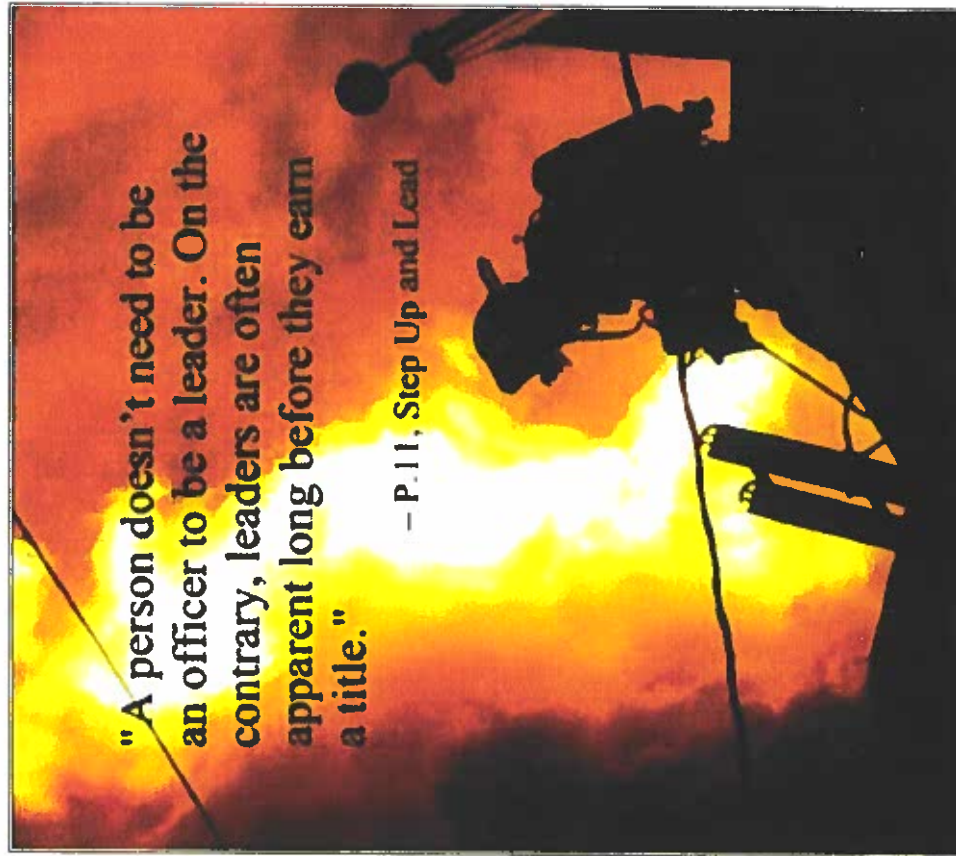
1 Injuries

Accidents

1 Vehicle



Leadership



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NORTH COUNTY FIRE PROTECTION DISTRICT

FINANCE DIVISION

TO: BOARD OF DIRECTORS
FROM: FM JUUL AND CHIEF ABBOTT
DATE: FEBRUARY 23, 2021
SUBJECT: FY 2019-2020 FINANCIAL AUDIT

ACTION AGENDA

RECOMMENDATION:

To review and accept the annual audit for fiscal year ending June 30, 2020 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. Nigro & Nigro, a professional accountancy corporation, conducted the annual audit for the District for fiscal year ending June 30, 2020.

DISCUSSION:

FACTORS AFFECTING CURRENT AND FUTURE FINANCIAL POSITION:

Management has identified specific conditions that exist that could significantly impact the District's current financial and net position. The District has restructured its ambulance service staffing, reducing total personnel costs to fund the District's Capital Equipment Replacement Plan. During the pandemic the District maintained a neutral cash position and was able to hire three new Firefighter/Paramedic positions. The District needs to identify funding for future acquisitions as outlined in the District's Facilities Condition Assessment. The specific designated funds for such projects were depleted in the past recession with no identified monies to replenish other than those that will be realized next fiscal year with adjustments to the District's fees.

PENSION OBLIGATION BONDS:

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. With this in mind, the District issued \$20,305,000 in 20-year 2020 Taxable Pension Obligation Bonds with coupon rates ranging from 1.355% to 3.568%. These bonds are expected to provide

significant savings to the District as the District makes a significant \$20 million contribution to its CalPERS Pension Plan's Unamortized Actuarial Liability for its safety employees.

GLOBAL PANDEMIC:

At the end of the first quarter of calendar year 2020, the United States and global economy suffered a major decline due to the impact of the COVID-19 virus. This economic decline may affect the District's operations and investment earnings for the remainder of calendar year 2020 and beyond. However, the potential impact to the District is unknown at this time.

FISCAL ANALYSIS:

Annual audit cost was \$13,000.

SUMMARY:

A member of Nigro & Nigro will give an overview of the audit and will be prepared to answer questions.

**NORTH COUNTY FIRE PROTECTION DISTRICT
FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT
For the Fiscal Year Ended
June 30, 2020
(With Comparative Information as of June 30, 2019)**



NORTH COUNTY FIRE PROTECTION DISTRICT

For the Fiscal Year Ended June 30, 2020

Table of Contents

FINANCIAL SECTION

	Page
Independent Auditors' Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	10
Statement of Activities	11
Governmental Funds Financial Statements:	
Governmental Funds Balance Sheet	12
Reconciliation of the Governmental Funds Balance Sheet to Statement of Net Position	13
Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances	14
Reconciliation of the Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	15
Notes to Financial Statements	16

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Schedule – General Fund	49
Budgetary Comparison Schedule – Fire Mitigation Fund	50
Schedule of Proportionate Share of the Net Pension Liability	51
Schedule of Pension Contributions	52
Schedule of Changes in the District's Total OPEB Liability and Related Ratios	53

SUPPLEMENTARY INFORMATION

Balance Sheets – Other Governmental Funds	54
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Other Governmental Funds	55

OTHER INDEPENDENT AUDITORS' REPORTS

Independent Auditors' 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>	56
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Financial Section



INDEPENDENT AUDITORS' REPORT

Board of Directors
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 North County Fire Protection District as of and for the fiscal year ended June 30, 2020, 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.

Auditors' 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 audit 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 opinions.

Opinion

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 North County Fire Protection District, as of June 30, 2020, and the respective changes in financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis information, budgetary comparison information, schedule of proportionate share of the net pension liability, schedule of pension contributions, and schedule of changes in the District's total OPEB liability and related ratios be 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual non-major fund financial statements 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 relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a separate report dated January 31, 2021, 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.

Murrieta, California
January 31, 2021

NORTH COUNTY FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

Management's Discussion and Analysis (MD&A) offers readers of North County Fire Protection District's financial statements a narrative overview of the District's financial activities for the fiscal year ended June 30, 2020. This MD&A presents financial highlights, an overview of the accompanying financial statements, an analysis of net position and results of operations, a current-to prior year analysis, a discussion on restrictions, commitments and limitations, and a discussion of significant activity involving capital assets and long-term debt. Please read in conjunction with the financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's net position decreased \$2.879 million as a result of this year's operations.
- Total revenues from all sources increased by 2.1%, or \$424,344 from \$20,095,736 to \$20,520,080, from the prior year, primarily due to increases in property taxes of \$778,926.
- Total expenses for the District's operations increased by 9.2% or \$1,962,174 from \$21,436,931 to \$23,399,105, from the prior year, primarily due to increases in salaries, benefits, materials and services and the cost of issuance of the pension obligation bonds.
- The District purchased new capital assets during the year in the amount of \$287,048. Depreciation expense was \$971,021. Also, the District issued \$20,305,000 in pension obligation bonds.

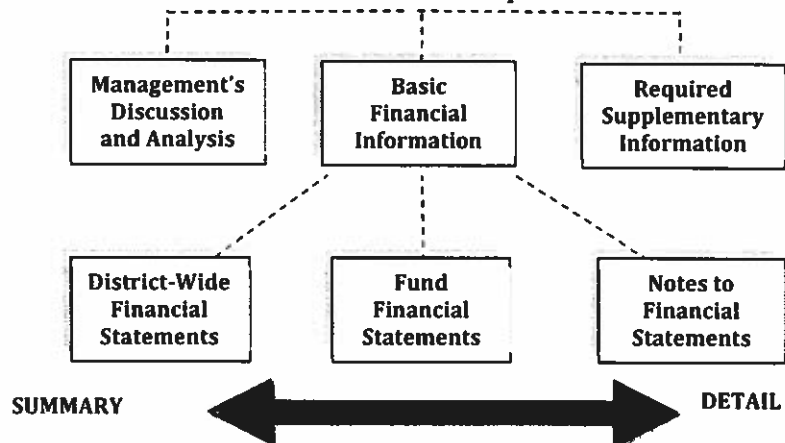
OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts - management discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- *District-wide financial statements* provide both short-term and long-term information about the District's overall financial status.
- *Fund financial statements* focus on individual parts of the District, reporting the District's operations in more detail than the district-wide statements.
 - The *governmental funds* statements tell how basic services were financed in the short term as well as what remains for future spending.

Figure A-1. Organization of North County Fire Protection District's Annual Financial Report

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.



NORTH COUNTY FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain.

Figure A-2. Major Features of the District-Wide and Fund Financial Statements

Type of Statements	District-Wide	Governmental Funds
<i>Scope</i>	Entire District	The activities of the District that are not proprietary or fiduciary, such as fire and ambulance services
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of Net Position • Statement of Activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of Revenues, Expenditures & Changes in Fund Balances
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter

NORTH COUNTY FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

OVERVIEW OF THE FINANCIAL STATEMENTS (continued)

The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

District-Wide Statements

The district-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two district-wide statements report the District's net position and how it has changed. Net position – the difference between the District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – is one way to measure the District's financial health, or *position*.

- Over time, increases and decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health of the District, you need to consider additional nonfinancial factors such as changes in the District's property tax base and the condition of buildings and other facilities.
- In the district-wide financial statements, the District's activities are categorized as *Governmental Activities*. Most of the District's basic services are included here, such as fire protection, medical transport, and administration. Local property taxes finance most of these activities.

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*.

NORTH COUNTY FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION

Analysis of Net Position

Table A-1: Condensed Statement of Net Position

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>
Assets:			
Current assets	\$ 8,113,743	\$ 8,661,403	\$ (547,660)
Capital assets, net	<u>14,786,910</u>	<u>15,050,078</u>	<u>(263,168)</u>
Total assets	<u>22,900,653</u>	<u>23,711,481</u>	<u>(810,828)</u>
Deferred outflows of resources	<u>27,240,566</u>	<u>6,766,407</u>	<u>20,474,159</u>
Liabilities:			
Current liabilities	3,456,499	2,505,689	950,810
Non-current liabilities	<u>60,199,084</u>	<u>39,181,416</u>	<u>21,017,668</u>
Total liabilities	<u>63,655,583</u>	<u>41,687,105</u>	<u>21,968,478</u>
Deferred inflows of resources	<u>1,990,485</u>	<u>1,416,607</u>	<u>573,878</u>
Net position (Deficit):			
Net investment in capital assets	7,093,362	5,644,759	1,448,603
Restricted	1,974,412	1,553,607	420,805
Unrestricted (Deficit)	<u>(24,572,623)</u>	<u>(19,824,190)</u>	<u>(4,748,433)</u>
Total net position (deficit)	<u>\$ (15,504,849)</u>	<u>\$ (12,625,824)</u>	<u>\$ (2,879,025)</u>

At the end of fiscal year 2020, the District shows a deficit balance in its unrestricted net position of (\$24,274,488).

Analysis of Revenues and Expenses

Table A-2: Condensed Statements of Activities

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Change</u>
Program revenues	\$ 3,973,607	\$ 4,354,845	\$ (381,238)
Expenses	<u>(23,399,105)</u>	<u>(21,436,931)</u>	<u>(1,962,174)</u>
Net program expense	(19,425,498)	(17,082,086)	(2,343,412)
General revenues	<u>16,546,473</u>	<u>15,740,891</u>	<u>805,582</u>
Change in net position	(2,879,025)	(1,341,195)	(1,537,830)
Net position:			
Beginning of year	<u>(12,625,824)</u>	<u>(11,284,629)</u>	<u>(1,341,195)</u>
End of year	<u>\$ (15,504,849)</u>	<u>\$ (12,625,824)</u>	<u>\$ (2,879,025)</u>

NORTH COUNTY FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

FINANCIAL ANALYSIS AND CONDENSED FINANCIAL INFORMATION (continued)

Analysis of Revenues and Expenses (continued)

The statement of activities shows how the government's net position changed during the fiscal year. In the case of the District, the net position of the District decreased by (\$2,879,025).

Table A-3: Total Revenues

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Increase (Decrease)</u>
Program revenues:			
Charges for services	\$ 3,619,560	\$ 3,900,666	\$ (281,106)
Operating and capital grant funding	<u>354,047</u>	<u>454,179</u>	<u>(100,132)</u>
Total program revenues	<u>3,973,607</u>	<u>4,354,845</u>	<u>(381,238)</u>
General revenues:			
Property taxes	15,983,497	15,204,571	778,926
Rental income - cellular towers	102,950	109,206	(6,256)
Investment earnings	226,888	185,053	41,835
Other revenues	<u>233,138</u>	<u>242,061</u>	<u>(8,923)</u>
Total general revenues	<u>16,546,473</u>	<u>15,740,891</u>	<u>805,582</u>
Total revenues	<u>\$ 20,520,080</u>	<u>\$ 20,095,736</u>	<u>\$ 424,344</u>

Total revenues from all sources increased by 2.1%, or \$424,344 from \$20,095,736 to \$20,520,080, from the prior year, primarily due to increases in property taxes of \$778,926.

Table A-4: Total Expenses

	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>Increase (Decrease)</u>
Expenses:			
Salaries and wages	\$ 9,898,114	\$ 9,443,301	\$ 454,813
Employee benefits	7,396,975	6,995,874	401,101
Materials and services	4,511,570	3,757,569	754,001
Depreciation expense	971,021	935,483	35,538
Interest expense	323,290	304,704	18,586
Cost of issuance	<u>298,135</u>	<u>-</u>	<u>298,135</u>
Total expenses	<u>\$ 23,399,105</u>	<u>\$ 21,436,931</u>	<u>\$ 1,962,174</u>

Total expenses for the District's operations increased by 9.2% or \$1,962,174 from \$21,436,931 to \$23,399,105, from the prior year, primarily due to increases in salaries, benefits, materials and services and the cost of issuance of the pension obligation bonds.

NORTH COUNTY FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

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 *unreserved 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, 2020, the District reported a total fund balance of \$9,205,263. An amount of \$702,151 constitutes the District's *unassigned fund balance*.

OPERATIONS FUND BUDGETARY HIGHLIGHTS

The final budgeted expenditures for the District's operational fund at year-end were \$322,870 more than actual. Actual revenues were greater than the anticipated budget by \$696,988. Actual revenues less expenses were under budget by \$1,019,858.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2019-20 the District had invested \$287,048 in new capital assets, related to the purchase of equipment for use in fire protection. (More detailed information about capital assets can be found in Note 7 to the financial statements). Total depreciation expense for the year was \$971,021.

Table A-5: Capital Assets at Year End, Net of Depreciation

	<u>Balance, July 1, 2019</u>	<u>Additions</u>	<u>Transfers/ Deletions</u>	<u>Balance, June 30, 2020</u>
Capital assets:				
Non-depreciable assets	\$ 882,639	\$ 161,923	\$ -	\$ 1,044,562
Depreciable assets	22,026,460	125,125	(454,614)	24,044,158
Accumulated depreciation	<u>(11,759,815)</u>	<u>(971,021)</u>	<u>454,614</u>	<u>(12,276,222)</u>
Total capital assets, net	<u>\$ 11,149,284</u>	<u>\$ (683,973)</u>	<u>\$ -</u>	<u>\$ 12,812,498</u>

NORTH COUNTY FIRE PROTECTION DISTRICT
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2020

Long-Term Debt

At year-end the District had \$5,719,136 in outstanding long-term debt – a decrease of 27.1% from last year – as shown in Table A-6. (More detailed information about the District's long-term liabilities is presented in Note 9 to the financial statements).

Table A-6: Outstanding Long-Term Debt at Year-End

Balance, July 1, 2019	Additions	Principal Payments	Balance, June 30, 2020
\$ 7,851,712	\$ -	\$ (2,132,576)	\$ 5,719,136

FACTORS AFFECTING CURRENT AND FUTURE FINANCIAL POSITION

Management has identified specific conditions that exist that could significantly impact the District's current financial and net position. The District has restructured its ambulance service staffing, reducing total personnel costs to fund the District's Capital Equipment Replacement Plan. The District needs to identify funding for future acquisitions as outlined in the District's Facilities Condition Assessment. The specific designated funds for such projects were depleted in the past recession with no identified monies to replenish.

Pension Obligation Bonds

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. With this in mind, the District issued \$20,305,000 in 20-year 2020 Taxable Pension Obligation Bonds with coupon rates ranging from 1.355% to 3.568%. These bonds are expected to provide significant savings to the District as the District makes a significant \$20 million contribution to its CalPERS Pension Plan's Unamortized Actuarial Liability for its safety employees.

Global Pandemic

At the end of the first quarter of calendar year 2020, the United States and global economy suffered a major decline due to the impact of the COVID-19 virus. This economic decline may affect the District's operations and investment earnings for the remainder of calendar year 2020 and beyond. However, the potential impact to the District is unknown at this time.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

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 District's Fire Chief at the North County Fire Protection District at 330 South Main Avenue, Fallbrook, California 92028 or (760) 723-2005.

NORTH COUNTY FIRE PROTECTION DISTRICT

Statement of Net Position

June 30, 2020 (With Comparative Amounts as of June 30, 2019)

	Governmental Activities	
	2020	2019
ASSETS		
Current assets:		
Cash and investments (Note 2)	\$ 6,799,555	\$ 7,288,192
Accrued interest receivable	18,314	46,364
Accounts receivable – ambulance billings, net (Note 4)	666,441	657,887
Other receivables (Note 5)	101,078	163,370
Deposits with Public Agencies Self-Insurance System (Note 6)	490,640	473,794
Prepaid items	37,715	31,796
Total current assets	8,113,743	8,661,403
Non-current assets:		
Restricted – cash and investments (Note 2 and 3)	1,846,167	1,400,277
Restricted – accrued interest receivable (Note 3)	7,397	13,857
Restricted – other receivables (Note 3 and 5)	120,848	139,473
Capital assets – not being depreciated (Note 7)	1,044,562	882,639
Capital assets – being depreciated, net (Note 7)	11,767,936	12,613,832
Total non-current assets	14,786,910	15,050,078
Total assets	22,900,653	23,711,481
DEFERRED OUTFLOWS OF RESOURCES		
OPEB related deferred outflows of resources (Note 12)	420,371	168,939
Pension related deferred outflows of resources (Note 13)	26,820,195	6,597,468
Total deferred outflows of resources	27,240,566	6,766,407
LIABILITIES		
Current liabilities:		
Accounts payable and accrued expenses	173,005	152,274
Accrued payroll and related liabilities	692,378	597,113
Unearned revenue	17,509	14,146
Accrued interest payable	53,436	52,574
Long-term liabilities – due in one year:		
Compensated absences (Note 8)	1,000,000	1,000,000
Pension obligation bonds	860,000	-
Long-term debt (Note 9)	660,171	689,582
Total current liabilities	3,456,499	2,505,689
Non-current liabilities:		
Long-term liabilities – due in more than one year:		
Compensated absences (Note 8)	1,684,609	1,079,733
Pension obligation bonds (Note 9)	19,445,000	-
Long-term debt (Note 10)	5,058,965	7,162,130
Workers' compensation claims payable (Note 11)	3,315,736	2,897,373
Net other post-employment benefits obligation (Note 12)	4,212,984	3,689,312
Net pension liability (Note 13)	26,481,790	23,558,181
Pension-related debt – CalPERS side-fund liability (Note 13)	-	794,687
Total non-current liabilities	60,199,084	39,181,416
Total liabilities	63,655,583	41,687,105
DEFERRED INFLOWS OF RESOURCES		
OPEB related deferred outflows of resources (Note 12)	78,564	98,205
Pension related deferred outflows of resources (Note 13)	1,911,921	1,318,402
Total deferred inflows of resources	1,990,485	1,416,607
NET POSITION		
Net investment in capital assets (Note 14)	7,093,362	5,644,759
Restricted (Note 3)	1,974,412	1,553,607
Unrestricted (Deficit) (Note 15)	(24,572,623)	(19,824,190)
Total net position	\$ (15,504,849)	\$ (12,625,824)

The notes to financial statements are an integral part of this statement.

NORTH COUNTY FIRE PROTECTION DISTRICT

Statement of Activities

For the Fiscal Year Ended June 30, 2020

With Comparative Amounts For the Fiscal Year Ended June 30, 2019)

	Governmental Activities	
	2020	2019
EXPENSES:		
Fire protection, prevention and emergency medical transport:		
Operations:		
Salaries and wages	\$ 9,898,114	\$ 9,443,301
Employee benefits	7,396,975	6,995,874
Materials and services	4,511,570	3,757,569
Depreciation expense	971,021	935,483
Interest expense	323,290	304,704
Cost of debt issuance (Note 9)	298,135	-
Total expenses	23,399,105	21,436,931
PROGRAM REVENUES:		
Charges for services:		
Ambulance services	2,338,146	2,068,255
Fire services – California Office of Emergency Services	327,631	687,747
Fire prevention	254,859	277,446
Mitigation fees	565,434	587,046
Annexation fees	70,345	68,534
Administration	63,145	211,638
Operating and capital grant funding	354,047	454,179
Total program revenues	3,973,607	4,354,845
Net program expense	(19,425,498)	(17,082,086)
GENERAL REVENUES:		
Property taxes	15,983,497	15,204,571
Rental income – cellular towers	102,950	109,206
Investment earnings	226,888	185,053
Other revenues	233,138	242,061
Total general revenues	16,546,473	15,740,891
Change in net position	(2,879,025)	(1,341,195)
Net Position:		
Beginning of year (Deficit)	(12,625,824)	(11,284,629)
End of year (Deficit)	\$ (15,504,849)	\$ (12,625,824)

The notes to financial statements are an integral part of this statement.

NORTH COUNTY FIRE PROTECTION DISTRICT
Balance Sheet – Governmental Funds
June 30, 2020

	General Fund	Fire Mitigation Fund	Other Governmental Funds	Total Funds
ASSETS				
Assets:				
Cash and investments	\$ 6,799,555	\$ -	\$ -	\$ 6,799,555
Restricted – cash and investments	-	660,311	1,185,856	1,846,167
Accrued interest receivable	18,314	-	-	18,314
Restricted – accrued interest receivable	-	2,633	4,764	7,397
Accounts receivable, net	666,441	-	-	666,441
Other receivables	101,078	-	-	101,078
Restricted – other receivables	-	119,577	1,271	120,848
Deposits with PASIS	490,640	-	-	490,640
Prepaid items	37,715	-	-	37,715
Due from other funds (Note 16)	400,000	-	-	400,000
Total assets	\$ 8,513,743	\$ 782,521	\$ 1,191,891	\$ 10,488,155
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued expenses	\$ 173,005	\$ -	\$ -	\$ 173,005
Accrued payroll and related liabilities	692,378	-	-	692,378
Unearned revenue	17,509	-	-	17,509
Due to other funds (Note 16)	-	400,000	-	400,000
Total liabilities	882,892	400,000	-	1,282,892
Fund Balances: (Note 17)				
Nonspendable	37,715	-	-	37,715
Restricted	-	782,521	1,191,891	1,974,412
Assigned	6,490,985	-	-	6,490,985
Unassigned	1,102,151	(400,000)	-	702,151
Total fund balance	7,630,851	382,521	1,191,891	9,205,263
Total liabilities and fund balance	\$ 8,513,743	\$ 782,521	\$ 1,191,891	\$ 10,488,155

The notes to financial statements are an integral part of this statement.

12

NORTH COUNTY FIRE PROTECTION DISTRICT

*Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
June 30, 2020*

Fund Balances – Governmental Funds	\$ 9,205,263
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.	12,812,498
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.	27,240,566
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	(53,436)
Compensated absences	(2,684,609)
Pension obligation bonds	(20,305,000)
Long-term debt	(5,719,136)
Workers' compensation claims payable	(3,315,736)
Net other post-employment benefits payable	(4,212,984)
Net pension liability	(26,481,790)
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>(1,990,485)</u>
Total adjustments	<u>(24,710,112)</u>
Net Position of Governmental Activities	<u>\$ (15,504,849)</u>

NORTH COUNTY FIRE PROTECTION DISTRICT

*Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
For the Fiscal Year Ended June 30, 2020*

	<u>General Fund</u>	<u>Fire Mitigation Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES:				
Property taxes	\$ 15,684,147	\$ -	\$ 299,350	\$ 15,983,497
Charges for services:				
Ambulance services	2,338,146	-	-	2,338,146
Fire services – CA OES	327,631	-	-	327,631
Fire prevention	254,859	-	-	254,859
Mitigation fees	-	565,434	-	565,434
Annexation fees	70,345	-	-	70,345
Administration	63,145	-	-	63,145
Operating and capital grant funding	354,047	-	-	354,047
Rental income – cellular towers	102,950	-	-	102,950
Investment earnings	170,867	19,579	36,442	226,888
Other revenues	233,138	-	-	233,138
Total revenues	<u>19,599,275</u>	<u>585,013</u>	<u>335,792</u>	<u>20,520,080</u>
EXPENDITURES:				
Current:				
Salaries and wages	9,293,238	-	-	9,293,238
Employee benefits	24,644,662	-	-	24,644,662
Materials and services	4,093,207	-	-	4,093,207
Capital outlay	287,048	-	-	287,048
Debt service:				
Principal	2,132,576	-	-	2,132,576
Interest	322,428	-	-	322,428
Total expenditures	<u>40,773,159</u>	<u>-</u>	<u>-</u>	<u>40,773,159</u>
REVENUES OVER(UNDER) EXPENDITURES	<u>(21,173,884)</u>	<u>585,013</u>	<u>335,792</u>	<u>(20,253,079)</u>
OTHER FINANCING SOURCES(USES):				
Issuance of debt – pension obligation bonds	20,305,000	-	-	20,305,000
Cost of debt issuance	(298,135)	-	-	(298,135)
Total other financing sources(uses)	<u>20,006,865</u>	<u>-</u>	<u>-</u>	<u>20,006,865</u>
Net Changes in Fund Balance	(1,167,019)	585,013	335,792	(246,214)
FUND BALANCES:				
Beginning of year	8,797,870	(202,492)	856,099	9,451,477
End of year	<u>\$ 7,630,851</u>	<u>\$ 382,521</u>	<u>\$ 1,191,891</u>	<u>\$ 9,205,263</u>

The notes to financial statements are an integral part of this statement.

NORTH COUNTY FIRE PROTECTION DISTRICT

*Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities
For the Fiscal Year Ended June 30, 2020*

Net Change in Fund Balances - Governmental Funds \$ (246,214)

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	(604,876)
Change in accrued interest payable	(862)
Change in workers' compensation claims payable	(418,363)
Change in net other post-employment benefits obligations and related deferred resources	(252,599)
Change in net pension liability and related deferred resources	17,500,286

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	287,048
Depreciation expense	(971,021)

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.

2,132,576

Proceeds from issuance of debt are reported as other financing sources in governmental funds and thus contribute to the change in fund balances. In the government-wide statements, however, issuance of debt increases long-term liabilities in the statement of net position and does not affect the statement of activities.

(20,305,000)

Total adjustments

(2,632,811)

Change in Net Position of Governmental Activities

\$ (2,879,025)

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of Organization

The North County Fire Protection District (the 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.

B. Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the District consists of all funds, departments, and agencies that are not legally separate from the District.

Component units are legally separate organizations for which the District is financially accountable. Component units may also include organizations that are fiscally dependent on the District, in that the District approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the District is not financially accountable but the nature and significance of the organization's relationship with the District is such that exclusion would cause the District's financial statements to be misleading or incomplete.

The District has identified no organizations that are required to be reported as component units.

C. Basis of Presentation, Basis of Accounting

1. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and the statement of activities display information about the primary government (the District) and its component units. These statements include the financial activities of the overall government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, other nonexchange transactions, and charges for services.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Major Governmental Funds

The District maintains the following major governmental funds:

General Fund: This fund is used to account for all financial resources of the District, except those required to be accounted for in another fund when necessary.

NORTH COUNTY FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2020

NOTE 1 - DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation, Basis of Accounting (continued)

1. Basis of Presentation (continued)

Major Governmental Funds (continued)

Special Revenue Funds:

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.

Non-Major Governmental Funds

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.

2. Measurement Focus, Basis of Accounting

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basis of Presentation, Basis of Accounting (continued)

3. Revenues - Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year. Generally, available is defined as collectible within 60 days.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

1. Cash and Investments

For purposes of the statement of cash flows, the District considers all highly liquid investments with a maturity of three months or less, when purchased, to be cash equivalents. Cash deposits are reported at carrying amount, which reasonably estimates fair value.

Investments are reported at fair value except for short-term investments, which are reported at cost, which approximates fair value. Cash deposits are reported at carrying amount, which reasonably estimates fair value. Investments in governmental investment pools are reported at fair value based on the fair value per share of the pool's underlying portfolio.

In accordance with fair value measurements, the District categorizes its assets and liabilities measured at fair value into a three-level hierarchy based on the priority of the inputs to the valuation technique used to determine fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used in the determination of the fair value measurement fall within different levels of the hierarchy, the categorization is based on the lowest level input that is significant to the fair value measurement.

Financial assets and liabilities recorded on the balance sheet are categorized based on the inputs to the valuation techniques as follows:

Level 1 – Inputs that reflect unadjusted quoted prices in active markets for identical investments, such as stocks, corporate and government bonds. The District has the ability to access the holding and quoted prices as of the measurement date.

Level 2 – Inputs, other than quoted prices, that are observable for the asset or liability either directly or indirectly, including inputs from markets that are not considered to be active.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

1. Cash and Investments (continued)

Level 3 – Inputs that are unobservable. Unobservable inputs reflect the District’s own assumptions about the factors market participants would use in pricing an investment, and is based on the best information available in the circumstances.

2. 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, 2020, an allowance for doubtful accounts has been recorded for those uncollectable accounts (see Note 3).

3. Capital Assets

Capital assets are stated at cost or at their estimated fair value at date of donation. It is the District’s policy to capitalize assets costing over \$5,000. The provision for depreciation is computed using the straight-line method over the estimated service lives of the capital assets.

Estimated service lives for the District’s classes of assets are as follows:

<u>Description</u>	<u>Estimated Lives</u>
Structures and Improvements	10-50 years
Hydrants	10 years
Equipment and Vehicles	5-20 years

4. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time.

5. 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.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

6. Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's California Public Employees' Retirement System (CalPERS) plan and addition to/deductions from the Plans fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

7. Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- **Restricted** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

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

8. Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Nonspendable: Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.

Restricted: Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 1 – DESCRIPTION OF ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position (continued)

8. Fund Balances (continued)

Committed: The District's highest decision-making level of authority rests with the District's Board. Fund balance is reported as committed when the Board passes a resolution that places specified constraints on how resources may be used. The Board can modify or rescind a commitment of resources through passage of a new resolution.

Assigned: Resources that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

Unassigned: Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the District for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the District's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

F. 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 Financial Statements

June 30, 2020

NOTE 2 - CASH AND INVESTMENTS

Cash and investments at June 30, 2020, were categorized on the statement of net position as follows:

<u>Description</u>	<u>Balance</u>
Cash and investments	\$ 6,799,555
Restricted – cash and investments	<u>1,846,167</u>
Total cash and investments	<u>\$ 8,645,722</u>

Cash and investments at June 30, 2020, consisted of the following:

<u>Description</u>	<u>Balance</u>
Cash on hand	\$ 180
Demand deposits held with financial institutions	2,211,885
California Local Agency Investment Fund (LAIF)	2,147,621
San Diego County Pooled Investment Fund (SDCPIF)	<u>4,279,171</u>
Total cash and investments	<u>\$ 8,638,857</u>

Demand Deposits

At June 30, 2020, the carrying amount of the District’s demand deposits was \$2,211,885, and the financial institutions balances totaled \$2,240,415. The net difference represents outstanding checks, deposits-in-transit and/or other reconciling items.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the *California Government Code* requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits.

California Local Agency Investment Fund (LAIF)

The California State Treasurer, through the Pooled Money Investment Account (PMIA), invests taxpayers’ money to manage the State’s cash flow and strengthen the financial security of local governmental entities. PMIA policy sets as primary investment objectives safety, liquidity and yield. Through the PMIA, the Investment Division manages the Local Agency Investment Fund (LAIF). The LAIF allows cities, counties and special districts to place money in a major portfolio and, at no additional costs to taxpayers, use the expertise of Investment Division staff. Participating agencies can withdraw their funds from the LAIF at any time as LAIF is highly liquid and carries a dollar-in dollar-out amortized cost methodology.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 2 - CASH AND INVESTMENTS (continued)

California Local Agency Investment Fund (LAIF) (Continued)

The District is a voluntary participant in LAIF. The fair value of the District's investment in this pool is reported at an amount 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 the of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF. LAIF is not categorized under the fair value hierarchy established by GAAP as it is held at an amortized cost basis and it is Not Rated under the current credit risk ratings format. For financial reporting purposes, the District considers LAIF a cash equivalent due to its highly liquid nature and dollar-in dollar-out amortized cost methodology. As of June 30, 2020, the District held \$2,147,621 in LAIF.

San Diego County Treasury Investment Pool (SDCTIP)

The District is a voluntary participant in the San Diego County Treasury Investment Pool (SDCTIP) pursuant to Government Code Section 53694. The cash flow needs of participants are monitored daily to ensure that sufficient liquidity is maintained to meet the needs of those participants. At the time deposits are made, the San Diego County Treasurer may require the depositing entity to provide annual cash flow projections or an anticipated withdrawal schedule for deposits in excess of \$1 million. Projections are performed no less than semi-annually. In accordance with Government Code Section 27136, all request for withdrawal of funds for the purpose of investing or deposits the funds elsewhere shall be evaluated to ensure the proposed withdrawal will not adversely affect the principal deposits of the other participants. Pool detail may be obtained from the Treasurer-Tax Collector – San Diego Administration Center – 1600 Pacific Hwy, Room 162 – San Diego, CA 92101 or the Treasurer and Tax Collector's office website at www.sdttc.com. As of June 30, 2020, the District had \$4,279,171 in the SDCTIP.

NOTE 3 - RESTRICTED - CASH AND INVESTMENTS AND RESTRICTED NET POSITION

Restricted assets and restricted net position as of June 30, 2020, were categorized as follows:

<u>Description</u>	<u>Balance</u>
Restricted – cash and investments	\$ 1,846,167
Restricted – accrued interest receivable	7,397
Restricted – other receivables	<u>120,848</u>
Total restricted net position	<u>\$ 1,974,412</u>

Restricted assets and restricted net position as of June 30, 2020, were received from mitigation fees for capital expenditures and operational revenue for the Rainbow Sub-zone.

NOTE 4 - ACCOUNTS RECEIVABLE - AMBULANCE BILLINGS, NET

Accounts receivable – ambulance billings, net as of June 30, 2020, consisted of the following:

<u>Description</u>	<u>Balance</u>
Accounts receivable – ambulance billings	\$ 1,216,441
Allowance for doubtful accounts	<u>(550,000)</u>
Total accounts receivable – ambulance billings, net	<u>\$ 666,441</u>

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 5 - OTHER RECEIVABLES

Other receivables at June 30, 2020, were categorized on the statement of net position as follows:

<u>Description</u>	<u>Balance</u>
Other receivables	\$ 101,078
Restricted – other receivables	<u>120,848</u>
Total other receivables	<u>\$ 221,926</u>

Other receivables at June 30, 2020, consisted of the following:

<u>Description</u>	<u>Balance</u>
Property taxes receivable	\$ 67,446
Mitigation fees receivable	119,577
Other receivables	<u>34,903</u>
Total other receivables	<u>\$ 221,926</u>

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 6 – DEPOSITS WITH PUBLIC AGENCIES SELF INSURANCE SYSTEM (PASIS)

The District is one of seven Members 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 for its Members.

PASIS’s purpose is to provide for the collection of workers’ compensation claims data, purchase claims examiner services, general counsel services and excess insurance coverage. Members are responsible for paying their own claims and related expenses for workers’ compensation related injuries. PASIS requires active Members to maintain a minimum base funding of 125% of a Members’ self-insured retention plus a 15% increase for Members with annual payroll in excess of \$1.8 million. The deductible for self-insured retention selected by the District is \$300,000. PASIS carries excess insurance through a joint powers authority to cover amounts over the self-insured retention.

As of June 30, 2020, the District had \$490,640 on deposit with PASIS. Further information in regards to PASIS is as follows:

- A. **Entity** Public Agency Self-Insurance System (PASIS)
- B. **Purpose** To pool member resources and realize the advantages of a self-insurance reserve for workers’ compensation
- C. **Participants** As of June 30, 2020 – Seven member agencies
- D. **Governing board** Seven representatives employed/appointed by members
- E. **District payments for FY 2019:**
 - Contribution \$0
- F. **Condensed financial information** June 30, 2020
 - Audit signed October 15, 2020

	<u>June 30, 2020</u>	<u>District Share</u>
Statement of net position:		
Total assets	\$ 3,667,065	\$ 490,640
Total liabilities	-	-
Net position	<u>\$ 3,667,065</u>	<u>\$ 490,640</u>
Statement of revenues, expenses and changes in net position:		
Total revenues	\$ 120,418	\$ 16,846
Total expenses	-	-
Change in net position	120,418	16,846
Beginning - net position	<u>3,546,647</u>	<u>473,794</u>
Ending - net position	<u>\$ 3,667,065</u>	<u>\$ 490,640</u>
G. District’s share of year-end financial position	<u>100.00%</u>	<u>13.38%</u>

NORTH COUNTY FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2020

NOTE 7 – CAPITAL ASSETS

Changes in capital assets for the year were as follows:

	<u>Balance July 1, 2019</u>	<u>Additions/ Transfers</u>	<u>Deletions/ Transfers</u>	<u>Balance June 30, 2020</u>
Non-depreciable capital assets:				
Land	\$ 882,639	\$ -	\$ -	\$ 882,639
Construction-in-process	-	161,923	-	161,923
Total non-depreciable capital assets	<u>882,639</u>	<u>161,923</u>	<u>-</u>	<u>1,044,562</u>
Depreciable capital assets:				
Structures and improvements	10,827,684	40,894	-	10,868,578
Hydrants	267,523	-	-	267,523
Equipment and vehicles	13,278,440	84,231	(454,614)	12,908,057
Total depreciable capital assets	<u>24,373,647</u>	<u>125,125</u>	<u>(454,614)</u>	<u>24,044,158</u>
Accumulated depreciation:				
Structures and improvements	(3,812,846)	(217,059)	-	(4,029,905)
Hydrants	(267,523)	-	-	(267,523)
Equipment and vehicles	(7,679,446)	(753,962)	454,614	(7,978,794)
Total accumulated depreciation	<u>(11,759,815)</u>	<u>(971,021)</u>	<u>454,614</u>	<u>(12,276,222)</u>
Total depreciable capital assets, net	<u>12,613,832</u>	<u>(845,896)</u>	<u>-</u>	<u>11,767,936</u>
Total capital assets, net	<u>\$ 13,496,471</u>	<u>\$ (683,973)</u>	<u>\$ -</u>	<u>\$ 12,812,498</u>

NOTE 8 – 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, 2020 were as follows:

<u>Balance July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2020</u>	<u>Current Portion</u>	<u>Long-term Portion</u>
\$ 2,079,733	\$ 1,562,394	\$ (957,518)	\$ 2,684,609	\$ 1,000,000	\$ 1,684,609

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 9 – PENSION OBLIGATION BONDS

Changes in pension obligation bonds amounts for the year ended June 30, 2020, was as follows:

<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2020</u>	<u>Current</u> <u>Portion</u>	<u>Long-term</u> <u>Portion</u>
\$ -	\$ 2,030,500	\$ -	\$ 2,030,500	\$ 860,000	\$ 19,445,000

On June 1, 2020, the District issued 2020 Taxable Pension Obligation Bonds in the amount of \$20,305,000. The 2020 bonds were placed with U.S. Bank National Association. The bonds were issued to (a) finance a portion of the District's unfunded accrued liability to the California Public Employees' Retirement System (CalPERS) for the benefit of the District's employees and to pay a portion of current normal costs, and (b) pay the costs incurred in connection with the issuance of the bonds. The bonds bear variable interest rates ranging from 1.355% to 3.568% and are payable semiannually on June 1 and December 1 of each year, commencing December 1, 2020 until maturity or earlier redemption. The bonds mature in fiscal year 2040. Total principal and interest remaining on the bonds as of June 30, 2020 is \$27,912,561. Future remaining payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 860,000	\$ 546,016	\$ 1,406,016
2022	740,000	561,426	1,301,426
2023	700,000	550,658	1,250,658
2024	725,000	539,578	1,264,578
2025	715,000	527,049	1,242,049
2026-2030	3,905,000	2,400,868	6,305,868
2031-2035	5,935,000	1,744,817	7,679,817
2035-2040	6,725,000	737,149	7,462,149
Total	20,305,000	\$ 7,607,561	\$ 27,912,561
Current	(860,000)		
Long-term	<u>\$ 19,445,000</u>		

Bond Provisions

The obligations of the District under the bonds, including the obligation to make all payments of interest and principal when due, are obligations of the District imposed by law and are absolute and unconditional, without any right of set-off or counterclaim. The bonds do not constitute an obligation of the District for which the District is obligated to levy or pledge any form of taxation. Neither the bonds nor the obligations of the District to make payments on the bonds constitute an indebtedness of the District, the State of California, or any of its political subdivisions in contravention of any constitutional or statutory debt limitation or restriction. For the purpose of paying the principal of and interest on the bonds, the District's council has covenanted under the trust agreement, to take such actions annually as are necessary or appropriate to cause the debt service on the bonds due in any fiscal year to be included in the budget for such fiscal year and to make the necessary appropriations therefor from any legally available funds to ensure that sufficient sums are available to pay the annual principal of and interest on the bonds as the same become due.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 9 - PENSION OBLIGATION BONDS (continued)

Bond Provisions (continued)

The bonds maturing on or before June 1, 2035, are not subject to optional redemption prior to their respective stated maturities. The bonds maturing on and after June 1, 2035, are subject to optional redemption from any source of available funds of the District, prior to their respective maturities, in whole or in part among maturities as specified by the District, and by lot within a maturity, on any date on or after June 1, 2035, at a redemption price equal to the principal amount of the bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

The bonds maturing on June 1, 2035 to June 1, 2040, are also subject to mandatory sinking fund redemption on June 1 in the years, and in the amounts, as set forth in the official statement at a redemption price equal to one hundred percent (100%) of the principal amount thereof to be redeemed (without premium), together with interest accrued thereon to the date fixed for redemption.

The following events constitute events of default under the trust agreement: (a) if default shall be made in the due and punctual payment of the principal of any bond when and as the same shall become due and payable, whether at maturity as therein expressed, by declaration or otherwise; (b) if default shall be made in the due and punctual payment of any installment of interest on any bond when and as such interest installment shall become due and payable; (c) if default shall be made by the District in the observance of any of the covenants, agreements or conditions on its part in the trust agreement or in the bonds contained, and such default shall have continued for a period of thirty (30) days after written notice thereof to the District; or (d) if the District shall file a petition seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, seeking reorganization of the District under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property. A bondholder may exercise any remedies available pursuant to the law or the trust agreement if an event of default occurs under the trust agreement.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 10 – LONG-TERM DEBT OBLIGATIONS PAYABLE

Changes in long-term debt obligations payable amounts for the year ended June 30, 2020, were as follows:

Long-Term Debt	Balance			Balance June 30, 2020	Current Portion	Long-term Portion
	July 1, 2019	Additions	Payments			
Bond payable – Station No. 5	\$ 2,518,000	\$ -	\$ (129,000)	\$ 2,389,000	\$ 133,000	\$ 2,256,000
Note payable – Station No. 5	1,542,252	-	(1,542,252)	-	-	-
Capital lease payable – ambulance I	87,728	-	(43,276)	44,452	44,452	-
Capital lease payable – ambulance II	129,015	-	(41,679)	87,336	42,991	44,345
Capital lease payable – EKG monitors	242,665	-	(60,666)	181,999	60,666	121,333
Capital lease payable – ambulance remount	95,400	-	(46,698)	48,702	48,702	-
Capital lease payable – radios	427,964	-	(138,199)	289,765	147,157	142,608
Capital lease payable – equipment	1,464,657	-	(28,598)	1,436,059	78,494	1,357,565
Loan payable – solar project I	352,072	-	(31,957)	320,115	32,287	287,828
Loan payable – solar project II	196,134	-	(10,635)	185,499	10,747	174,752
Loan payable – administrative building	795,825	-	(59,616)	736,209	61,675	674,534
	<u>\$ 7,851,712</u>	<u>\$ -</u>	<u>\$ (2,132,576)</u>	<u>\$ 5,719,136</u>	<u>\$ 660,171</u>	<u>\$ 5,058,965</u>

Bonds 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. The loan is payable until September 2033. Future remaining payments are as follows:

Fiscal Year	Principal	Interest	Total
2021	\$ 133,000	\$ 102,508	\$ 235,508
2022	139,000	96,657	235,657
2023	146,000	90,545	236,545
2024	151,000	84,129	235,129
2025	158,000	77,474	235,474
2026-2030	905,000	276,420	1,181,420
2031-2034	757,000	67,251	824,251
Total	2,389,000	\$ 794,984	\$ 3,183,984
Current	(133,000)		
Long-term	\$ 2,256,000		

Note Payable – Station No. 5

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. In fiscal year 2020, the District paid off the note payable remaining principal balance of \$1,542,252.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 10 – LONG-TERM DEBT OBLIGATIONS PAYABLE (continued)

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>
2021	\$ 44,452	\$ 1,208	\$ 45,660

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>
2021	\$ 42,991	\$ 2,751	\$ 45,742
2022	44,345	1,396	45,741
Total	87,336	\$ 4,147	\$ 91,483
Current	(42,991)		
Long-term	\$ 44,345		

Capital Lease Payable – EKG Monitors

The District entered into a capital lease for the purchase of ten EKG monitors for \$303,331 with no interest. Annual principal payments are due on August 1 of each year through 2022. Future remaining payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>
2021	\$ 60,666
2022	60,666
2023	60,667
Total	181,999
Current	(60,666)
Long-term	\$ 121,333

Capital Lease Payable – Ambulance Remount

The District entered a capital lease in July 2019 for one new ambulance remount (chassis) with associated equipment. The initial payment was due October 2019 and payments required annually thereafter of \$50,794. Total purchase cost is \$145,000 with an implicit interest rate of approximately 1.7%. The lessor retains a first lien security interest in the property while the lease agreement is in place.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 48,702	\$ 2,092	\$ 50,794

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 10 – LONG-TERM DEBT OBLIGATIONS PAYABLE (continued)

Capital Lease Payable – Radios

The District entered a capital lease in November 2016 for the purchase of radios to be placed in the District's emergency response vehicles for use in communications with the San Diego County Regional Communications System (RCS). Total purchase price was \$579,815 at a 3.19% nominal annual rate. Payments of \$151,851 are due beginning November 2019, annually through November 2021. Future remaining payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 142,608	\$ 9,243	\$ 151,851
2022	<u>147,157</u>	<u>4,694</u>	<u>151,851</u>
Total	289,765	<u>\$ 13,937</u>	<u>\$ 303,702</u>
Current	<u>(142,608)</u>		
Long-term	<u>\$ 147,157</u>		

Capital Lease Payable – Equipment

The District entered a capital lease in July 2019 for two new pumpers with associated equipment for use in fire programs. The initial payment was due August 2020 and payments required quarterly thereafter of \$33,495 through May 2034. Total purchase cost is \$1,464,657 with an implicit interest rate of approximately 7.4%. The lessor retains a first lien security interest in the property while the lease agreement is in place.

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 78,494	\$ 55,486	\$ 133,980
2022	81,635	52,345	133,980
2023	84,903	49,077	133,980
2024	88,301	45,679	133,980
2025	91,836	42,144	133,980
2026-2030	517,349	152,551	669,900
2031-2034	<u>493,541</u>	<u>42,379</u>	<u>535,920</u>
Total	1,436,059	<u>\$ 439,661</u>	<u>\$ 1,875,720</u>
Current	<u>(78,494)</u>		
Long-term	<u>\$ 1,357,565</u>		

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 10 – 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>
2021	\$ 32,287	\$ 3,120	\$ 35,407
2022	32,610	2,797	35,407
2023	32,937	2,470	35,407
2024	33,262	2,145	35,407
2025	33,601	1,806	35,407
2026-2030	<u>155,418</u>	<u>3,915</u>	<u>159,333</u>
Total	320,115	<u>\$ 16,253</u>	<u>\$ 336,368</u>
Current	<u>(32,287)</u>		
Long-term	<u>\$ 287,828</u>		

Loan Payable – Solar Project II

In fiscal year 2018, 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>
2021	\$ 10,747	\$ 1,828	\$ 12,575
2022	10,855	1,720	12,575
2023	10,964	1,611	12,575
2024	11,070	1,505	12,575
2025	11,185	1,390	12,575
2026-2030	57,623	5,252	62,875
2031-2035	60,573	2,302	62,875
2036	<u>12,482</u>	<u>93</u>	<u>12,575</u>
Total	185,499	<u>\$ 15,701</u>	<u>\$ 201,200</u>
Current	<u>(10,747)</u>		
Long-term	<u>\$ 174,752</u>		

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 10 – LONG-TERM DEBT OBLIGATIONS PAYABLE (continued)

Loan Payable – Administrative Building

On May 24, 2018, the District entered into an installment agreement for \$900,000 to purchase its administration building. The note is payable monthly through August 2030, and compounds interest at a rate of 3.4% per annum. Future remaining payments are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 61,675	\$ 24,076	\$ 85,751
2022	63,805	21,946	85,751
2023	66,008	19,743	85,751
2024	68,288	17,463	85,751
2025	70,646	15,105	85,751
2026-2030	391,556	37,199	428,755
2031	14,231	60	14,291
Total	736,209	\$ 135,592	\$ 871,801
Current	(61,675)		
Long-term	\$ 674,534		

NOTE 11 – 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, 2020, the District had \$473,794 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, 2020, the liability for workers’ compensation claims payable was estimated at \$3,315,736.

Changes in workers’ compensation claims payable for the year ended June 30, 2020, were as follows:

<u>Description</u>	<u>Balance</u>
Estimated claims balance – July 1, 2019	\$ 2,897,373
Claim payments	(271,322)
Revised claims estimate	689,685
Change in claims balance	418,363
Estimated claims balance – June 30, 2020	\$ 3,315,736

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Summary

The following balances on the statement of net position will be addressed in this footnote as follows:

Description	Amount
OPEB related deferred outflows of resources	\$ 420,371
Net other post-employment benefits obligation	4,212,984
OPEB related deferred inflows of resources	78,564

A. General Information about the OPEB Plan

Plan description

The District provides other postemployment 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 the fiscal year ended June 30, 2014 when the District joined CalPERS for medical insurance for its employees and retirees. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Benefits provided

Following is a description of the current retiree benefit plan:

	Firefighters	Miscellaneous
Benefit types provided	Medical only	Medical only
Duration of Benefits	Lifetime	Lifetime
Required Service	CalPERS Retirement	CalPERS Retirement
Minimum Age	CalPERS Retirement	CalPERS Retirement
Dependent Coverage	Surviving Spouse only	Surviving Spouse only
District Contribution %	100% to cap	100% to cap
District Cap	Minimum employer contribution under PEMHCA*	Minimum employer contribution under PEMHCA*

* \$152 per month in 2020 indexed to Medical component of the CPI

Employees covered by benefit terms

At June 30, 2020, the following employees were covered by the benefit terms:

Description	Amount
Inactive employees entitled to but not yet receiving benefit payments	31
Active employees	62
Total	93

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 12 – OTHER POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

B. Total OPEB Liability

The District’s total OPEB liability of \$4,212,984 was measured as of June 30, 2020, and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.66%
Inflation	2.75%
Salary Increases	Salary Scale plus Merit
Investment Rate of Return	2.66%
Mortality Rate	CalPERS Membership Data
Pre-Retirement Turnover	CalPERS Membership Data
Healthcare Trend Rate	4%

Mortality, Retirement & Turnover Assumptions

The mortality assumptions are based on the 2014 CalPERS Active and Retiree Mortality for Miscellaneous and Safety Employees table created by CalPERS.

The retirement assumptions are based on the 2009 CalPERS 2.0%@60 Rates for Miscellaneous Employees, the 2009 CalPERS 2.7%@55 Rates for Miscellaneous Employees, and the 2009 PERS 3%@55 FIRE RX tables created by CalPERS.

The turnover assumptions are based on the 2009 CalPERS Turnover for Miscellaneous Employees and Sworn Fire Employees tables created by CalPERS.

Discount Rate

The discount rate used to measure the total OPEB liability was 2.66 percent. The projection of cash flows used to determine the discount rate assumed that contributions would be sufficient to fully fund the obligation over a period not to exceed 30 years. The Bond Buyer 20 Bond Index was used.

NORTH COUNTY FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2020

NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

C. Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at July 1, 2019	\$ 3,689,312
Changes for the year:	
Service cost	192,094
Interest	120,596
Changes in assumptions	316,911
Benefit payments	<u>(105,929)</u>
Net changes	<u>523,672</u>
Balance at June 30, 2020	\$ 4,212,984

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

1% Decrease	Current Discount Rate	1% Increase
1.66%	2.66%	3.66%
\$ 4,719,671	\$ 4,212,984	\$ 3,410,229

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

C. Changes in the Total OPEB Liability (continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

1% Decrease 5.0% HMO/5.5% PPO decreasing to 4.0% HMO/4.0% PPO	Current Healthcare Cost Trend Rate 5.0% HMO/5.5% PPO decreasing to 4.0% HMO/4.0% PPO	1% Increase 7.0% HMO/7.5% PPO decreasing to 6.0% HMO/6.0% PPO
\$ 3,303,526	\$ 4,212,984	\$ 4,893,545

D. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2020, the District recognized OPEB expense of \$358,528. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB of the following:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 420,371	\$ -
Differences between expected and actual experience	-	(78,564)
Total	\$ 420,371	\$ (78,564)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30	Amount
2021	\$ 45,838
2022	45,838
2023	45,838
2024	45,837
2025	31,691
Thereafter	126,765
Total	\$ 341,807

NORTH COUNTY FIRE PROTECTION DISTRICT
Notes to Financial Statements
 June 30, 2020

NOTE 13 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN

Summary

The following balances on the statement of net position will be addressed in this footnote as follows:

<u>Description</u>	<u>Amount</u>
Pension related deferred outflows of resources	\$ 26,820,195
Net pension liability	26,481,790
Pension related deferred inflows of resources	1,911,921

A. General Information About the Pension Plans (continued)

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>
	Prior to	On or after
	<u>December 31, 2012</u>	<u>January 1, 2013</u>
Hire date		
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 2.0%
Required member contribution rates	8.000%	6.500%
Required employer contribution rates	13.084%	7.266%
	<u>Safety Plans</u>	
	<u>Classic</u>	<u>PEPRA</u>
	<u>Tier 1</u>	<u>Tier 2</u>
	Prior to	On or after
	<u>December 31, 2012</u>	<u>January 1, 2013</u>
Hire date		
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	9.000%	12.750%
Required employer contribution rates	20.416%	12.965%

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 13 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

A. General Information About the Pension Plans (continued)

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, 2018 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.

Members Covered by Benefit Terms

At June 30, 2019 (Measurement Date), the following members were covered by the benefit terms:

Plan Members	Miscellaneous Plans		
	Classic	PEPRA	Total
	Tier 1	Tier 2	
Active members	4	23	27
Transferred and terminated members	7	11	18
Retired members and beneficiaries	31	-	31
Total plan members	42	34	76

Plan Members	Safety Plans		
	Classic	PEPRA	Total
	Tier 1	Tier 2	
Active members	45	6	51
Transferred and terminated members	55	28	83
Retired members and beneficiaries	70	-	70
Total plan members	170	34	204

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.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 13 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

A. General Information About the Pension Plans (continued)

Benefits Provided (continued)

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 7.15% 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.

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, 2019 (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, 2020, the contributions made to the Plan were as follows:

<u>Contribution Type</u>	<u>Total Plans</u>		
	<u>Classic Tier 1</u>	<u>PEPRA Tier 2</u>	<u>Total</u>
Contributions – Miscellaneous Plan	\$ 392,646	\$ 75,507	\$ 468,153
Contributions – Safety Plan	22,458,400	81,579	22,539,979
Total contributions	\$ 22,851,046	\$ 157,086	\$ 23,008,132

NORTH COUNTY FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2020

NOTE 13 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

B. 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, 2018 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2017 total pension liability. The June 30, 2018 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal in accordance with the requirement of GASB Statement No. 68
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation
Mortality Rate Table	Derived using CalPERS' Membership Data for all Funds. The mortality table used was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

All other actuarial assumptions used in the June 30, 2018 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 7.15%. 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 Financial Statements

June 30, 2020

NOTE 13 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

B. 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. The table below reflects long-term expected real rate of return by asset class.

<u>Investment Type</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 - 10¹</u>	<u>Real Return Years 11+²</u>
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0%	0.80%	2.27%
Inflation Assets	0.0%	0.77%	1.81%
Private Equity	8.0%	6.30%	7.23%
Real Estate	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%
	<u>100.0%</u>		

¹ An expected inflation rate-of-return of 2.00% is used for years 1 – 10.

² An expected inflation rate-of-return of 2.92% 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 7.15%, 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 (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

<u>Plan Type</u>	<u>Plan's Net Pension Liability/(Asset)</u>		
	<u>Discount Rate</u>	<u>Current</u>	<u>Discount Rate</u>
	<u>- 1%</u>	<u>Discount Rate</u>	<u>+ 1%</u>
	<u>6.15%</u>	<u>7.15%</u>	<u>8.15%</u>
CalPERS – Miscellaneous Plan	\$ 4,407,514	\$ 3,143,624	\$ 2,100,372

<u>Plan Type</u>	<u>Plan's Net Pension Liability/(Asset)</u>		
	<u>Discount Rate</u>	<u>Current</u>	<u>Discount Rate</u>
	<u>- 1%</u>	<u>Discount Rate</u>	<u>+ 1%</u>
	<u>6.15%</u>	<u>7.15%</u>	<u>8.15%</u>
CalPERS – Safety Plan	\$ 36,327,701	\$ 23,338,166	\$ 12,688,782

<u>Plan Type</u>	<u>Plan's Net Pension Liability/(Asset)</u>		
	<u>Discount Rate</u>	<u>Current</u>	<u>Discount Rate</u>
	<u>- 1%</u>	<u>Discount Rate</u>	<u>+ 1%</u>
	<u>6.15%</u>	<u>7.15%</u>	<u>8.15%</u>
CalPERS – Total Plans	\$ 40,735,215	\$ 26,481,790	\$ 14,789,154

NORTH COUNTY FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2020

NOTE 13 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

B. 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>Plan Net Pension Liability</u>
CalPERS – Miscellaneous Plan:			
Balance as of June 30, 2018 (Measurement Date)	\$ 8,788,467	\$ 5,754,190	\$ 3,034,277
Balance as of June 30, 2019 (Measurement Date)	\$ 9,396,738	\$ 6,253,114	\$ 3,143,624
Change in Plan Net Pension Liability	\$ 608,271	\$ 498,924	\$ 109,347

<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Plan Net Pension Liability</u>
CalPERS – Safety Plan:			
Balance as of June 30, 2018 (Measurement Date)	\$ 89,855,604	\$ 68,537,013	\$ 21,318,591
Balance as of June 30, 2019 (Measurement Date)	\$ 94,784,111	\$ 71,445,945	\$ 23,338,166
Change in Plan Net Pension Liability	\$ 4,928,507	\$ 2,908,932	\$ 2,019,575

<u>Plan Type and Balance Descriptions</u>	<u>Plan Total Pension Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Plan Net Pension Liability</u>
CalPERS – Total Plan:			
Balance as of June 30, 2018 (Measurement Date)	\$ 98,644,071	\$ 74,291,203	\$ 24,352,868
Balance as of June 30, 2019 (Measurement Date)	\$ 104,180,849	\$ 77,699,059	\$ 26,481,790
Change in Plan Net Pension Liability	\$ 5,536,778	\$ 3,407,856	\$ 2,128,922

NORTH COUNTY FIRE PROTECTION DISTRICT
Notes to Financial Statements
 June 30, 2020

NOTE 13 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

B. 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, 2018). 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, 2019). 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, 2019 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2018-19 fiscal year).
- (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).

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

	Percentage Share of Risk Pool		Change Increase/ (Decrease)
	Fiscal Year Ending June 30, 2020	Fiscal Year Ending June 30, 2019	
CalPERS – Miscellaneous Plan			
Measurement Date	June 30, 2019	June 30, 2018	
Percentage of Risk Pool Net Pension Liability	0.07850%	0.08051%	-0.00201%
Percentage of Plan (PERF C) Net Pension Liability	0.03068%	0.03149%	-0.00081%
CalPERS – Safety Plan			
Measurement Date	June 30, 2019	June 30, 2018	
Percentage of Risk Pool Net Pension Liability	0.37386%	0.36333%	0.01053%
Percentage of Plan (PERF C) Net Pension Liability	0.22776%	0.22123%	0.00652%

NORTH COUNTY FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2020

NOTE 13 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

B. 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)

For the year ended June 30, 2020, the District recognized pension expense/(credit) in the amount of \$5,507,845 for the CalPERS Miscellaneous and Safety Plans.

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.

Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2020, 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	23,008,132	-
Difference between actual and proportionate share of employer contributions	143,890	(1,074,996)
Adjustment due to differences in proportions	819,569	(204,174)
Differences between expected and actual experience	1,742,110	(16,917)
Differences between projected and actual earnings on pension plan investments	-	(376,017)
Changes in assumptions	1,106,494	(239,817)
Total Deferred Outflows/(Inflows) of Resources	\$ 26,820,195	\$ (1,911,921)

The District will recognize \$23,008,132 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, 2020, as noted above.

The District’s pension-related debt – CalPERS side-fund liability of \$794,687 as of June 30, 2019 was absorbed by the net pension liability actuarial valuation of June 30, 2019 under CalPERS Fresh Start Program.

NORTH COUNTY FIRE PROTECTION DISTRICT
Notes to Financial Statements
June 30, 2020

NOTE 13 – NET PENSION LIABILITY AND DEFINED BENEFIT PENSION PLAN (continued)

B. 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 (continued)

The District will recognize \$1,900,142 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, 2020, as noted on the prior page.

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</u> <u>Fiscal Year Ended June 30,</u>	<u>Deferred</u> <u>Outflows/(Inflows)</u> <u>of Resources</u>
2021	\$ 1,819,062
2022	(218,813)
2023	226,318
2024	<u>73,575</u>
Total	<u>\$ 1,900,142</u>

NOTE 14 – NET INVESTMENT IN CAPITAL ASSETS

At June 30, 2020, the net investment in capital assets was calculated as follows:

<u>Description</u>	<u>Balance</u>
Capital assets – not being depreciated	\$ 1,044,562
Capital assets – being depreciated, net	11,767,936
Long-term debt obligations payable – current portion	(660,171)
Long-term debt obligations payable – noncurrent portion	<u>(5,058,965)</u>
Total net investment in capital assets	<u>\$ 7,093,362</u>

NOTE 15 – UNRESTRICTED NET POSITION (DEFICIT)

As of June 30, 2020, the District has an unrestricted net position deficit of (\$24,572,623). The unrestricted net position deficit resulted from the reporting of the District's net pension liability and the related deferred inflows of resources – deferred amounts related to net pension liability per GASB No. 68. At June 30, 2020, the District's net pension liability amounted to \$26,481,790 and the related deferred inflows of resources related to net pension liability amounted to \$1,911,921, which totals \$28,393,711. The District has issued \$20 million in pension obligation bonds to reduce its net pension liability in future years.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 16 – DUE TO/DUE FROM INTERFUND BALANCES

The District’s due to/due from balances consisted of the following:

<u>Due To</u>	<u>Due From</u>	<u>Balance</u>	<u>Purpose</u>
General Fund	Fire Mitigation	<u>\$ 400,000</u>	Capital

NOTE 17 – FUND BALANCES

At June 30, 2020, fund balances of the District’s governmental funds were classified as follows:

<u>Description</u>	<u>General Fund</u>	<u>Fire Mitigation Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
Nonspendable:				
Prepaid items	\$ 37,715	\$ -	\$ -	\$ 37,715
Restricted:				
Fallbrook – mitigation	-	782,521	-	782,521
Rainbow subzone – operations	-	-	1,187,778	1,187,778
Rainbow subzone – mitigation	-	-	4,113	4,113
Total restricted	-	782,521	1,191,891	1,974,412
Assigned:				
Deposits with Public Agencies Self-Insurance System	490,640	-	-	490,640
Compensated absences	2,684,609	-	-	2,684,609
Workers’ compensation claims payable	3,315,736	-	-	3,315,736
Total assigned	6,490,985	-	-	6,490,985
Unassigned	1,102,151	(400,000)	-	702,151
Total fund balances	\$ 7,630,851	\$ 382,521	\$ 1,191,891	\$ 9,205,263

NOTE 18 – 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 statement of net position.

NORTH COUNTY FIRE PROTECTION DISTRICT

Notes to Financial Statements

June 30, 2020

NOTE 19 – 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 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 20 – 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, 2020:

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 21 – COMMITMENTS AND CONTINGENCIES

Grant Awards

Grant funds received by the District are subject to audit by the grantor agencies. Such audit could lead to requests for reimbursements to the grantor agencies for expenditures disallowed under terms of the grant. Management of the District believes that such disallowances, if any, would not be significant.

Litigation

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

NOTE 22 – CURRENT AND SUBSEQUENT EVENT

Global Pandemic

At the end of the first quarter of calendar year 2020, the United States and global economy suffered a major decline due to the impact of the COVID-19 virus. This economic decline may affect the District's operations and investment earnings for the remainder of calendar year 2020 and beyond. However, the potential impact to the District is unknown at this time.

Required Supplementary Information

NORTH COUNTY FIRE PROTECTION DISTRICT
Budgetary Comparison Schedule – General Fund
For the Fiscal Year Ended June 30, 2020

	<u>Adopted Original Budget</u>	<u>Revised Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:				
Property taxes	\$ 15,685,723	\$ 15,476,356	\$ 15,684,147	\$ 207,791
Charges for services:				
Ambulance services	1,945,000	1,945,000	2,338,146	393,146
Fire services – CA OES	-	89,000	327,631	238,631
Fire prevention	200,000	200,000	254,859	54,859
Annexation fees	-	-	70,345	70,345
Administration	35,000	50,000	63,145	13,145
Operating and capital grant funding	288,215	288,215	354,047	65,832
Rental income – cellular towers	95,000	103,000	102,950	(50)
Interest earnings	30,000	70,000	170,867	100,867
Other revenues	<u>530,000</u>	<u>680,716</u>	<u>233,138</u>	<u>(447,578)</u>
Total revenues	<u>18,808,938</u>	<u>18,902,287</u>	<u>19,599,275</u>	<u>696,988</u>
EXPENDITURES:				
Current:				
Salaries and wages	9,244,645	9,288,975	9,293,238	(4,263)
Employee benefits	4,826,416	4,852,928	24,644,662	(19,791,734)
Materials and services	4,163,731	4,276,375	4,093,207	183,168
Capital outlay	1,818,161	1,818,161	287,048	1,531,113
Debt service:				
Principal	689,582	689,582	2,132,576	(1,442,994)
Interest	<u>170,008</u>	<u>170,008</u>	<u>322,428</u>	<u>(152,420)</u>
Total expenditures	<u>20,912,543</u>	<u>21,096,029</u>	<u>40,773,159</u>	<u>(19,677,130)</u>
REVENUES OVER(UNDER) EXPENDITURES	<u>\$ (2,103,605)</u>	<u>\$ (2,193,742)</u>	<u>(21,173,884)</u>	<u>\$(18,980,142)</u>
OTHER FINANCING SOURCES(USES):				
Issuance of debt – pension obligation bonds	-	-	20,305,000	20,305,000
Cost of debt issuance	<u>-</u>	<u>-</u>	<u>(298,135)</u>	<u>(298,135)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>20,006,865</u>	<u>20,006,865</u>
Net Changes in Fund Balance	<u>\$ (2,103,605)</u>	<u>\$ (2,193,742)</u>	<u>(1,167,019)</u>	<u>\$ 1,026,723</u>
FUND BALANCE:				
Beginning of year			<u>8,797,870</u>	
End of year			<u>\$ 7,630,851</u>	

NORTH COUNTY FIRE PROTECTION DISTRICT
Budgetary Comparison Schedule - Fire Mitigation Fund
For the Fiscal Year Ended June 30, 2020

	<u>Adopted Original Budget</u>	<u>Revised Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES:				
Mitigation fees	\$ 295,000	\$ 295,000	\$ 565,434	\$ 270,434
Interest earnings	5,000	5,000	19,579	14,579
Total revenues	<u>300,000</u>	<u>300,000</u>	<u>585,013</u>	<u>285,013</u>
EXPENDITURES:				
Current:				
Materials and services	-	-	-	-
Capital outlay	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 300,000</u>	<u>\$ 300,000</u>	585,013	<u>\$ 285,013</u>
FUND BALANCE:				
Beginning of year (Deficit)			<u>(202,492)</u>	
End of year			<u>\$ 382,521</u>	

NORTH COUNTY FIRE PROTECTION DISTRICT
Schedule of Proportionate Share of the Net Pension Liability
For the Fiscal Year Ended June 30, 2020

Measurement Date:	Last Ten Fiscal Years*					
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
District's Proportion of the Net Pension Liability	0.258433%	0.252721%	0.248756%	0.251564%	0.248810%	0.272930%
District's Proportionate Share of the Net Pension Liability	\$ 26,481,790	\$ 24,352,868	\$ 24,669,730	\$ 21,768,074	\$ 17,078,153	\$ 16,983,012
District's Covered-Employee Payroll	\$ 7,036,723	\$ 6,905,639	\$ 6,671,377	\$ 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	376.34%	352.65%	369.78%	336.86%	264.69%	264.16%
Plan's Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	74.58%	75.31%	78.96%	74.35%	78.96%	78.67%

* This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.

Notes to the Schedule:

Changes of Assumptions and Methods:

In 2018, demographic assumptions and inflation rates were changed from 2.75% to 2.50% in accordance with the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

NORTH COUNTY FIRE PROTECTION DISTRICT
Schedule of Pension Contributions
For the Fiscal Year Ended June 30, 2020

Fiscal Year:	Last Ten Fiscal Years*													
	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contribution ¹	\$ 3,008,132	\$ 2,595,874	\$ 2,307,199	\$ 2,609,648	\$ 2,249,592	\$ 1,929,643	\$ 1,905,899							
Contribution in Relation to the Actuarially Determined Contribution	(23,008,132)	(2,595,874)	(2,307,199)	(2,609,648)	(2,249,592)	(1,929,643)	(1,905,899)							
Contribution Deficiency (Excess)	\$ (20,000,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -							
District's Covered-Employee Payroll ²	\$ 7,102,546	\$ 7,036,723	\$ 6,905,639	\$ 6,671,377	\$ 6,461,980	\$ 6,452,080	\$ 6,429,039							
Contributions as a Percentage of Covered-Employee Payroll	323.94%	36.89%	33.41%	39.12%	34.81%	29.91%	29.65%							

* This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.

¹ 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.

² 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

*Schedule of Changes in the District's Total OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2020*

Last 10 Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability			
Service cost	\$ 192,094	\$ 102,156	\$ 99,422
Interest	120,596	87,926	80,966
Changes of benefit terms	-	1,228,696	-
Differences between expected and actual experience	-	(117,846)	-
Changes of assumptions or other inputs ^{1 and 2}	316,911	202,727	-
Benefit payments	(105,929)	(52,046)	(50,044)
Net change in total OPEB liability	<u>523,672</u>	<u>1,451,613</u>	<u>130,344</u>
Total OPEB liability - beginning	<u>3,689,312</u>	<u>2,237,699</u>	<u>2,107,355</u>
Total OPEB liability - ending	<u>\$ 4,212,984</u>	<u>\$ 3,689,312</u>	<u>\$ 2,237,699</u>
Covered-employee payroll	<u>\$ 5,808,577</u>	<u>\$ 5,639,395</u>	<u>\$ 6,905,639</u>
Total OPEB liability as a percentage of covered-employee payroll	<u>72.53%</u>	<u>65.42%</u>	<u>32.40%</u>

Notes to Schedule:

* This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.

¹ There was a change in the assumed discount rate from 3.80% in 2017-18 to 3.15% in 2018-19

² There was a change in the assumed discount rate from 3.15% in 2018-19 to 2.66% in 2019-20

Supplementary Information

NORTH COUNTY FIRE PROTECTION DISTRICT
Balance Sheets – Other Governmental Funds
For the Fiscal Year Ended June 30, 2020

	Rainbow Subzone		Total
	Operations Fund	Fire Mitigation Fund	
ASSETS			
Assets:			
Cash and investments	\$ 1,181,760	\$ 4,096	\$ 1,185,856
Accrued interest receivable	4,747	17	4,764
Property taxes receivable	1,271	-	1,271
Total assets	\$ 1,187,778	\$ 4,113	\$ 1,191,891
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued expenses	\$ -	\$ -	\$ -
Total liabilities	-	-	-
Fund Balances:			
Restricted	\$ 1,187,778	\$ 4,113	\$ 1,191,891
Total fund balance	1,187,778	4,113	1,191,891
Total liabilities and fund balance	\$ 1,187,778	\$ 4,113	\$ 1,191,891

NORTH COUNTY FIRE PROTECTION DISTRICT

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Other Governmental Funds

For the Fiscal Year Ended June 30, 2020

	Rainbow Subzone		Total
	Operations Fund	Fire Mitigation Fund	
REVENUES:			
Property taxes	\$ 299,350	\$ -	\$ 299,350
Investment earnings	36,307	135	36,442
Total revenues	335,657	135	335,792
EXPENDITURES:			
Current:			
Materials and services	-	-	-
Total expenditures	-	-	-
REVENUES OVER (UNDER) EXPENDITURES	335,657	135	335,792
FUND BALANCE:			
Beginning of year	852,121	3,978	856,099
End of year	\$ 1,187,778	\$ 4,113	\$ 1,191,891

Other Independent Auditors' Report



INDEPENDENT AUDITORS' 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

Board of Directors
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, each major fund, and the aggregate remaining fund information of the North County Fire Protection District as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise North County Fire Protection District's basic financial statements, and have issued our report thereon dated January 31, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered North County Fire Protection 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 North County Fire Protection District's internal control. Accordingly, we do not express an opinion on the effectiveness of the North County Fire Protection 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 District'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 North County Fire Protection District's financial statements are free of 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*.

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Murrieta, California
January 31, 2021

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NORTH COUNTY FIRE PROTECTION DISTRICT

ADMINISTRATIVE SERVICES

TO: BOARD OF DIRECTORS
FROM: CHIEF ABBOTT AND D/C MCREYNOLDS
DATE: FEBRUARY 23, 2021
SUBJECT: ACCOUNTING/PAYROLL TECHNICIAN

ACTION AGENDA

RECOMMENDATION:

Staff recommends approval of the Accounting/Payroll Technician job description and, the plan to fill this position in March/April.

BACKGROUND:

The Payroll/AP Specialist position was created as part of the Administrative reorganization to create sufficient savings to accelerate the addition of the 3rd Firefighter position at Station 3. With the resignation of Payroll/AP Specialist Katherine Smith from the NCFPD Finance Division, a recruitment is needed to fill the support position. After carefully evaluating the needs of the NCFPD Finance Division, Staff has determined that slightly expanding the duties and responsibilities from the original Payroll/AP Specialist position is necessary.

DISCUSSION:

With the expansion of duties and responsibilities of this position it is necessary to modify the job description/classification and base rate of pay. In so doing the position will be reclassified from Payroll/AP Specialist to Accounting/Payroll Technician, which is more in alignment with the typical duties of this position with other comparable agencies. Attached for the Board's approval is the modified job description. With the Board's approval, Staff will immediately initiate recruitment for this position. The Accounting/Payroll Technician will be assigned to the NCFPD Finance Division under the supervision of Finance Manager Cherie Juul. Additionally, a Side Letter will need to be created defining the job description and salary changes.

FISCAL ANALYSIS:

An analysis of comparable agencies with similar positions was conducted. At the conclusion of that analysis, it was determined that the base salary needs to be adjusted from \$47,340 to \$54,298.10. With roll-ups the total fiscal impact is approximately \$8,500, which the District can absorb with existing revenue.

SUMMARY:

Reclassification of this position will allow the District to fill a critical support position for our Finance Division. When approved, the Human Resources Division will immediately begin a recruitment with an anticipated start date of April 2021.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.40
FEBRUARY 23, 2021
PAGE 1 OF 4

ACCOUNTING & PAYROLL TECHNICIAN

1.0. **PURPOSE:**

- 1.1. To provide a general description of the duties and responsibilities, qualifications and physical requirements for the classification of Accounting & Payroll Technician.

2.0. **POLICY:**

- 2.1. Members classified in the position of Accounting & Payroll Technician are intended to meet the general personal and professional qualifications, perform the stated duties and responsibilities, in addition to other duties as assigned.

3.0. **INTENT:**

- 3.1. The intent of this Policy is to provide an overview of the general attributes and abilities necessary to perform the classification of Accounting & Payroll Technician. It is also the intent of the Policy to provide an overview of the typical duties and responsibilities of the position. This Policy is not intended to delineate every facet of the classification. Other duties and responsibilities may be assigned as appropriate to fulfill the mission of the District.

4.0. **GENERAL ATTRIBUTES:**

- 4.1. This assignment is a full-time work classification. The Accounting & Payroll Technician classification is considered a "Non-Exempt" employee as defined by FLSA and is overtime eligible. Specifics of compensation and benefits are described in the Memorandum of Understanding between the Non-Safety bargaining group and the District. The position is a Non-Safety position as defined by PERS.
- 4.2. Under the direction of the Finance Manager, performs payroll, general accounting and accounts payable functions according to Generally Accepted Accounting Principles; processes employee benefits; enters and validates data, processes technical and financial documents and transactions. Ensures the validation and accuracy of payroll & accounts payable operations; assists in interpreting a variety of rules and regulations for payroll compliance; prepares W-2's and quarterly tax reports; assists with research to resolve pay related issues and/or discrepancies; interacts with management, supervisors and employees; sets up and maintains earning and deduction codes; and administers deferred compensation retirement plan contributions and all other available employee benefits.

- 5.0. **TYPICAL DUTIES AND RESPONSIBILITIES:** *The following duties are typical for this classification. Incumbents may not perform all of the listed duties and/or may be required to perform additional or different duties from those set forth below to address business needs and changing business practice.*



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.40
FEBRUARY 23, 2021
PAGE 2 OF 4

ACCOUNTING & PAYROLL TECHNICIAN

- 5.1. Processes payroll and related transactions in compliance with all applicable Federal, State and NCFPD rules and regulations; enters data into computer systems and maintains information system database; assesses and validates data, compiles documentation; generates technical payroll reports for government agencies; reviews and makes changes to employee information for taxes and benefit deductions, wage assignments, garnishments and other miscellaneous payments.
- 5.2. Generates various reports which compile hours worked, overtime, benefits and leave tracking; researches and analyzes data for special reports, surveys, union issues and budgeting process; traces transactions to locate and resolve discrepancies; prepares journal entries and updates database and control spreadsheets.
- 5.3. Responds to employee questions and assists employees with benefits enrollment, program updates and retirement planning; explains rules, policies and procedures; explains the proper use and completion of forms and documents; assures that all deductions for PERS, Federal tax, State tax, FICA, deferred compensation, union dues and other deductions are made and submitted to appropriate agencies.
- 5.4. Updates and tracks a variety of electronic and paper files, records, reports and related documents; maintains file integrity and confidentiality by monitoring and assuring compliance to NCFPD policies and procedures; assures the accuracy of the electronic and paper filing systems.
- 5.5. Performs general ledger accounting and batch processing functions; reviews source documents for compliance to rules and regulations; determines proper handling of accounting transactions and processes transactions within designated limits; maintains accounting system database; posts revenues and expenses, reconciles and resolves differences, transfers and deposits funds as authorized, and assures the accuracy of the financial records.
- 5.6. Prepares financial and technical statements, such as financial reports, statements of revenues and expenditures and special tax returns; assists with technical information tracking programs and reports as assigned. Assists with annual audit and prepares financial reports as necessary.
- 5.7. Reviews documents to ensure they are charged to applicable account codes. Verifies the accuracy and completeness of accounting data, resolves accounts payable problems and issues, prepares and processes invoices, applies and posts cash payments and deposits, ensures accuracy when entering all financial data into the financial management system, assists in the preparation of monthly bank reconciliation and takes corrective action to bring reports and reconciliation into balance. Prepares and processes 1099's, W2's and assists with year-end audits, assists with grants as needed.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.40
FEBRUARY 23, 2021
PAGE 3 OF 4

ACCOUNTING & PAYROLL TECHNICIAN

- 5.8. Conducts and coordinates assigned projects; identifies and resolves problems within scope of authority; assists Finance Manager with administrative duties as needed.
- 5.9. Provides information and assistance to employees; explains nature of programs, policies, procedures and services; responds to requests for information within the span of authority; maintains absolute confidentiality of work-related issues, records and NCFPD information.
- 6.0. **EXPERIENCE/KNOWLEDGE/ABILITIES:**
- 6.1. **KNOWLEDGE OF:** Payroll and accounting rules, regulations and procedures; accounting and bookkeeping principles and methods; principles of record keeping and records management; principles and practices of government fund accounting; business English usage, spelling, grammar and punctuation; personal computer hardware and software; intermediate level skillset in Microsoft Office Suite, with a focus on Excel, Outlook and Word; principles and practices of effective customer service.
- 6.2. **ABILITY TO:** Make mathematical calculations and enter numerical and accounting information into a computer system with skill and accuracy; create and manipulate spreadsheets; record, balance and reconcile transactions; maintain accurate and interrelated financial records; maintain and balance a variety of financial records, ledgers and accounts; manage multiple projects, duties and assignments; interpret and apply policies, procedures and regulations; conduct research and prepare accounting reports; understand and carry out written and oral instructions, keep accurate and detailed records; establish and maintain effective relationships with internal and external customers; maintain a professional demeanor, work well with others and be responsive and courteous; possess the ability to balance the demands of a varying workload and adapt quickly to change.
- 6.3. **EXPERIENCE:** Three years of payroll and accounting experience, preferably in government operations, is required.
- 6.4. **EDUCATION:** A high school diploma or GED equivalent, supplemented by an AA in applicable subject matter or a related field is required. BA in a related field deemed highly desirable.
- 6.5. **LICENSES AND CERTIFICATIONS:** Must have and maintain a valid Class "C" California Driver's License. Must be insurable and maintain this status with the District's all-risk insurance carrier.
- 7.0. **PHYSICAL DEMANDS:**
- 7.1. Employee is required to meet applicable "Support Staff" physical requirements.



NORTH COUNTY FIRE PROTECTION DISTRICT

POLICY AND PROCEDURE MANUAL

ADMINISTRATION
RULES AND REGULATIONS
JOB DESCRIPTIONS

SECTION 225.40
FEBRUARY 23, 2021
PAGE 4 OF 4

ACCOUNTING & PAYROLL TECHNICIAN

8.0. ENVIRONMENTAL:

8.1. Work is performed in a standard office environment. Work environment is both formal and informal, team and autonomously oriented, having both routine and variable tasks, with variable pace and moderate pressure at times. Some tasks may be fast paced.

9.0. COMMUNICATIONS:

9.1. VISION: (may be correctable) to drive a vehicle.

9.2. HEARING: of alarms and warning devices; to understand conversations.

9.3. SPEAKING: to give instructions, present classes; communicate with staff and representatives of other agencies.

9.4. WRITING: to complete records, reports, meeting notes and documentation.

9.5. READING: reports, records and computer screens.

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

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: FEBRUARY 23, 2021
SUBJECT: NOMINATIONS FOR CALIFORNIA SPECIAL DISTRICT ASSOCIATION BOARD OF DIRECTORS

ACTION AGENDA

RECOMMENDATION:

The Board of Directors should determine if any members wish to be nominated for a position on the CSDA Board of Directors for Southern Region, Seat A. If no, no further action is required. If yes, then a motion to nominate the individual will be required.

BACKGROUND:

The North County Fire Protection District is a member agency in the California Special District Association (CSDA). As a member agency, the District has the opportunity to nominate members to the CSDA Board of Directors.

DISCUSSION:

CSDA is currently soliciting nominations as described in the attached documentation. The nominated party may be either a Board Member or General Manager and must be affiliated with an independent special district that is a regular CSDA member in good standing, located within the geographic area they seek to represent. The successful candidate will serve for three years, is expected to attend every meeting, participate on at least one committee, attend two annual events and complete all four modules of the Special District Leadership Academy. There are other educational and committee requirements as outlined in the nomination documents.

Seat A is coming open for the 2022 through 2024 term. Currently, Director Jo MacKenzie from the Vista Irrigation District is the incumbent for the Southern District A seat.

Further action will be based on whether or not a Member wishes to be nominated for the CSDA Board. Unless a Board member wishes to run for Seat A, Staff would recommend supporting Director MacKenzie, who has a long history of being fully involved with CSDA. Deadline for receipt of nominations is **March 29, 2021**.

FISCAL ANALYSIS:

If elected, cost of participating in CSDA Board and committee meetings are reimbursed by CSDA. CSDA does not reimburse for expenses for the two conferences or the

**NOMINATIONS FOR CALIFORNIA SPECIAL DISTRICT ASSOCIATION
BOARD OF DIRECTORS
FEBRUARY 23, 2021
Page 2 of 2**

Academy classes, even if a Board or committee meeting is held in conjunction with the events.

SUMMARY:

Board members should determine if any are interested in being nominated for the available CSDA Board seat as described in the attached documents. If not, no further action is required. If yes, then a motion making the nomination will be in order.



**California Special
Districts Association**
Districts Stronger Together

DATE: January 28, 2021
TO: CSDA Voting Member Presidents and General Managers
FROM: CSDA Elections and Bylaws Committee
SUBJECT: **CSDA BOARD OF DIRECTORS CALL FOR NOMINATIONS
SEAT A**

The Elections and Bylaws Committee is looking for Independent Special District Board Members or their General Managers who are interested in leading the direction of the California Special Districts Association for the 2022 - 2024 term.

The leadership of CSDA is elected from its six geographical networks. Each of the six networks has three seats on the Board with staggered 3-year terms. Candidates must be affiliated with an independent special district that is a CSDA Regular Member in good standing and located within the geographic network that they seek to represent. (See attached CSDA Network Map)

The CSDA Board of Directors is the governing body responsible for all policy decisions related to CSDA's member services, legislative advocacy, education and resources. The Board of Directors is crucial to the operation of the Association and to the representation of the common interests of all California's special districts before the Legislature and the State Administration. Serving on the Board requires one's interest in the issues confronting special districts statewide.

Commitment and Expectations:

- Attend all Board meetings, usually 4-5 meetings annually, at the CSDA office in Sacramento.
- Participate on at least one committee, meets 3-5 times a year at the CSDA office in Sacramento.
(CSDA reimburses Directors for their related expenses for Board and committee meetings as outlined in Board policy).
- Attend, at minimum, the following CSDA annual events: Special Districts Legislative Days - held in the spring, and the CSDA Annual Conference - held in the fall.
*(CSDA does **not** reimburse expenses for the two conferences even if a Board or committee meeting is held in conjunction with the event)*
- Complete all four modules of CSDA's Special District Leadership Academy within 2 years of being elected.
*(CSDA does **not** reimburse expenses for the Academy classes even if a Board or committee meeting is held in conjunction with the event).*

Nomination Procedures: Any Regular Member in good standing is eligible to nominate one person, a board member or managerial employee (as defined by that district's Board of Directors), for election to the CSDA Board of Directors. **A copy of the member district's resolution or minute action and Candidate Information Sheet must accompany the nomination. The deadline for receiving nominations is March 29, 2021. Nominations and supporting documentation may be mailed or emailed.**

Mail: 1112 I Street, Suite 200, Sacramento, CA 95814
Fax: 916.442.7889
E-mail: amberp@csda.net

Once received, nominees will receive a candidate's letter. The letter will serve as confirmation that CSDA has received the nomination and will also include campaign guidelines.

CSDA will begin electronic voting on May 28, 2021. All votes must be received through the system no later than 5:00 p.m. July 16, 2021. The successful candidates will be notified no later than July 20, 2021. All selected Board Members will be introduced at the Annual Conference in Monterey, CA in August 2021.

Expiring Terms

(See enclosed map for Network breakdown)

Northern Network Seat A – Ralph Emerson, GM, Garberville Sanitary District*
Sierra Network Seat A – Noelle Mattock, Director, El Dorado Hills Community Services District*
Bay Area Network Seat A – Chad Davisson, GM, Ironhouse Sanitary District*
Central Network Seat A – Vacant
Coastal Network Seat A – Elaine Magner, Director, Pleasant Valley Recreation and Park District*
Southern Network Seat A – Jo MacKenzie, Director, Vista Irrigation District*

This year we will be using a web-based online voting system, allowing your district to cast your vote easily and securely. Electronic Ballots will be emailed to the main contact in your district May 28, 2021. All votes must be received through the system no later than 5:00 p.m. July 16, 2021.

Districts can opt to cast a paper ballot instead; but you must contact Amber Phelen by e-mail Amberp@csda.net by March 29, 2021 in order to ensure that you will receive a paper ballot on time.

CSDA will mail paper ballots on May 28, 2021 per district request only. ALL ballots must be received by CSDA no later than 5:00 p.m. July 16, 2021.

The successful candidates will be notified no later than July 20, 2021. All selected Board Members will be introduced at the Annual Conference in Monterey, CA in August 2021.

(* = Incumbent is running for re-election)

If you have any questions, please contact Amber Phelen at amberp@csda.net.



**California Special
Districts Association**
Districts Stronger Together

2021 BOARD OF DIRECTORS NOMINATION FORM

Name of Candidate: _____

District: _____

Mailing Address: _____

Network: _____ (see map)

Telephone: _____

(PLEASE BE SURE THE PHONE NUMBER IS ONE WHERE WE CAN REACH THE CANDIDATE)

Fax: _____

E-mail: _____

Nominated by (optional): _____

**Return this form and a Board resolution/minute action supporting the candidate
and Candidate Information Sheet by mail or email to:**

CSDA
Attn: Amber Phelen
1112 I Street, Suite 200
Sacramento, CA 95814
(877) 924-2732

amberp@csda.net

DEADLINE FOR RECEIVING NOMINATIONS – March 29, 2021



**California Special
Districts Association**
Districts Stronger Together

2021 CSDA BOARD CANDIDATE INFORMATION SHEET

The following information **MUST** accompany your nomination form and Resolution/minute order:

Name: _____

District/Company: _____

Title: _____

Elected/Appointed/Staff: _____

Length of Service with District: _____

1. Do you have current involvement with CSDA (such as committees, events, workshops, conferences, Governance Academy, etc.):

2. Have you ever been associated with any other state-wide associations (CSAC, ACWA, League, etc.):

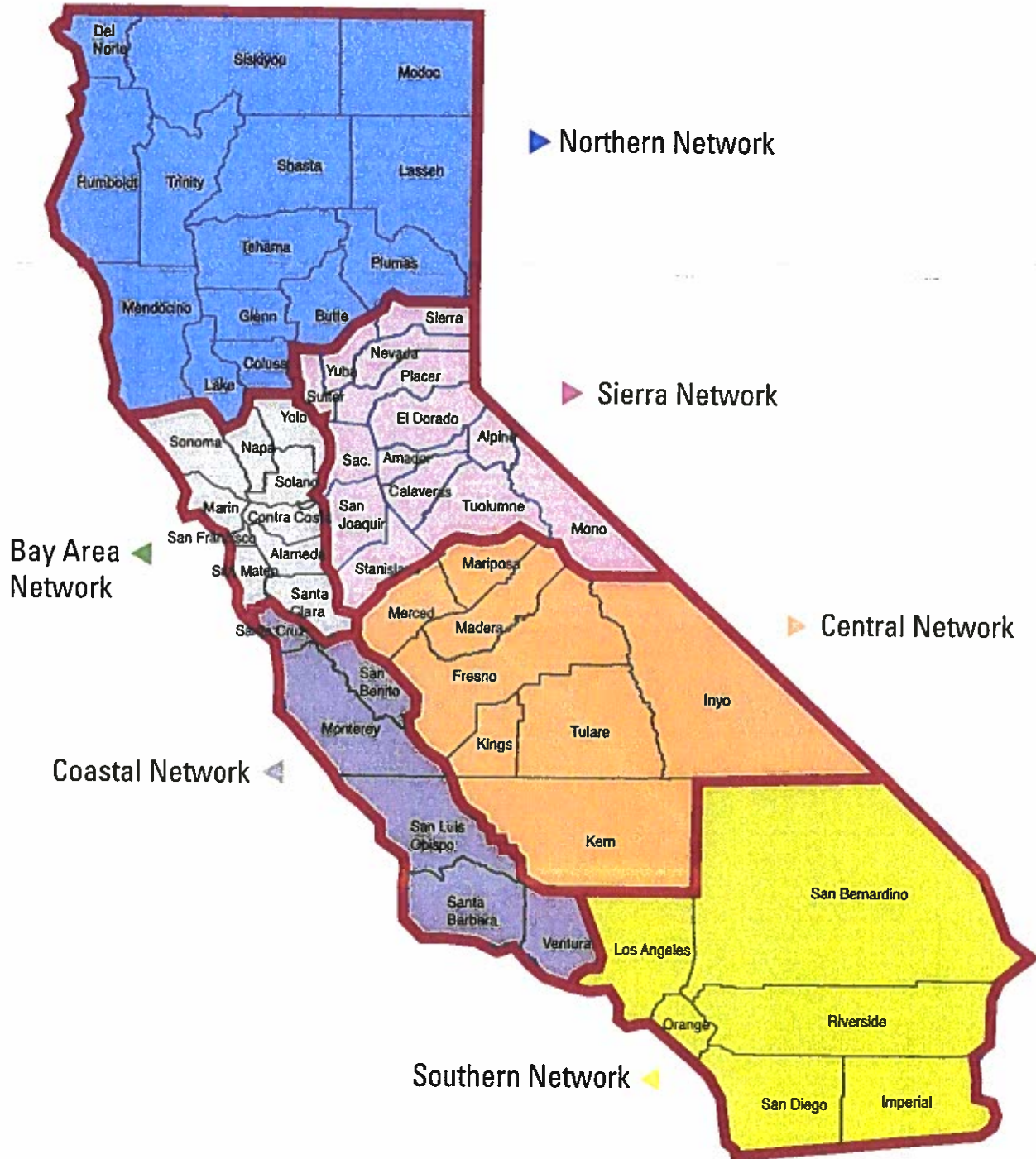
3. List local government involvement (such as LAFCo, Association of Governments, etc.):

4. List civic organization involvement:

****Candidate Statement** – Although it is not required, each candidate is requested to submit a candidate statement of no more than 300 words in length. **Any statements received in the CSDA office after March 29, 2021 will not be included with the ballot.**



California Special Districts Association
DISTRICT NETWORKS



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NORTH COUNTY FIRE PROTECTION DISTRICT

FACILITIES STAFF REPORT

TO: BOARD OF DIRECTORS
FROM: B/C KRUMWIEDE, D/C McREYNOLDS AND CHIEF ABBOTT
DATE: FEBRUARY 23, 2021
SUBJECT: APPROVAL OF SOLE SOURCE FOR STATION 3 MODULAR

ACTION AGENDA

RECOMMENDATION:

1. Approval to declare the Station 3 modular as a sole source project.
2. Approval to authorize Chief Abbott to execute a contract for the construction and installation of the Station 3 modular.

BACKGROUND:

In October of 2020, the NCFPD Board of Directors approved NCFPD Policy 211.14 *Facilities Replacement Plan*. That policy directs the construction of a temporary facility for Station 3 in 2021. To meet the replacement schedule, the NCFPD facilities committee has determined that a modular building would satisfy the needs of the District while remaining in the budgetary constraints of the project.

DISCUSSION:

A newly constructed modular, which will include approximately 2,000 square foot of living space will be utilized as the primary crew quarters. The interior of the existing station will be repurposed for support functions such as storage, laundry facilities, and a fitness/gym area. The modular will replace an existing modular on the property which has been used primarily as a training facility.

The Station 3 modular building must be a custom manufactured structure to accommodate District needs. Custom floor plans on modular buildings are difficult to construct since they are unable to follow standard floor plans often constructed on assembly lines. The NCFPD facilities committee has been able to only identify one (1) manufacturer, *Pacific Homes* who is able to construct the custom floor plan to meet our need. Pacific Homes is a Southern California modular structure manufacturer who has met similar facility needs for other North Zone Fire Agencies such as the Carlsbad Fire Department, the Rancho Santa Fe Fire Protection District and CAL-Fire. Their services will include design, build, delivery, and installation, and utility connection.

Station 3 Modular – Sole Source

February 23, 2021

Page 2 of 2

The estimated timeframe for this project is one (1) year due to low inventory levels and competing interests in the manufactured home industry. Consistent with Government Agency contracting requirements and Department of Industrial Relations guidelines this will be a sole source prevailing wage contract.

FISCAL ANALYSIS:

The existing modular has no value and must be removed off-site to a local waste management facility. The cost has been estimated at \$25,000 to disconnect utilities and transport to a waste site (including waste management fees).

It is anticipated that the custom manufactured modular building will cost approximately \$150-\$200 per square foot dependent upon design. In addition to the build, delivery, and installation costs there will be costs associated with hardscape and a covered walkway to the existing apparatus bay.

The anticipated cost for the 2000 sq. ft. modular including delivery and installation is approximately \$350,000-\$400,000. This funding has been allocated in the FY 20/21 budget.

SUMMARY:

The NCFPD facilities committee is seeking approval by the Board of Directors to move forward with this project as sole source and to execute a contract for the construction and installation.



**NORTH COUNTY FIRE
PROTECTION DISTRICT
BOARD**

TO: BOARD OF DIRECTORS
FROM: BS STEPHEN-PORTER
DATE: FEBRUARY 23, 2021
SUBJECT: REQUEST TO REVIEW INVOCATION PROCESS

ACTION AGENDA

RECOMMENDATION:

To permit discussion and action on request from Director Egkan regarding the use of the Invocation at the beginning of the Board meeting.

BACKGROUND:

At the beginning of each meeting, an invocation is made before the meeting begins. Director Egkan has requested the matter be discussed at the next Board meeting to determine whether to continue use of the Invocation.

DISCUSSION:

Director Egkan has requested this matter be placed on the Agenda for discussion and possible action.

FISCAL ANALYSIS: None.

SUMMARY:

For the Board to consider Director Egkan's submission of the topic and possibly act upon his suggestion after discussion.

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

TO: BOARD OF DIRECTORS
FROM: CHIEF ABBOTT
DATE: FEBRUARY 23, 2021
SUBJECT: STRATEGIC DIRECTION DISCUSSION

DISCUSSION AGENDA

BACKGROUND:

Each year the District evaluates its present strategic direction and establishes goals and objectives to accomplish over the next 12-18 months. Much of what was identified in last year's strategic plan has been completed, most notably restructuring of Admin. and restoration of the 15th Firefighter position, execution of a Pension Obligation Bond, cessation of the Volunteer Firefighter Program, execution of a revenue study and adjustment of fees for service, and development of an alternative facilities replacement plan.

DISCUSSION:

Given that we have completed much of what has previously been identified as Board priorities over the years, much of what is presented herein is more long-range and therefore strategic in nature. While the District's present strategic plan is 15 years old, it would be recommended to hold off on a strategic plan at this time until: (1) leadership succession has been completed, (2) the COVID State of Emergency has ended or at least contained, and (3) a consultant has been identified to facilitate the process. Consequently, below is a synopsis of recommended priorities for this year and beyond; the corresponding spreadsheet provides a high-level overview of the associated cost-benefit with each objective. Items identified in green are readily attainable goals with sufficient funding, items in yellow are potentially attainable with sufficient funding, and items in red are unfunded yet important priorities.

1. **FINANCIAL PLANNING/MAINTENANCE OF RESERVE FUNDS:** For the last several years the District has been able to restore reserve funds through a combination of prudent spending control, availability of one-time year end "rollover funds," and use of the Fire Mitigation Fee (FMF) payback program, the latter of which allowed the District to "pay itself back" for prior FMF expenditures with future FMF funds. With the near exhaustion of that option and the reliance upon grant funding to support 50% of two full-time positions, it will be necessary to earmark other sources of ongoing revenue to ensure the District is able to maintain sufficient funds for existing positions and to repair/replace existing facilities.

As noted from last month's financial planning presentation, utilizing a cash basis or "pay as you go" methodology to fund capital expenditures provides substantial savings to the District and maintains a much more desirable fiscal trajectory. That same presentation also illustrated that while the District has achieved its recommended minimum reserve fund balance, it is quite sensitive to even a mild recession. The "recession stress test" model presented during the January meeting presumed a period of zero growth. For purposes of comparison, at the height of the Great Recession the District realized more than a 10% reduction in property tax revenue.

2. **FACILITIES:** The 2017 Facilities Condition Assessment (aka "Jorgensen Report"), which called for approximately \$1.3M annually to fully fund replacement of District facilities with new permanent buildings, caused the District to pursue a revenue measure (Prop. A). As a result of the failure of Prop A, last fall the District adjusted its fees for services and adopted a modified facilities replacement plan, which requires approximately \$700,000 in annual deposits to fund. Collectively the fee adjustments, once fully realized, should yield approximately 50% of what will be needed to fund this modified \$700,000 facility replacement plan and relies largely upon continuing to expand our single-role EMS delivery model.

The facility replacement plan is based upon the concept of using metal buildings for the apparatus, utility, and storage components of the facilities, and should address many of the employee health and safety as well as customer-service related shortcomings noted in the Jorgensen Report. Presently the District is poised to execute a sole-source contract for the replacement of the Station 3 modular living quarters, which will likely be followed by a separate RFP to address deferred maintenance of the apparatus building.

Additionally, it would also be highly recommended to engage an architect and civil engineer now to develop building and engineering plans for Station 4, in the event that another Federal stimulus package arises, a key requirement of which is to have a "shovel ready" project. This is also necessary as the permitting and planning process typically takes 2-3 years and will assist with future planning and budgeting, as use of metal buildings for fire stations locally is a relatively new concept.

3. **SUCCESSION PLANNING:** This past year the District successfully reorganized Administration in order to adjust for the retirement of our Administrative Deputy Chief and restore the 15th Firefighter position in Rainbow. Effective the end of July 2021, the Fire Chief will be retiring, and it will be necessary to initiate that replacement process. This will allow the District sufficient time to develop and implement a replacement and succession plan. This selection is at the pleasure of the Board; it is recommended to fill for this position internally. Should the Board opt to recruit from within, to provide sufficient leadership support for the new Chief it is recommended that we reclassify the remaining current Division Chief to Deputy Chief. Senior staff is presently in the process of mentoring subordinates to take on new and additional responsibilities.

4. **INTEGRATION WITH NORTH ZONE AGENCIES:** Over the past year substantial progress has been achieved with zone integration, particularly in the areas of strategic planning, promotional testing, and community paramedicine (Operation Collaboration-COVID immunizations). Integration was accelerated with the advent of the COVID-19 pandemic. Over the coming year it is likely this will spur additional changes, primarily in the EMS arena. Some of these include development of a BLS overlay, potential sharing of overhead, and implementation of call triage and priority medical dispatch.

5. **LONG-TERM FISCAL ADVOCACY:** At the last Board meeting it was requested to evaluate alternative options to augment facility funding. Over the past 5 years the District has implemented substantial restructuring, cost-containment, and revenue enhancement strategies, retained a consultant to explore additional revenue options, and pursued a revenue measure (Prop A). While not exhausted, future opportunities will require substantial political engagement and legislative advocacy at the local and State level and include: (1) measures to adjust the voter approval threshold for infrastructure projects, (2) support for a local voter-led funding initiative, (3) advocate for safe and smart growth & development, (4) restoration of funds lost through ERAF.

6. **COMMUNITY RISK REDUCTION:** Staff is currently developing a continuity of operation plan (COOP), which has been delayed due to the impacts of COVID and a protracted fire season. The District is currently evaluating its relationship with CERT and may be exploring other opportunities to enhance community risk reduction, such as through development of a Fire Corps program.

FISCAL IMPACT:

Discussion item; fiscal impact would depend upon specific action steps determined by the Board for each area of focus.

DISCUSSION QUESTIONS:

1. Does the Board concur with these strategic priorities and vision to address them?
2. Does the Board wish to pursue any additional initiatives now or in the immediate future?
3. Does the Board require any additional information on any of these topics, or related topics?

Strategic Priority #1: Financial Planning/Maintenance of Reserve Funds									
Objectives & Action Steps	Person Resp.	Target Impl. Date	Resources needed	Resource cost/target	Source of Funds	Potential Offsets	Justification	Outcome if no action	
Objective #1: Fund facilities plan w/ ongoing taxes & fees	Chief	Jun 21	Ongoing funds to replenish FMF payback	300,000	New fee revenue	FY 20/21 Unallocated ongoing funds	FMF payback option near exhaustion, new fee revenue not yet realized	Underfunded facility plan, accumulating deferred maint. & health & safety issues	
Objective #2: Reduce debt service obligations	Chief	Aug 22	Accelerated new engine debt service retirement	1,200,000	Capital Equipment Fund	FY 20/21 Excess Revenue over Expenses	Save \$263,000 in interest	Opportunity cost	
Objective #3: Reduce reliance on grant-funded position	Chief/ Ops.	Jun 22	Alternative fee for service revenue	90,000	SLRD Contract	100,000	Provides more stability for F/T positions	Continued reliance on grant funding for F/T positions	
Summary: Taking steps to solidify financial & planning resources to maintain fiscal viability									

Strategic Priority #2: Maintain & update facilities in a manner that support District operations									
Objective & Action Steps	Person Resp.	Target Impl. Date	Resources needed	Resource cost	Source of Funds	Justification	Outcome if no action		
Objective #1: Develop implementation plan for facility reserve study repairs	Facilities	Jun 21	Staff time	0	N/A	Minimize equip. failures, facility closures	Increased accumulated deferred maint.		
Objective #2: Replace Station #3 living quarters	Facilities	Feb 22	Living quarters	400,000	Tower Lease proceeds	Facility exceeds life expectancy, does not meet op. needs	Impact to morale, red. efficacy of operations		
Objective #3: Address Station #3 app. bay deferred maint. & upgrade	Facilities	Jun 22	Scope of Work & Cost Estimate	400,000	Olive Hill Station sale proceeds	Avoid building damage, address security concerns, provide workout space	Increased accumulated deferred maint.		
Objective #4: Develop County approved Site Plan for Station #4	Admin. Chief	Feb 22	Engineer's analysis, site plan	75,000	Olive Hill Station sale proceeds	Facility exceeds life expectancy, does not meet op. needs	Impact to morale, red. efficacy of operations		
Objective #5: Develop County Approved building plans for Station #4	Admin. Chief	Sep 22	Architect	325,000	Olive Hill Station sale proceeds	Provides foundation to validate facility replacement plan, have shovel ready plans	Unvalidated plan, potential opportunity cost		
Summary: Will need to commit all restricted facility funds & proceeds to address short-term facility needs									

Strategic Priority #3: Succession Planning									
Objective & Action Steps	Person Resp.	Target Impl. Date	Resources needed	Resource cost	Source of Funds	Potential offsets	Offset source	Justification	
Objective #1: Develop recruitment plan for retiring Fire Chief	Board of Directors	Jul-21	Recruitment panel/ Consultant if external	Up to \$50,000	FY 20-21 budget	N/A		Fire Chief retiring May-August 2021	
Objective #2: Reclassify remaining Division Chief to Deputy	Chief	Jul-21	\$12,000	12,000	FY 20-21 budget	10,000	Salary savings w/ New Chief	Creates depth in leadership & support for new Fire Chief	
Objective #3: Develop staff succession Plan	Senior Staff	Jul-21	New B/C list, mentoring	Staff time	Existing Budget	N/A		Transfer institutional knowledge	
Summary: Succession plan underway to fill future vacancies-need Board direction on F.C. recruitment									

Strategic Priority #4: Augment integration with North Zone Agencies										
Objective & Action Steps	Person Resp.	Target Impl. Date	Resources needed	Resource cost	Source of Funds	Potential Offset	Offset source	Justification	Outcome if no action	
Objective #1: Explore sharing of overhead positions	Chief	Dec 21	Staff Time and North Zone Coordination	0	N/A	N/A	N/A	Eliminate duplication of effort	Opportunity cost	
Objective #2: Modify response patterns in concert with medical priority dispatch	Ops.	Jul 21	Staff Time and North Zone Coordination	0	N/A	N/A	N/A	Better use of emergency resources	Increased demand on emergency resources	
Objective #3: Implement a 10 to 24 hr. BLS ambulance overlay within North Zone	Ops.	Sept. 2021	EMT Recruitment, additional ambulance if permanent	250,000-500,000	New fee revenue	500,000 - 1,000,000	Additional transport revenue from within Zone	.3 UHU @ 30% BLS collection rate	Opportunity cost	
Summary: Pursuit of opportunities to integrate within zone can generate additional savings and revenue										

Strategic Priority #5: Long-Term Fiscal Advocacy										
Objective & Action Steps	Person Resp.	Target Impl. Date	Resources needed	Resource cost	Source of Funds	Potential Offset	Offset source	Justification	Outcome if no action	
Objective #1- Advocate for adjusted bond thresholds	Senior Staff/Board	Sep 21	Staff Time & Travel Costs	10,000	FY 20/21 & 21/22 budget	10,000	Unused professional development	Same threshold as schools for infrastructure projects	Insufficient support for revenue measures	
Objective #2- advocate for safe & smart growth	Senior Staff/Board	Sep 21	Staff Time & Travel Costs	10,000	FY 20/21 & 21/22 budget	10,000	Unused professional development	Improve traffic circulation & fire safety	Opportunity cost for augmented public safety funded thru development	
Objective #3- Facilities Bond (voter funded)	Board	TBD	Updated analysis/ public education	250,000-400,000	TBD	20,000,000	Voter-approved bond measure	Address fire station deferred maintenance	Accumulated deferred maint., Health & Safety issues, response delays	
Objective #4- restore lost ERAF funding	Senior Staff/Board	TBD	Staff Time & Travel Costs	10,000	TBD	\$1,600,000	10% of annual property tax revenue shifted to State	Insufficient funding to address increasing wildfire threat	Continued escalating fire losses	
Summary: Continued political engagement necessary to address external financial influences										

Strategic Priority #6 Develop a comprehensive Disaster preparedness plan for Department									
Objective & Action Steps	Person Resp.	Target Impl. Date	Resources needed	Resource cost	Source of Funds	Potential Offset	Justification	Outcome if no action	
Objective #1: Develop a Continuity of Operations Plan (COOP)	Mann	Dec-21	Staff Time	0	N/A	N/A	Better emergency management and disaster plan when faced with local disasters	No written plan on how the agency maintains continuity of operations during local disasters	
Objective #2: Evaluate relationship with CERT/Explore FireCorps	Mann	Jun-21	Staff Time	2,000	Existing budget	CERT line item	Increased integration with County CERT teams, more fire-centric volunteers	Lost opportunity to augment both programs	
Summary: MIH makes more efficient use of resources and reduces need for additional resources in future									

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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

February 1, 2021

**Board of Directors
North County Fire Protection District**

Re: General Counsel Board Report for February 1, 2021

COVID-19 and the Workplace: Can Employers Make Vaccinations Mandatory?

COVID-19 vaccines have been approved. Once vaccinations become more widely available, we're likely to see a rush to use the vaccine to get businesses back on track.

Looking ahead, employers will inevitably face many questions.

Which employees should get first access to a vaccine? Can employers make COVID-19 vaccinations mandatory? If so, what about employees who refuse to take a vaccination? Which vaccination from which drug manufacturer will employers recommend? How will businesses proceed with staff who are more susceptible to COVID-19 than others?

Employers may now be able to require most employees to get COVID-19 vaccinations. Mandatory vaccinations in the workplace are not new and there is a fair amount of case law permitting the practice in the health care industry.

While vaccination requirements may be permissible, it is important to consider the significant exemptions recognized by laws such as Title VII of the Civil Rights Act of 1964 and the Americans with Disabilities Act. State and local laws may also have regulations related to an employee's religion or disability. When an employee raises a religious concern or a potential issue with the vaccination based on a disability, employers should be prepared to conduct individualized evaluations of requests for accommodation.

The U.S. Equal Employment Opportunity Commission has acknowledged that COVID-19 meets the ADA's "direct threat standard." The designation permits more extensive medical inquiries and controls in the workplace than typically allowed under the ADA. The "direct threat" finding refers to an employee with COVID-19 in the workplace who poses a "significant risk of substantial harm" to others. As a

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result, a COVID-19 finding would permit employers to implement medical testing and other screening measures the ADA would usually prohibit.

Similarly, the U.S. Occupational Safety and Health Administration is also more likely to defer to employer-mandated vaccinations. The agency is currently encouraging its inspectors to get the COVID-19 vaccination when it becomes available. Employers, however, should be reminded that employees have rights under a whistleblower complaints clause pursuant to Section 11(c) of the Occupational Safety and Health Act of 1970, if they have a medical condition that creates a real danger of serious illness or death and a reasonable belief the COVID-19 vaccination would be harmful.

A decision to require or encourage vaccinations should not be undertaken lightly or without consultation with counsel. Steps and issues for employers to consider include:

1. Reviewing guidelines issued by health agencies (such as the Centers for Disease Control and Prevention) and employment agencies (e.g. OSHA and EEOC) regarding vaccinations, deadlines, monitoring, compliance and personnel/staff designations who could oversee a vaccination program.
2. Reviewing and updating applicable HR policies, particularly those relating to reasonable accommodations and discipline, to ensure compliance and guidance that acknowledges any new vaccine requirement.
3. Determining whether vaccinations will be mandatory or strongly encouraged. Given the industry an employer is in, the exemptions that may be requested and the potential impacts on employee morale, some employers may opt for the latter.
4. Evaluating alternatives to a mandatory vaccination policy, such as remote work, physical distancing, facial coverings and other CDC-recommended steps that may serve an employer's needs. To encourage vaccinations even if they will not be required, employers should determine if it is possible to provide the vaccinations at no or little cost to employees and consider making vaccinations available on-site at times convenient to employees during their normal working hours.
5. If vaccinations will be mandated, employers should work with legal counsel to create an appropriate mandatory vaccination policy, including applicable forms and notices. Employers with a unionized workforce will need to evaluate any new vaccination programs with collective bargaining

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considerations as they will likely have to negotiate the implementation of a mandatory vaccination program with the union.

ROBERT H. JAMES
Attorney at Law

A handwritten signature in black ink, appearing to read 'R. James', with a stylized flourish extending to the right.

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

RHJ/km
cc: Chief Steve Abbott
Board members

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

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: FEBRUARY 23, 2021
SUBJECT: WRITTEN CORRESPONDENCE

● **WRITTEN COMMUNICATION:**

- Letter to Assembly Member Rivas re: Assembly Bill 361
- Letter to Senators Feinstein and Padilla and Representative Issa re: Support of HR 535 and S 91

● **BOARD RECOGNITION PROGRAM:**

- FEBRUARY 17, 2021: EMAIL RE: COORDINATION OF ENGINEER'S ACADEMY

Captain Benoit Engineer Ruiz Engineer Quinn

- JANUARY 16, 2021: EMAIL RE: MEDICAL AID

Engine 114: M 114:

Captain Jones PM Kuenzi
Engineer Harlin EMT Truman
FF/PM Kortekaas

NORTH COUNTY FIRE PROTECTION DISTRICT

www.ncfireprotectiondistrict.specialdistrict.org

330 S. Main Avenue

Fallbrook, California 92028-2938

Phone: (760) 723-2005

Fax: (760) 723-2072

BOARD OF DIRECTORS

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

Assembly Member Robert Rivas
California State Assembly
State Capitol, Room 5158
Sacramento, CA 95814

RE: Assembly Bill 361 (Rivas) – Support [As Introduced]

Dear Assembly Member Rivas:

The North County Fire Protection District, which serves a population of 52,000 residents in Northern San Diego County, is pleased to support your Assembly Bill 361, related to the Ralph M. Brown Act (“the Brown Act”).

In light of a stay-at-home order and the need to keep individuals physically distanced from one another, Governor Newsom issued a number of subsequent executive orders (N-25-20, N-29-20, N-35-20) modifying the requirements of the Brown Act. AB 361 seeks to codify several provisions from within the executive orders.

AB 361 would allow local agencies to safely meet remotely during an emergency. The changes to law included in AB 361 are what have allowed local agencies to continue to operate while also complying with important public health directives issued by officials during the COVID-19 pandemic; by enshrining these provisions in statute, this bill ensures that local agencies would continue to be able to remain safe in future emergencies that threaten public health.

AB 361 will include important safeguards that ensure public agency transparency and public access. For a public agency to utilize these provisions to meet remotely, a local agency must meet subsequent or concurrent to a proclaimed state of emergency or declared local emergency, and declare that the nature of the emergency would prevent them from safely meeting in-person. This bill would specifically prohibit local agencies from requiring members of the public to submit their comments in advance, guaranteeing that the public has the opportunity to observe and offer comment during the meeting.

This bill would allow our Fire Protection District to continue to meet in a fashion that balances the open meeting interests of the public with the business necessity of keeping our essential



PROUDLY SERVING THE COMMUNITIES OF FALLBROOK, BONSALE AND RAINBOW

workers protected during this health emergency. In fact, through the course of the pandemic we have seen an increase in public participation through the advent of remote meeting, even when emergency meetings have been called. As a Fire District, it is not uncommon to call emergency meetings; I personally have been party to several when major fires have impacted our community, and the time taken to corral the Board, particularly when your community is being evacuated, is particularly challenging. Having the ability therefore to inform the public and allow the Board a venue to make rapid, informed decisions is essential to making the best decisions for our constituents.

For these reasons, the North County Fire Protection District is pleased to support Assembly Bill 361 (Rivas). Please feel free to contact us if you have any questions.

Sincerely,

A handwritten signature in blue ink that reads "Stephen Abbott". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Stephen Abbott, Fire Chief

CC: The Honorable Assemblywoman Marie Waldron
The Honorable Senator Brian Jones
California Special Districts Association

NORTH COUNTY FIRE PROTECTION DISTRICT

www.ncfireprotectiondistrict.specialdistrict.org

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LOREN A. STEPHEN-PORTER - Executive Assistant/Board Secretary - lstephen@ncfire.org

February 3, 2021

The Honorable Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Alex Padilla
United States Senate
B03 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Darrell Issa
United States House of Representatives
2300 Rayburn House Office Building
Washington, DC 20515

RE: Support H.R. 535 and S. 91, the Special Districts Provide Essential Services Act

Dear Senator Feinstein, Senator Padilla, and Representative Issa;

The North County Fire Protection District respectfully requests your support of H.R. 535 and S. 91, the Special Districts Provide Essential Services Act, and its inclusion in any potential pandemic relief package. These bills would ensure that your constituents receiving essential services, like fire protection, water, wastewater, childcare, healthcare, resource and agricultural conservation, and more from a special district, rather than a city or county, are not excluded from future COVID-19 relief approved for state and local governments.

As a provider of fire and emergency medical services to 52,000 residents of the communities of Fallbrook, Bonsall, and Rainbow, access to federal relief resources would help our district confront COVID-19 and overcome the pandemic's fiscal impacts. **Our employees are on the front-lines, yet our local government agency has yet to receive the direct access to funding that other government agencies, as well as businesses and non-profits, have received.**

Our district is just one of 2,000 across the state that, altogether, anticipate a **\$1.26 billion impact** due to COVID-19 through the end of Fiscal Year 2021. Furthermore, 46 percent are unlikely to maintain current staffing of essential workers or are uncertain that they can, and 54



PROUDLY SERVING THE COMMUNITIES OF FALLBROOK, BONSCALL AND RAINBOW

percent are unlikely to maintain or are uncertain about the level of essential services they can provide through this fiscal year.

These bills are identical to the bipartisan S. 4308 from the 116th Congress. H.R. 535 and S. 91 would allow the vital services that communities rely upon to continue unhindered, while also providing greater certainty for these governments to retain their essential workers. Specifically, the legislation would establish a federal definition of "special district", allow special districts' access to future Coronavirus Relief Fund allocations, and designate special districts as "eligible issuers" of the Federal Reserve Board's Municipal Liquidity Facility.

Without ready access to pandemic relief available to other units of local government, the risk of special districts' inability to continue providing uninterrupted, vital services to their communities will continue to grow. We look forward to working with you to ensure all essential workers and the vulnerable communities they serve receive equitable access to these important relief funds.

Thank you for your consideration of our request.

Sincerely,

A handwritten signature in blue ink that reads "Stephen Abbott". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Stephen Abbott, Fire Chief

cc: Governor Gavin Newsom
Cole Karr, Federal Advocacy Coordinator, California Special Districts Association
(advocacy@csda.net)

Loren Stephen-Porter

From: Keith McReynolds
Sent: February 17, 2021 14:13
To: NCFD
Subject: Personnel Recognition



Good afternoon,

I would like to recognize a few of our personnel for coordinating an outstanding Engineer's Academy. The individuals below under the direction of B/C Macmillan spent two full days training with our candidates preparing them for the upcoming North Zone Engineer's Exam. Efforts like this represent the very best of North County Fire. A great example of extreme ownership!

- Captain Mike Benoit
- Engineer Tyler Ruiz
- Engineer Nicholas Quinn

Well done gentlemen,

Keith McReynolds | Division Chief -Administration
North County Fire Protection District | 330 S. Main Ave – Fallbrook, CA 92028
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Proudly serving the communities of Fallbrook, Bonsall and Rainbow – Duty, Integrity and Respect

Discover North County Fire on social media:
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Medical Aid of 1/16/21:

To Gregory Mann Operations Chief North County Fire Protection District,

Chief,

I wanted to personal thank your fire department. Your department helped to save my life. My name is. I am 42 years old and have a wife, 15-year-old son, and 8-year-old son. I was retired from Cal-Fire in 2019 due to a shoulder injury. I currently am an associate professor at MSJC college in Menifee. I teach Medical Terminology/ EMT/ Fire 121/ and F115. My address is .

This is what happened to me.

I had started having COVID symptoms on 1-4-21 and between 1-4 to 1-10 had no symptoms. Started having symptoms on the 10th, then on the night of the 16th had a turn for the worse. I had a fever of 102 all day and could not break it. Started having trouble breathing that night. Around 11pm told my wife I think we need to call 911. I was with my wife, and my 15-year-old son they tried to help me get clothes on. I went to stand, got dizzy, and I knew I was in trouble. I told my wife and my boy I loved them. I THOUGHT THAT WAS IT. Most scariest thing in my life. Your firefighters had to put me on O₂. I am a large person. Six foot 1 and 250 pounds. They stair chaired me and rushed me to Temecula Valley Hospital. Your paramedics were amazing and skilled. I have been a medic since 2002, and teach national skills, so I know. I have attached 2 of my most personal friends to this email because I want them to know that I sent this to you. Chief Mike Spaulding, BC Encinitas Fire, is one of my best friends. He was in my wedding. Fabian Lopez is the Medical Director of EMS for MSJC college. I love both those men.

I was in the hospital for 8 days. Was in septic shock. Had to have the COVID antibody transfusions. In 45 days I get to donate my plasma to Red Cross, and for sure I am going to do it. I had to have 4 hours of broad span antibiotics. I was on a high flow O₂ for 48 hours. Reduced to simple mask after 72 hours, then to a N/C. I was on Rendezvous medication used to fight malaria for 6 days. This medication can effect your liver and kidney functions for years. So now I am on a strict diet, meds and vitamins. I am fully off O₂ and on the road to recovery. But all was worth you because I am back to my family. Your firefighters were professional and amazing. You need to know that.

I was interviewed by Star 94.1 FM @8am on 2-27-21. I told them how fantastic the service I received from your department was. COVID is real and people need to know that. If there is anything I can put on paper for accommodations, I would love to. Last, I did go down to your Fire Station 1 and personally thank the men. With my address I was not sure what crew ran me.

Again thank you so much from the bottom of my heart. I feel I have a new lease on life.

Name and address redacted.

E114: Eddie Jones, Joe Harlin & Josh Kortekaas

M114: Ezra Truman & Kris Kuenzi

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Village News - Also serving the communities of De Luz, Rainbow, Camp Pendleton, Pala and Pauma

Fire damages De Luz home overnight Feb. 4

By [Will Fritz](#)
Staff Writer



Village News/North County Fire Protection District courtesy photo

A fire at a De Luz home late Thursday night, Feb. 4, left an adult and two dogs displaced, North County Fire Capt. John Choi said.

A fire that tore through a house in De Luz late Thursday night, Feb. 4, left one person without a home to safely go back to, a North County Fire Protection District spokesperson said Friday, Feb. 5.

The blaze was reported a little after 10:45 p.m. at a two-story house in the 41000 block of Gavilan Road, North County Fire Capt. John Choi said.

Firefighters arrived about 15 minutes later to find "extensive fire conditions," and while they were able to contain the fire to the home's second floor, some fire crews were still cleaning up hotspots in the home as of 7:30 a.m. Friday.

Choi said one adult, as well as two dogs, were displaced by the fire.

Camp Pendleton firefighters assisted North County crews with the blaze, Choi said.

Village News - Also serving the communities of De Luz, Rainbow, Camp Pendleton, Pala and Pauma

1 suffers 'significant' injuries in South Mission crash

By [Will Fritz](#)
Staff Writer

One person was seriously hurt in a crash on South Mission Road in Fallbrook Saturday morning.

A full-size van and a minivan struck each other in a partial head-on collision a little before 9:15 a.m. on South Mission Road at Green Canyon Road, according to North County Fire Protection District spokesperson Capt. John Choi.

One of the vehicles sustained "major damage," in the crash, and one of the drivers had to be taken to Palomar Medical Center in Escondido with injuries that were described as "not life threatening, but significant," Choi said.

The other driver involved in the crash suffered minor injuries and declined medical attention.

South Mission Road was blocked in both directions for about 30 minutes after the crash, Choi said.

Will Fritz can be reached by email at wfritz@reedermedia.com.

Connect With Us

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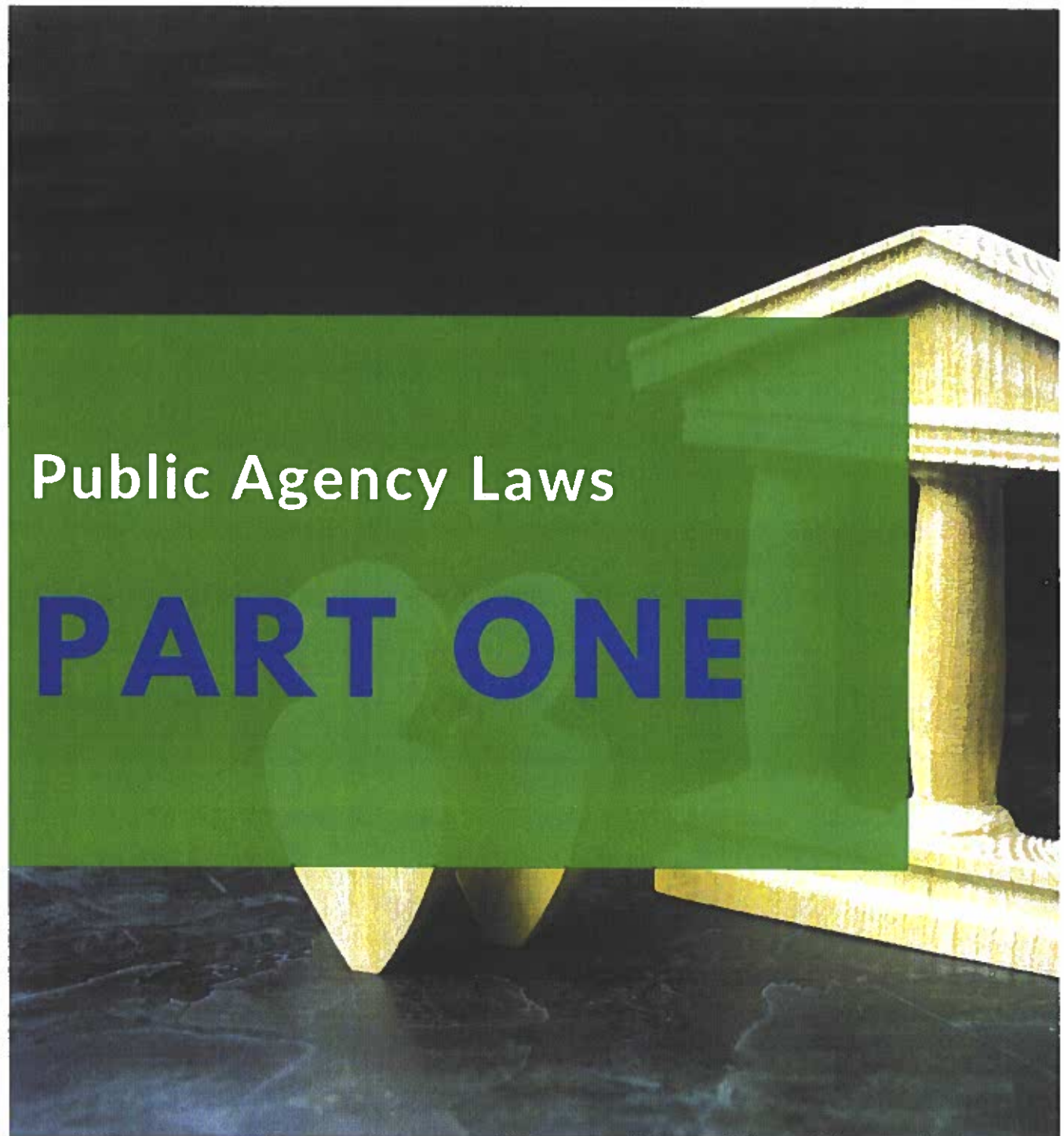
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New Public Agency Laws on Safety, Finance, Contracting and More

Legal Alerts Jan 05, 2021

Part 1: New Laws Impacting California Public Agencies for 2021



With the unique challenges that 2020 brought, California lawmakers passed bills that addressed both the State's ongoing problems, as well as laws responsive to the public health and economic crisis brought by COVID-19 and social justice issues. Public agencies in California were not immune to these critical problems and, as such, some of the new laws directly impact how local government agencies, including cities, counties

and special districts, operate.

In our annual Legal Alert series, Best Best & Krieger LLP provides California public agencies with summaries of some of the most critical legislation to ensure they stay in compliance while working to serve their communities. All laws went into effect Jan. 1, unless otherwise noted. Where previous Legal Alerts on any new law or groupings of laws, links are provided to those.

Public Safety

[AB 1945 Emergency services: first responders](#)

This measure defines “first responder” as a state or local public agency employee who provides emergency response services. Previously, public safety dispatchers were classified as office and administrative support staff. Given the level of training, the duties performed and the on-the-job stress that dispatchers experience, this measure now broadens the classification of first responder to include public safety dispatchers. AB 1945 does not confer a benefit change to dispatchers, but ensures that they will receive priority access to any COVID-19 treatments that are developed.

[New Macro Cell Tower Emergency Generator Law in California - AB 2421 Land use: permitting: wireless communications: emergency standby generators](#)

[AB 846 Public employment: public officers or employees declared by law to be peace officers](#)

Penal Code section 13519.4 prohibits peace officers from engaging in racial or identity profiling, and mandates Peace Officer Standards and Training courses to educate and reduce the practice of racial profiling by officers. However, studies show that POST courses, though necessary, may not be sufficient to reduce racial profiling. A recent report by the Racial and Identity Profiling Advisory Board found that Black drivers in California were stopped by police 2.5 times the per capita rate of whites, and searched three times as often. This bill addresses the issue of racial profiling by shifting the focus away from officer training to the recruitment practices of local law enforcement agencies. The new law requires that job descriptions used to hire officers emphasize the skills of community interaction and problem solving over the militaristic aspects of the position. The bill also requires that the mental and physical evaluation of an officer identify any implicit and explicit bias against race, ethnicity, nationality, gender, sexual orientation, religion or disability that would adversely affect the exercise of an officer’s powers.

[AB 1196 Peace officers: use of force](#)

In response to the violent death of George Floyd, AB 1196 was introduced by Assemblyman Mike Gipson and co-authored by members of the California Black, Latino, LGBTQ and Asian and Pacific Islander legislative caucuses. The measure makes it illegal for law enforcement agencies to authorize the use of carotid restraint holds, or choke holds, by officers.

[SB 1003 Skateboard parks: other wheeled recreational devices: safety and liability](#)

In 2015, Health and Safety Code section 115800 was amended to include the riding of “other wheeled devices” in skateboard parks as a hazardous recreational activity, and gave qualified immunity to public entities if certain requirements were met. However, that amendment had a sunset date of Jan. 1, 2020, and said that, absent deletion or extension of this date, the statute would revert to its original application to skateboards alone. As the sunset date was not timely addressed, this measure amends section 115800 to again extend its provisions to cover “other wheeled recreational devices.” Other wheeled devices include non-motorized bicycles, scooters, inline skates, roller skates or wheel chairs used for recreational purposes. The amended section took immediate effect, covers any claim for injuries that occur on or after its enactment and does not include a sunset date.

Brown Act

[AB 992: Open Meeting Laws and Social Media - AB 992 Open meetings: local agencies: social media](#)

Political Reform Act

[AB 2151 Political Reform Act of 1974: online filing and disclosure system](#)

Under The Political Reform Act of 1974, a local government agency may require filings to be made online or electronically. This measure requires a local agency, when it receives a campaign finance disclosure filing in a hard copy, post the filing on its website within 72 hours. It also says that the filing must be available 4 years after the date of the election related to the filing. The local filing officer is required to redact any street name, building number and bank account number disclosed in the filing.

Public Finance

[SLONs Authorization Extended for California Special Districts - AB 2107 Local government:](#)

[SB 1386 Local government: assessments, fees, and charges: water: hydrants](#)

Enacted in 1996, Proposition 218 limits a local government's ability to impose, increase and extend property-related fees. This measure is a response to a class action suit filed in 2020 against 81 water agencies that alleged that the charging of ratepayers for water supplied for fire protection violated Proposition 218. The language of the measure is modeled on an unpublished decision in favor of water agencies, *Glendale Coalition for Better Gov't v. City of Glendale*. The measure amends Proposition 218 Omnibus Implementation Act to declare that water service is a property-related service separate from fire service, and water hydrants are public improvements included in the definition of water as set forth in the 1997 Proposition 218 Omnibus Implementation Act. The measure provides that fees or charges for the aspects of water service related to hydrants and the water distributed through them, may be fixed and collected as a separate fee or charge, or included in other rates and charges fixed by a public agency. This measure allows water agencies to spread the cost to ratepayers without requiring a vote to increase taxes.

Public Contracting

[AB 2231 Public works](#)

California law generally requires that workers employed on a publicly funded project be paid prevailing wages. However, private development projects are exempt from this requirement if a state or political subdivision only provides a subsidy that is *de minimis* (lacking significance) in the context of the project. The common understanding has been that a subsidy of less than 2 percent of the project cost would be considered *de minimis*. This measure incorporates the requirement into the statute. A public subsidy is now considered *de minimis* if it is both less than \$600,000 and less than 2 percent of the total project cost. A public subsidy for single-family residential projects is *de minimis* if it is less than 2 percent of the total project cost, regardless of the total amount of public funding. The new law will take effect on July 1, 2021.

[AB 2311 Public contracts: skilled and trained workforce requirement: notice](#)

This measure amends Public Contract Code section 2600 and provides that, when a public entity is required by law, or prefers to obtain an enforceable commitment that a bidder, contractor or other entity use a skilled and trained workforce to complete a contract or project, the public entity must include a notice in all bid documents and construction contracts that the project is subject to that requirement. The measure also adds section 2600.5, which says that the failure of a public entity to provide notice does not excuse the entity from the requirement, nor excuse a bidder, contractor or other entity from the obligation, to use a skilled or trained workforce if the requirement is imposed by law.

[AB 2765 Public works: prevailing wages](#)

This measure complements AB 2231 by expanding the definition of public works to broaden the payment of prevailing wage rates to workers. Previously, conduit bonds were not considered to be a public subsidy for determining the application of public works laws. By including into the definition of public works the construction, alteration, demolition, installation or repair work done under private contract for a charter school project that utilizes proceeds of conduit revenue bonds, this measure requires that prevailing wage rates will be paid to workers on these projects. The measure exempts charter schools that have an average daily attendance of 80 students or less, and applies to conduit bonds issued on or after Jan. 1, 2021.

Employment

[AB 2967 Public Employees' Retirement System: contracting agencies: exclusion from membership](#)

This bill was enacted in response to a California city that decided to establish its own fire authority, and exclude new firefighters from its CalPERS contract to minimize costs. This bill ensures that a public agency cannot amend its CalPERS contract to exclude groups of employees that were previously included under the contract. However, a contract that already excludes groups of employees may be amended to clarify the exclusion without expanding its reach.

Coming Up:

- [Wednesday: Part 2 of the New Laws Impacting California Public Agencies for 2021](#)
- [Thursday: California Public Records Act Legal Updates for 2021](#)
- [Soon: New Labor & Employment Laws and a Federal Law Update](#)

Disclaimer: BB&K Legal Alerts are not intended as legal advice. Additional facts, facts specific to your situation or future developments may affect subjects contained herein. Seek the advice of an attorney before acting or relying upon any information herein.



2021 NEW LA ROUND-U

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New Laws 2021 Roundup

Best Best & Krieger LLP provides annual updates on legal developments that impact California public agencies and businesses. Find all the updates here!

[New Laws 2021](#)

Continue Reading

Pay down pension debt before taxpayer exodus makes the problem worse

Marc Joffe

During the COVID-19 lockdowns and early part of the recession, the governor's state budget update predicted a \$54 billion shortfall over three fiscal years. As a result, California Gov. Gavin Newsom decided that properly funding future state employee pension costs seemed like a luxury California could not afford. In last May's budget revise, Gov. Newsom eliminated the state's planned \$2.4 billion supplemental payment to the California Public Employees' Retirement System (CalPERS), which would have reduced the public pension system's unfunded liabilities.

Since that time, however, state revenues have greatly outperformed the dire estimates. In fact, last month's budget estimated higher tax revenues in the current 2020-2021 fiscal year than the state estimated it would generate in its pre-pandemic budget a year earlier. Despite, the positive budget news, the governor chose not to reinstate the extra CalPERS contribution. This is a decision well worth revisiting.

The need for CalPERS to make catch-up contributions did not diminish. Indeed, the system reported asset returns of just 4.7% for its fiscal year ending June 30, 2020—well below its 7% assumed rate of return. When actual investment returns fall below a public pension system's expectations, unfunded liabilities increase. At CalPERS, the red ink grew from \$158 billion in 2019 to an estimated \$163 billion in 2020. The current fiscal year may be better for CalPERS given relatively strong stock market performance thus far, but we won't know for sure until the summer.

Either way, CalPERS will still have an enormous unfunded liability, which should be paid down. One reason for urgency is the coronavirus pandemic's potential impact on California's long-term fiscal health. In late 2020, the state's coffers benefited from the continued dominance of Google, Facebook, and other California-based technology companies. With people working and spending more time in the virtual world, demand for online services is booming. This increased employment, compensation, and capital gains on company stocks that tech employees chose to liquidate, is producing a windfall in unanticipated income and capital gains tax revenue for California.

But the coronavirus pandemic has also given rise to longer-term budgetary concerns. The adjustments companies have had to make to get work done in the COVID-19 environment showed that it is not necessary for some employees to be in offices every day to be productive. Many companies are expected to let employees work remotely, even after COVID fears diminish. Also, tech professionals have also gone almost a full year without in-person networking, suggesting virtual conferences can do much of the work of in-person events.

These findings mean that tech workers, other knowledge workers, and entrepreneurs are going to be less tethered to fixed locations going forward. And

that is likely bad news for California. An increasing number of high-tech, high-income professionals are realizing that they can achieve their career objectives far away from the Pacific coast, where housing and other living costs are often much lower.

By moving from California to Nevada, Texas, or Florida, for example, workers can fully eliminate their state income tax liabilities, which top out at 13.3% here and are mostly no longer deductible from federal tax due to Trump-era tax legislation.

High-profile executives such as Elon Musk, Larry Ellison, and Joe Lonsdale have already left California. Each billionaire who exits California can reduce state tax revenues by tens, or, perhaps in a few cases even hundreds, of millions of dollars annually.

When lost state tax revenues from these mega-taxpayers are added to the hundreds of thousands of upper-middle-class families leaving California and coming off the state's tax rolls, the potential impact on tax collections could be quite large in the years ahead. Although state legislators have kicked around ideas about taxing California ex-pats after they leave the state, such legislation is unlikely to survive court challenges.

As workers eligible to telecommute flee to other states, California's future state income tax revenue potential could end up being much less than it was before the pandemic. But, unfortunately for the state, the future pension costs for CalPERS will be little changed. For this reason, California should be paying down public pension liabilities now, when times are flush, rather than waiting for a future during which state finances are likely to be much more constrained.

Gov. Newsom should consider replacing some of his new spending initiatives and reinstating payments to reduce CalPERS' debt.

Marc Joffe is a senior policy at Reason Foundation.

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CSDA Teams Up to Prevent Delays to Critical Property Tax Revenue

By Kristin Withrow posted 2 days ago

0 LIKE

Neil McCormick, CEO of CSDA, signed a joint letter with city and county counterparts, dated January 22, 2021, informing Governor Gavin Newsom and the leaders and members of the State Legislature of the consequences to essential local services if the impending April 10 deadline for local property tax payments were to be delayed by executive or legislative action. This joint letter was in response to efforts by business advocates to, among other things, temporarily delay the payment of property taxes via executive order.

Millions of families and businesses depend on essential services provided by special districts that rely on property tax revenue. A delay in receipt of these critical resources could jeopardize the reliable delivery of services, not to mention ongoing debt obligations that support the critical infrastructure that sustains our economy.

The joint statement by representatives of every type of local government urged the Governor to maintain local flexibility, whereby under current executive orders, county officials are able to consider waiving penalties on a case-by-case basis for specific hardships. Local government representatives from cities, counties, schools, tax collectors, and special districts were s



[letter](#), which can be viewed on CSDA's [Take Action Page](#).

In May of 2020, Governor Newsom issued [Executive Order N-61-20](#) related to delinquent property tax payment penalties and interest. This order followed up [earlier statements](#) by the Governor and counties regarding property tax relief. While they had earlier agreed to allow local jurisdictions to deal with genuine hardships on a case-by-case basis, there was not consensus on the flexibility of local tax collectors under existing statute. The May 2020 order addressed some of those issues.

The order waived certain statutes through May 6, 2021 that "... to the extent that it requires a tax collector to impose penalties, costs, or interest for the failure to pay taxes on property on the secured or unsecured roll, or to pay a supplemental bill, before the date and time such taxes became delinquent, and a tax collector shall cancel such penalties, costs, and interest provided all of the following conditions are satisfied:"

1. The property for which taxes in question is either a residential real property occupied by the taxpayer, or real property owned and operated by a taxpayer that qualifies as a small business;
2. The taxes owed on the property in question were not delinquent prior to March 4, 2020;
3. The taxpayer timely files a claim for relief in a form and manner prescribed by the tax collector; and
4. The taxpayer demonstrates to the satisfaction of the tax collector that the taxpayer has suffered economic hardship, due to the COVID-19 pandemic, or government response to COVID-19.

The State's existing agreement affords the ability to address hardships without devastating local services and infrastructure through a broad statewide deferral. CSDA will continue working with its city, county, and school counterparts to protect property tax funding for the essential services our members provide to communities throughout the California.

#PropertyTaxes

0 comments

56 views

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California utilities to spend billions to cut wildfire risk

Updated 1:26 am EST, Saturday, February 6, 2021

SAN FRANCISCO (AP) — California's largest utilities said Friday that they will spend about \$13 billion to reduce the risk of wildfires following the worst fire season in modern state history and a string of blazes that were blamed on their equipment.

Pacific Gas & Electric, Southern California Edison, San Diego Gas & Electric and some smaller utilities filed state-required annual wildfire mitigation plans with California's Public Utilities Commission, which must approve them.

PG&E, the nation's largest utility with more than 5.5 million customers concentrated in the north and center of the state, proposed a plan covering 2021 and 2022.

It includes a new computerized risk model that will help it pinpoint the areas most prone to wildfires where the utility will concentrate safety work, PG&E said.

The utility said it will continue efforts to expand those measures, which include installing poles that are more fire-resistant and moving overhead power lines underground to keep them from sparking fires if high winds knock them down or blow tree branches into them.

The utility also said it will continue installing weather stations and high-definition cameras throughout its coverage area of 70,000 square miles (181,300 square kilometers).

PG&E said it also will continue efforts to reduce the size of deliberate power shutoffs that have blacked out hundreds of thousands of homes and businesses for several days during windy weather. That would include installing hundreds of devices to limit power outages, along with microgrids, which use generators to keep the electricity on and providing more crews to make repairs and restore power.

The latest plan follows a year that saw a record 4 million acres burn around the state and the risk continues to grow, PG&E said.

"We are planning around and operating under that assumption," said Matthew Pender, PG&E's director of community wildfire safety. "We anticipate fire seasons to continue to be very extreme."

PG&E's outdated equipment was blamed for causing a series of wildfires during 2017 and 2018 that killed more than 120 people and destroyed more than 27,000 homes and other buildings. The damage caused PG&E to file for bankruptcy in

2019, opening a legal avenue for the company to negotiate \$25.5 billion in settlements with wildfire victims and others.

In addition, SPG&E last year estimated that it could face nearly \$1 billion in claims from two fires in 2019 and 2020 that killed four people and destroyed hundreds of homes. Authorities blamed PG&E equipment for the 2019 blaze and the utility is under criminal investigation in connection with last year's conflagration.

The utility has emerged from bankruptcy and received permission to pass on some costs of its wildfire mitigation efforts to ratepayers. The utility estimated the cost of the plan over 2021 and 2022 will run about \$6 billion.

Southern California Edison and San Diego Gas & Electric also submitted updated mitigation plans at a total estimated cost of nearly \$5 billion for 2021 and 2022.

Last month, Southern California Edison announced it will pay \$2.2 billion to settle insurance claims from a 2018 wildfire sparked by its equipment. Edison, which acknowledged no wrongdoing, said the agreement covers all claims in pending lawsuits from insurance companies related to the Woolsey fire in Los Angeles and Ventura counties. Three people died and more than 1,600 homes and other buildings were destroyed.

Court Provides Guidance in Applying “Racially Polarized Voting” Analysis to a California Voting Rights Act Challenge

The City of Santa Clara’s method of electing city council members at-large — in which each council member is elected by all City voters — violated the California Voting Rights Act, a California appellate court held late last year. The Sixth District Court of Appeal held that the remedy requiring the City to transition to district-based city council elections did not violate the Equal Protection Clause. It determined that the CVRA continues to apply to charter cities and does not impinge on their plenary authority to control the manner of electing their officers. Lastly, the court affirmed the trial court’s award of more than \$3 million in attorneys’ fees and costs to the plaintiffs and also granted plaintiffs costs on appeal.

In [*Yumori-Kaku et al. v. City of Santa Clara*](#), five Asian-American residents sued the City, contending that the City’s at-large elections for councilmembers violated the CVRA, and that “racially polarized voting” between the electoral choices of Asian-American voters and non-Asian-American voters prevented Asian-Americans from electing candidates of their choice to the city council. The plaintiffs sought a court order to require the City to implement district-based elections and attorneys’ fees and costs.

The trial court ruled that the CVRA preempted the City’s charter provision establishing at-large elections. The trial court then found, based upon the statistical analyses presented at trial that:

As a result, the trial court found that the City violated the CVRA and ordered, as a remedy, that the City implement district-based elections for six city council seats and retain the at-large system of election for the mayor’s seat beginning with the November 2018 election.

The City also challenged the trial court’s use of statistical evidence to support its finding of “racially polarized voting.” On appeal, the City argued that these statistics did not demonstrate “racially polarized voting” – that the majority voting bloc (Caucasian voters) “usually” voted to defeat the candidate preferred by Asian-American voters. The City argued that “usually” means “more than 50 percent.”

The Court of Appeal held that the plaintiffs’ showing of “racially polarized voting” in five out of 10 past city council elections was sufficient. The court held that under the CVRA, when the factual findings show an equal number of polarized and non-polarized elections over time, a trial court may find “racially polarized voting” occurred. In rejecting a strict mathematical test, the court reasoned that this legal standard requires consideration of local circumstances and a weighing of factors.

Whether repeated occurrences of “racially polarized voting” satisfies the “usually” requirement depends on local context and factual circumstances.

Further, the Court of Appeal rejected the City’s claims that the remedy of district-based elections violated the Equal Protection Clause. The court cited to [Sanchez v. City of Modesto](#) (2006), finding that rational basis review was the applicable standard, and that the remedy of imposing districts was rationally related to the legitimate goal of avoiding racially polarized voting, consistent with the CVRA’s mandate. Accordingly, the Court rejected the Equal Protection challenge.

The City then argued that a charter city has plenary authority under the California Constitution to decide the manner in which their city council members are elected, which includes at-large elections. The Court declined to depart from the 2014 holding in [Jauregui v. City of Palmdale](#), which held that the CVRA preempts contrary charter provisions. The court also noted that the Legislature has since codified the holding in *Palmdale* to expressly make charter provisions subject to the CVRA. In finding the trial court had not erred, the court affirmed the award of attorneys’ fees and costs, and awarded plaintiffs their costs on appeal.

The Court of Appeal’s decision in *Santa Clara* will make it more challenging for cities and public agencies to defend against CVRA challenges to their at-large election systems, particularly in disproving the third *Gingles* factor because the court rejected a strict quantitative threshold to measure whether a majority has sufficiently voted as a bloc to allow it to “usually” defeat the minority-preferred candidate.

Public agencies are now awaiting the California Supreme Court’s decision in [Pico Neighborhood Association v. City of Santa Monica](#), after the appellate court decision favored the City of Santa Monica against the plaintiff’s CVRA claim.

Disclaimer: BB&K Legal Alerts are not intended as legal advice. Additional facts, facts specific to your situation or future developments may affect subjects contained herein. Seek the advice of an attorney before acting or relying upon any information herein.

Lowering California Wildfire Risk Expected to Cost Billions

Jaxon Van Derbeken

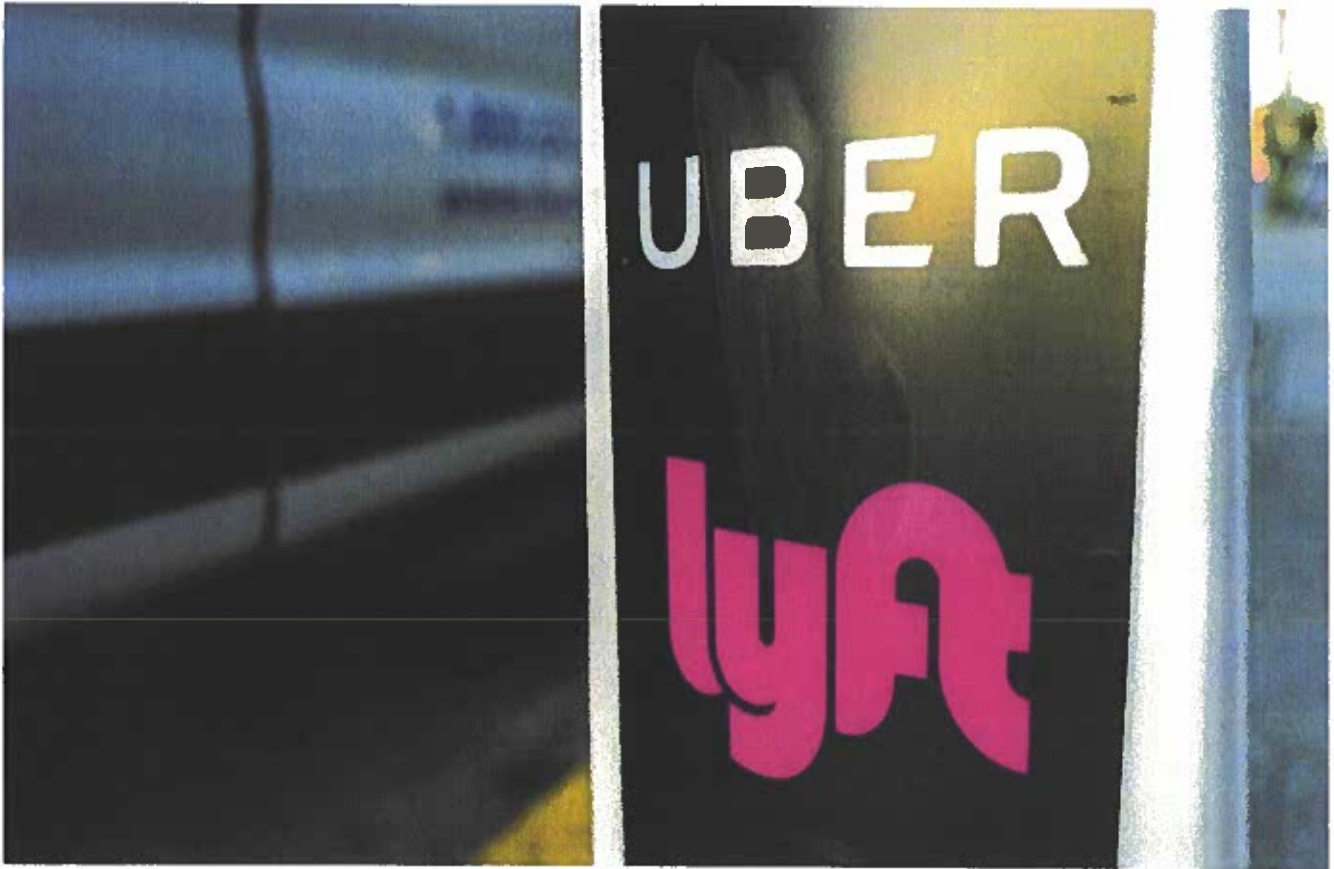
For the last few months, state crews have been hard at work clearing brush from the rim of a 76-acre canyon in San Bruno.

Their goal is to protect the dozens of homes that ring Crestmoor Canyon from the threat of an explosive wildfire – a threat that looms larger every year in this overgrown urban oasis.

“There’s been no significant fires in this canyon in modern times, in the last 30, 40 years,” said San Bruno Fire Chief Ari Delay. The challenge, he says, is both expensive and daunting, and just the first phase is expected to take a full year to complete.

California





The project is using state crews with the Civilian Conservation Corps. But that was only possible, Delay says, because of the \$3 million PG&E put up as part of its criminal probation in the 2010 San Bruno gas explosion. That blast destroyed 38 homes and came dangerously close to engulfing the canyon.

“It’s been a Godsend,” Delay said of the court ordered funding. “It really makes a significant impact on the residents here.”

Cesar Ramirez, who heads one of the crews, says the work is not easy.

“It works right in conjunction with our motto, which is: hard work, low pay and miserable conditions,” he said. “Everything that gets cut we have to drag out of here, it needs to get chipped. In some of these places, being that we working on a canyon, sometimes we have to find ways to get the brush out of here.”

The idea is to carve out a 100 foot buffer zone between the homes and the forest, to give firefighters an area they can use to defend the structures. The \$600,000 effort is expected to take the two dozen corps workers a total of 48 days to finish, over the course of a year.

But even after they get that done - the threat remains from the dangerously overgrown interior of the canyon. Chief Delay says the state restricts what can be done there and that could mean it could take decades to develop a full fire protection plan.

“A slew of environmental reviews have to take place to determine what net effect the project will have on the canyon itself,” Delay said, adding that the only thing allowed right now under the state law is to clear the brush within 100 feet of the homes.

The challenge is so daunting that one 40-year U.S. Forest service veteran says cutting won’t be enough.

At the time he retired in 2008, Steve Eubanks, was in charge of the entire Tahoe National Forest in the Northern Sierra. He says his mission now is to organize a summit of leaders

around an ambitious plan to thin or burn 500,000 acres of the Sierra forest a year.

The state's current plan is to partner with the forest service to target 500,000 federal acres statewide, starting in 2025.

"We're not going to stop fires completely," Eubanks said, "what we're going to do is stop large scale, high intensity fires."

Besides staving off megafires, Eubanks says his plan would pump \$2 billion in federal money annually into the local economy. Much of that money will be used to reopen shuttered lumber mills and restart biomass plants to turn all the wood chips into energy.

He said the impacts of thinning, as envisioned by his plan, will be far less than the devastation wrought by the high intensity wildfire.

Reopening those lumber related businesses, he said, is the key to the large scale treatment necessary to make a dent in the wildfire challenge.

"All I can tell you if we have many more fire seasons like we had [last year], it's going to be a moot point," he said. "We're losing far more forests than we can afford to lose."

FEMA Statement on 100% Cost Share

FEMA is committed to supporting our state, local, tribal and territorial partners in responding to COVID-19 pandemic.

The additional [direction received yesterday from the President](#) will allow FEMA to increase this support to our state, local, tribal, and territorial partners through additional federal funding. Specifically, the President's directive allows FEMA to pay 100% federal funding for the costs of activities that have previously been determined eligible, from the beginning of the pandemic in January 2020 to Sept. 30, 2021.

This means that all work eligible under FEMA's existing COVID-19 policies, including increasing medical capacity, non-congregate sheltering, and emergency feeding distribution will be reimbursed at 100% federal share. For projects that have already been approved, FEMA will amend the existing awards to adjust the federal funding amounts. No action will be required by the applicants.

In addition, the President's directive allows FEMA to expand the activities eligible for reimbursement for work conducted after Jan. 21, 2021 and until Sept. 30, 2021. Specifically, the costs to support the safe opening and operation of eligible schools, child-care facilities, healthcare facilities, non-congregate shelters, domestic violence shelters, transit systems, and other eligible applicants will be eligible after Jan. 21.

This may include funding for the provision of personal protective equipment, disinfecting services and supplies. These costs will also be reimbursed at 100% federal share. In the coming days, FEMA will issue an amended COVID-19 policy to implement this directive.

FACT SHEET: President Biden Announces Increased Vaccine Supply, Initial Launch of the Federal Retail Pharmacy Program, and Expansion of FEMA Reimbursement to States | The White House

States, Tribes, and territories will receive a 5 percent supply increase this week, and Americans will soon have easier access to vaccinations through local pharmacies

As the U.S. surpasses 26 million COVID-19 infections, President Biden took additional steps today to implement his comprehensive National Strategy to combat the COVID-19 pandemic. These steps include increasing the vaccine supply to states, Tribes, and territories and increasing funding to jurisdictions to help turn vaccines into vaccinations. And, the President announced that starting next week, the first phase of the federal pharmacy program will launch and select pharmacies nationwide will start offering vaccinations for their communities.

These new steps will help meet the President's goal of administering 100 million shots in 100 days and expand access to vaccines to more Americans in the coming weeks.

The President is taking the following actions today:

Expanding Vaccine Supply: Building on last week's announcement, the Biden-Harris Administration will increase overall, weekly vaccine supply to states, Tribes, and territories to 10.5 million doses nationwide beginning this week. This is a 22% increase since taking office on January 20. The Administration is committing to maintaining this as the minimum supply level for the next three weeks, and we will continue to work with manufacturers in their efforts to ramp up supply.

Launching First Phase of the Federal Retail Pharmacy Program for COVID-19 Vaccination: As part of the Biden-Harris Administration's efforts to increase access to COVID-19 vaccines, starting on February 11, those eligible for the vaccine will have the opportunity to be vaccinated at select pharmacies across the country through the Federal Retail Pharmacy Program for COVID-19 Vaccination. This program is a public-private partnership with 21 national pharmacy partners and networks of independent pharmacies representing over 40,000 pharmacy locations nationwide (listed below). It is a key component of the Administration's National Strategy to expand equitable access to vaccines for the American public.

As the first phase of this program launches, select retail pharmacies nationwide will receive limited vaccine supply to vaccinate priority groups at no cost. The Centers for Disease Control and Prevention (CDC) worked with states to select initial pharmacy partners based on a number of factors including their ability to reach some of the populations most at risk for severe illness from COVID-19. Americans should check their pharmacy's website to find out if vaccine is available as supply will be limited in the initial phase. More information is available at [cdc.gov/covid19](https://www.cdc.gov/covid19).

Increasing Reimbursements to States: Central to the Biden-Harris Administration's COVID-19 National Strategy is ensuring states, Tribes, territories, and jurisdictions have the resources they need to defeat the virus. That's why, in his second day in office, President Biden directed the Federal Emergency Management Agency (FEMA) to fully reimburse states for the

cost of National Guard Personnel and emergency costs. Today, President Biden is announcing that the administration will go even further, retroactively reimbursing states fully for FEMA-eligible services – including masks, gloves, emergency feeding actions, sheltering at risk populations, and mobilization of the National Guard – back dated to the beginning of the pandemic in January 2020. This reimbursement is estimated to total \$3-5 billion and is only a small share of the resources that states need to fight this pandemic – including for testing, genomic sequencing, and mass vaccination centers. To fully support states, Tribes, and territories' needs to contain the pandemic and vaccinate their populations, President Biden is requesting \$350 billion from Congress in American Rescue Plan.

Participating Federal Pharmacy Partners (not all will be active in every state in initial phase)

Chain Pharmacies

- Walgreens (including Duane Reade)
- CVS Pharmacy, Inc. (including Long's)
- Walmart, Inc. (including Sam's Club)
- Rite Aid Corp.
- The Kroger Co. (including Kroger, Harris Teeter, Fred Meyer, Fry's, Ralphs, King Soopers, Smiths, City Market, Dillons, Mariano's, Pick-n-Save, Copps, Metro Market)
- Publix Super Markets, Inc.
- Costco Wholesale Corp.
- Albertsons Companies, Inc. (including Osco, Jewel-Osco, Albertsons, Albertsons Market, Safeway, Tom Thumb, Star Market, Shaw's, Haggen, Acme, Randalls, Carrs, Market Street, United, Vons, Pavilions, Amigos, Lucky's, Pak n Save, Sav-On)
- Hy-Vee, Inc.
- Meijer Inc.
- H-E-B, LP
- Retail Business Services, LLC (including Food Lion, Giant Food, The Giant Company, Hannaford Bros Co, Stop & Shop)
- Winn-Dixie Stores Inc. (including Winn-Dixie, Harveys, Fresco Y Mas)

Network Administrators

- Topco Associates, LLC (including Acme Fresh Markets, Associated Food Stores, Big-Y Pharmacy and Wellness Center, Brookshire's Pharmacy, Super One Pharmacy, FRESH by Brookshire's Pharmacy, Coborn's Pharmacy, Cash Wise Pharmacy, MarketPlace Pharmacy, Giant Eagle, Hartig Drug Company, King Kullen, Food City Pharmacy, Ingles Pharmacy, Raley's, Bel Air, Nob Hill Pharmacies, Save Mart Pharmacies, Lucky Pharmacies, SpartanNash, Price Chopper, Market 32, Tops Friendly Markets, ShopRite, Wegmans, Weis Markets, Inc.)
- CPESN USA, LLC
- GeriMed (long-term care and retail pharmacies)
- Good Neighbor Pharmacy and AmerisourceBergen Drug Corporation's pharmacy services administrative organization (PSAO), Elevate Provider
- Health Mart Systems, Inc.
- Innovatix (long-term care pharmacies)
- LeaderNET and Medicine Shoppe, Cardinal Health's PSAOs
- Managed Health Care Associates (retail and long-term care pharmacies)

###

Take Action: Brown Act Bill Will Codify Emergency Meeting Flexibility

CSDA is sponsoring legislation, [Assembly Bill 361 \(Rivas\)](#), which would allow local agencies to continue to provide critical public services to their communities during declared emergencies.

If passed by the Legislature, [Assembly Bill 361 \(Rivas\)](#), would allow the following:

- While maintaining transparency and public access, local agencies would be able to meet remotely during a declared state of emergency or a declared local emergency
- While agencies would still be required to post agendas and meeting information, agencies would not be required to post meeting notices and/or agendas in physical locations when remotely meeting during an emergency
- While the public must continue to have access to the remote meeting and provided the ability to make public comment, agencies would not be required to make all remote meeting sites accessible to the public, nor include the remote location details in the meeting notice or agenda during a declared state of emergency or a declared local emergency
- Additionally, agency board members would not be required to be at remote sites within the territorial bounds of the agency during a declared state of emergency or a declared local emergency

CSDA is requesting that its members send in letters of support for this measure. Visit CSDA's [Take Action page](#) to obtain a fact sheet with more background on the bill and to download a sample letter of support your agency can use as a template. You can also take advantage of our new Automated Form Letter tool (also available on the Take Action page), which seeks to streamline the letter submission process for your agency.

If you or your agency has any questions, please feel free to contact the CSDA staffer leading this effort, Legislative Analyst Marcus Detwiler, at marcusd@cda.net.

[#COVID-19](#)

[#BrownAct](#)

[#TransparencyandAccountability](#)

AB 361- INTRODUCED

Introduced by Assembly Member Robert Rivas

54953.

(a) All meetings of the legislative body of a local agency shall be open and public, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter.

(b) (1) Notwithstanding any other provision of law, the legislative body of a local agency may use teleconferencing for the benefit of the public and the legislative body of a local agency in connection with any meeting or proceeding authorized by law. The teleconferenced meeting or proceeding shall comply with all *otherwise applicable* requirements of this chapter and all otherwise applicable provisions of law relating to a specific type of meeting or proceeding.

(2) Teleconferencing, as authorized by this section, may be used for all purposes in connection with any meeting within the subject matter jurisdiction of the legislative body. All votes taken during a teleconferenced meeting shall be by rollcall.

(3) If the legislative body of a local agency elects to use teleconferencing, it shall post agendas at all teleconference locations and conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties or the public appearing before the legislative body of a local agency. Each teleconference location shall be identified in the notice and agenda of the meeting or proceeding, and each teleconference location shall be accessible to the public. During the teleconference, at least a quorum of the members of the legislative body shall participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction, except as provided in ~~subdivision (d)~~ subdivisions (d) and (e). The agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3 at each teleconference location.

(4) For the purposes of this section, "teleconference" means a meeting of a legislative body, the members of which are in different locations, connected by electronic means, through either audio or video, or both. Nothing in this section shall prohibit a local agency from providing the public with additional teleconference locations.

(c) (1) No legislative body shall take action by secret ballot, whether preliminary or final.

(2) The legislative body of a local agency shall publicly report any action taken and the vote or abstention on that action of each member present for the action.

(3) Prior to taking final action, the legislative body shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive, as defined in subdivision (d) of Section 3511.1, during the open meeting in which the final action is to be taken. This paragraph shall not affect the public's right under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) to inspect or copy records created or received in the process of developing the recommendation.

(d) (1) Notwithstanding the provisions relating to a quorum in paragraph (3) of subdivision (b), if a health authority conducts a teleconference meeting, members who are outside the jurisdiction of the authority may be counted toward the establishment of a quorum when participating in the teleconference if at least 50 percent of the number of members that would establish a quorum are present within the boundaries of the territory over which the authority exercises jurisdiction, and the health authority provides a teleconference number, and associated access codes, if any, that allows any person to call in to participate in the meeting and the number and access codes are identified in the notice and agenda of the meeting.

(2) Nothing in this subdivision shall be construed as discouraging health authority members from regularly

meeting at a common physical site within the jurisdiction of the authority or from using teleconference locations within or near the jurisdiction of the authority. A teleconference meeting for which a quorum is established pursuant to this subdivision shall be subject to all other requirements of this section.

(3) For purposes of this subdivision, a health authority means any entity created pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.9605 of the Welfare and Institutions Code, any joint powers authority created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 for the purpose of contracting pursuant to Section 14087.3 of the Welfare and Institutions Code, and any advisory committee to a county sponsored health plan licensed pursuant to Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code if the advisory committee has 12 or more members.

(e) (1) A local agency may use teleconferencing without complying with the requirements of paragraph (3) of subdivision (b) if the legislative body complies with the requirements of paragraph (2) of this subdivision in any of the following circumstances:

(A) The legislative body holds a meeting for the purpose of proclaiming or ratifying a local emergency.

(B) The legislative body holds a meeting during a proclaimed state of emergency or declared local emergency, and state or local officials have imposed or recommended measures to promote social distancing.

(C) The legislative body holds a meeting during a declared local emergency and the legislative body determines by majority vote that, as a result of the emergency, the attendance of one or more members of the legislative body in person is hindered, or meeting in person would present risks to the health or safety of attendees.

(2) A legislative body that holds a meeting pursuant to this subdivision shall do all of the following:

(A) The legislative body shall give notice of the meeting and post agendas as otherwise required by this chapter.

(B) The legislative body shall allow members of the public to access the meeting and the agenda shall provide an opportunity for members of the public to address the legislative body directly pursuant to Section 54954.3. In each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the legislative body shall also give notice of the means by which members of the public may access the meeting and offer public comment. This subparagraph shall not be construed to require the legislative body to provide a physical location from which the public may attend or comment.

(C) The legislative body shall conduct teleconference meetings in a manner that protects the statutory and constitutional rights of the parties and the public appearing before the legislative body of a local agency.

(3) For the purposes of this subdivision, the following definitions shall apply:

(A) "State of emergency" means a state of emergency proclaimed pursuant to Section 8625 of the California Emergency Services Act (Article 14 (commencing with Section 8550) of Chapter 7 of Division of Title 2.

(B) "Local emergency" means an emergency proclaimed pursuant to Section 8630 of the California Emergency Services Act (Article 14 (commencing with Section 8550) of Chapter 7 of Division 1 of Title 2 as a result of conditions existing in all or a portion of the jurisdiction of the local agency. Local emergency refers only to local emergencies in the jurisdiction in which the legislative body is located.



Why Health Care Costs More in the U.S.

By Don Moulds, Chief Health Director, CalPERS

There's an old saying that you get what you pay for. If you're looking to debunk that notion, there's nowhere better to look than at health care in the United States. In the U.S., we pay almost twice what other wealthy countries pay for health care – on a per capita basis Australia, Canada, France, New Zealand, and the UK all pay less than half of those of us in the U.S.

What we get for that spend is pretty disappointing. Let's start with life expectancy. In the U.S., it's by far the shortest compared to any other wealthy country in the world. Ours is 2 1/2 years shorter than New Zealand and the UK, four years shorter than France, and almost five years shorter than Australia.

Among our peer group of wealthy countries, we also have the highest rates of chronic disease, the highest rates of avoidable hospitalizations, the highest rates of avoidable death, and the highest rates of infant mortality. Equally disturbing, is that we are failing to meet our mental health needs – we also have the highest rates of suicide of any wealthy nation.

So, why does the U.S. spend more and get comparatively little in return? There are different reasons, but the biggest problem is that we just overpay. We pay significantly more for health care services and we pay a lot more for prescription drugs. As the second largest purchaser of public employee health care in the country, CalPERS is all too aware of this issue. And we have a strategy and a plan to address it.

A common misperception is that U.S. health care is more expensive because Americans use more health care services. Yet, the data shows that's not the case. In the U.S., the use of services, called utilization, is fairly flat over time. What hasn't remained flat are prices.

The price of health care services continues to rise. We see this when we compare prices and utilization to a benchmark of other wealthy nations. Differences in utilization exist, for example, we do more hip and knee replacement surgeries, MRIs, and more cancer screening than benchmark countries. But there are also instances where we use less. We go to the doctor half as often as do Germans, Canadians, and the Dutch, while our hospital utilization is about average compared to others.

One important note is that study after study shows no correlation between the prices we pay for health care and the quality of those services.

The prices we pay are just staggeringly higher. A CT scan costs roughly \$140 in Holland and about \$1,100 in the U.S. On the drug side, a leading rheumatoid arthritis drug is five times more expensive here than in South Africa, and the same is true of a standard brand hepatitis C drug.

Not only do prices vary across countries, there's also dramatic variation in price across different geographies within the U.S. as well as within California. Back to the CT scan example with an average U.S. cost of \$1,100. The price of the same scan can range from \$250 to \$1,500 in different states, creating a six-fold variation for a standard procedure that involves the same machine and the same training for the technician who administers the procedure.

Within California we also see a great deal of variation in the price of health care. People living in Northern California, particularly the Bay Area or Sacramento, have significantly higher health care costs than those who live in Southern California.

While high prices are a systemic issue in the U.S. health care system, there are ways to address price and lower costs. One important way is through competition. Prices tend to be lowest in areas of California where there is strong competition among health care providers, and they are highest where there is a lack of competition.

One strategy we're betting on is that by promoting competition in areas of the state where it's lacking, we're going to be able to effectively lower prices, and in turn lower health care costs for our members.

[View Healthcare Competition: Background, Current Research, and Strategy Development \(PDF\)](#) to learn more about our work to improve health care competition in California.

SB 55- INTRODUCED

Introduced by Senators Stern and Allen

Bill Start

CALIFORNIA LEGISLATURE— 2021–2022 REGULAR SESSION

Senate Bill

No. 55

An act to add Section 51182.5 to the Government Code, relating to land use.

LEGISLATIVE COUNSEL'S DIGEST

SB 55, as introduced, Stern. Very high fire hazard severity zone: state responsibility area: development prohibition.

Existing law requires the Director of Forestry and Fire Protection to identify areas of the state as very high fire hazard severity zones based on specified criteria. Existing law requires a local agency to designate, by ordinance, very high hazard severity zones in its jurisdiction within 120 days of receiving recommendations from the director. Existing law authorizes a local agency to include areas within its jurisdiction not identified as very high fire hazard severity zones by the director as very high fire hazard severity zones following a specified finding supported by substantial evidence.

Existing law requires the State Board of Forestry and Fire Protection to determine, based on specified criteria, whether an area of the state is one for which the financial responsibility of preventing and suppressing fires is primarily the responsibility of the state. Existing law refers to these areas as "state responsibility areas."

This bill would, in furtherance of specified state housing production and wildfire mitigation goals, prohibit the creation or approval of a new development, as defined, in a very high fire hazard severity zone or a state responsibility area. By imposing new duties on local governments with respect to the approval of new developments in very high fire hazard severity zones and state responsibility areas, this bill would impose a state-mandated local program.

The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Digest Key

Vote: MAJORITY Appropriation: NO Fiscal Committee: YES Local Program: YES

Bill Text

The people of the State of California do enact as follows:

SECTION 1.

Section 51182.5 is added to the Government Code, to read:

51182.5.

(a) Notwithstanding any law, in furtherance of state housing production and wildfire mitigation goals under Assembly Bill 101 (Chapter 159 of the Statutes of 2019), Section 4290 of the Public Resources Code, and subdivision (g) of Section 65088, a new development shall not be created or approved in a very high fire hazard severity zone or a state responsibility area.

(b) For purposes of this section, "development" means either of the following:

(1) A project containing residential dwellings, including, but not limited to, mobilehomes, accessory dwelling units, and junior accessory dwelling units, of one or more units or a subdivision of land for the purpose of constructing one or more residential dwelling units.

(2) A project for commercial, retail, or industrial use.

SEC. 2.

The Legislature finds and declares that the prohibition on the creation or approval of a new development within a zone of high fire danger as specified in this act is a matter of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, Section 1 of this act adding Section 51182.5 to the Government Code applies to all cities, including charter cities.

SEC. 3.

No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.



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Fifth Circuit Loss for Employee Who Refused Vaccine for Religious Reasons

Tiffany Cox Stacy
Kelly E. Preston

Ogletree, Deakins, Nash, Smoak & Stewart, P.C.



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Wednesday, January 27, 2021

As the COVID-19 vaccine becomes more readily available, employers are considering mandatory vaccination for their employees and in particular, how to respond to employee requests for accommodation, whether on the basis of disability or religion. In *Horvath v. City of Leander*, the U.S. Court of Appeals for the Fifth Circuit recently considered an employer’s proposed accommodations to a firefighter who refused a mandatory tetanus, diphtheria, and pertussis (TDAP) vaccine for religious reasons, and its analysis now provides timely guidance to employers considering a different type of mandatory vaccine.

Brett Horvath sued the City of Leander, Texas, and Bill Gardner (individually and in his capacity as fire chief), alleging discrimination and retaliation in violation of Title VII of the Civil Rights Act of 1964 and the Texas Commission on Human Rights Act, related to his request for an accommodation and subsequent termination. Horvath, who worked as a firefighter and driver/pump operator for the city’s fire department, requested a religious accommodation, exempting him from the fire department’s requirement that all employees obtain the TDAP vaccine. Horvath is an ordained minister and objected to vaccinations as part of his religion.

The fire department offered Horvath a choice of two accommodations: (1) reassignment to another position that “offered the same pay and benefits” but did not require a vaccination; or (2) “remain in his current position if he agreed to wear personal protective equipment, including a respirator, at all times while on duty, submit to testing for possible diseases when his health condition justified, and keep a log of his temperature.” Horvath declined the transfer, and proposed an alternative accommodation where he would wear a respirator only “when encountering patients who were coughing or had a history of communicable illness.” However, Chief Gardner refused to negotiate the terms of the proposed accommodation that would enable Horvath to remain in his current role without the TDAP vaccine and asked Horvath to



Chief Gardner requested an internal investigation to determine whether Horvath's refusal to select one of the two proposed accommodations was a violation of his directive, and therefore "constitute[ed] willful disobedience or deliberate refusal to obey a directive from a supervisor." Following an investigation, the assistant fire chief concluded that Horvath "deliberately refused to obey a directive from a supervisor, which constituted insubordination in violation of the City's Code of Conduct." Consequently, Chief Gardner terminated Horvath's employment.

The district court granted summary judgment in favor of the city and Chief Gardner, and Horvath appealed to the Fifth Circuit. On appeal, Horvath argued that the city's offer to transfer him to another position that did not require the TDAP vaccine was not reasonable, as the other position was "less desirable," and "the schedule would prevent his continuing his secondary employment running a construction company, which would reduce his total income by half." In rejecting Horvath's argument, the Fifth Circuit relied upon well-established jurisprudence that a "reasonable" accommodation does not need to be the employee's preferred accommodation. The Fifth Circuit agreed with the district court that the city had satisfied its legal obligation to offer a reasonable accommodation and affirmed dismissal of Horvath's religious discrimination claim.

The Fifth Circuit also affirmed dismissal of Horvath's retaliation claim. According to the court, requesting an accommodation can form the basis for a retaliation claim, but causation was lacking. In this case, the city terminated Horvath's employment—not for requesting an accommodation—but for being insubordinate in failing to choose one of the two accommodation options offered. The Fifth Circuit reasoned this was "a legitimate, non-discriminatory reason for the firing."

The analysis in *Horvath* is instructive to employers that may be facing similar accommodation requests related to the COVID-19 vaccine. Importantly, the city promptly reviewed the accommodation request, identified reasonable accommodation options, and presented those to Horvath. The law does not require employers to adopt the employee's requested or preferred accommodation, so long as they offer accommodations that are reasonable and effective. Moreover, employers are not without recourse when an employee fails to accept a reasonable—even if personally undesirable—accommodation.

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National Law Review, Volume XI, Number 27

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TRENDING LEGAL ANALYSIS

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Fire contained at Fallbrook apartment

Village News

Last updated 1/26/2021 at 8:19pm

Firefighters were able to knock down a blaze that erupted in the kitchen of a Fallbrook apartment Tuesday evening.

A call came in at 7:41 p.m. reporting the fire at Pine View Apartments on Alturas Road north of Ammunition Road, according to North County Fire Protection District Capt. John Choi.

When fire crews arrived at the apartment complex, they found smoke emanating from a second-story window, Choi said. The crews headed into the affected apartment unit and discovered a fire on the stove in the apartment's kitchen.

Choi said firefighters were able to get the blaze under control within about eight minutes of arriving on-scene.

Three engines were still at the apartment unit as of about 8 p.m. performing overhaul on the blaze, Choi said.

Will Fritz can be reached by email at wfritz@reedermedia.com.

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Litigation to open up the pension books

The Editorial Board

Watchdog group Transparent California is fighting to force the California Public Employees' Retirement System to release records showing which retirees are collecting disability pensions. This important lawsuit has broad implications for transparency and accountability throughout government.

Several appellate rulings in 2011 established that the public has the right to know the salaries and pensions paid to public employees, but when Transparent California made a public records request to CalPERS for the disclosure of data about disability pensions, the pension agency refused.

Transparent California wasn't requesting medical records, just the type of pension that each individual was collecting. The group filed a lawsuit to get the records.

The particular data point sought is routinely released by the retirement systems in Los Angeles and Orange County, and many others. It's an important check on potential fraud. A decade ago, the Orange County Register examined similar data and published an investigation exposing pension fraud by some firefighters and police officers.

According to aggregate data for the 2019 fiscal year released by CalPERS, 69,253 retirees are collecting disability pensions, more than one in 10 of the 615,402 people receiving pensions. This includes both ordinary disability retirements (30,086 miscellaneous retirees and 1,491 public safety retirees) and industrial disability retirements related to on-the-job injuries (1,005 miscellaneous retirees and 36,671 public safety retirees).

CalPERS is seeking to keep the information out of public view. CalPERS prevailed in Sacramento County Superior Court when Judge Laurie M. Earl ruled that an employee's disability pension status is confidential. Lawyers for Transparent California say that decision is in conflict with earlier appellate court rulings.

Judge Earl's ruling opens the door for more public records to be concealed from the public if the information sought is any way related to information in personnel files. That's a problem, because investigations into misconduct or fraud could be stymied by an overbroad interpretation of confidentiality. We applaud Transparent California for waging this fight and hope the Court of Appeal rules in favor of the public's right to know.

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Redistricting in California

After each decennial U.S. census, local public agencies with officers elected by or from geographical districts, divisions or wards must “redistrict.” This requires review of the recent Census population data and, if necessary, adjustment of voting area boundaries to keep them as nearly equal in population as possible, allowing for certain variances due to geography, topography, communities of interest, etc., all as required in federal and California law.

While some agencies have elected officers by or from districts for a while, many have only recently transitioned to district-based elections to comply with the California Voting Rights Act, often under threat of litigation. Because an increasing number of local agencies elect officers by voting area compared to 10 years ago, many will be redistricting for the first time in 2021. Even agencies that have redistricted in the past must know that the rules for redistricting have changed with recent legislation, and the process is quite complex.

The U.S. Census is underway. While the Census data would typically be made available to local agencies by March 31, 2021, COVID-19 has delayed the process. The Census Bureau indicated it will require additional time to complete its work. While the data could come sooner, it isn’t scheduled to be available to local agencies until July 31. Once the data becomes available, agencies can start the statutory process of looking at their voting areas to decide whether their electoral maps must be updated.

Fair Maps Act

The recently enacted California Fair Maps Act (Election Code section 21000 et. seq.) prescribes the local agency process for redistricting. Under the Act, cities and counties must conduct certain outreach, maintain websites with publicly available information about draft maps and hold at least four public hearings on the issue. This is very similar to a CVRA transition, so it will look familiar to agencies that have done this recently.

In addition to municipalities, special districts must review their census data and conduct public hearings on redistricting, but the special district process is much simpler. California law allows an agency to adopt a redistricting map either by ordinance or resolution. However, agencies that have adopted their current district maps via ordinance will need to adopt their revised district maps via another ordinance, so timelines need to provide for first and second readings.

Charter city clients are particularly advised to consult with legal counsel given that some parts of the Fair Maps Act will apply to charter cities, and others will not.

In 2020, the Legislature amended the Fair Maps Act to adjust the deadline when the final district map must be adopted. Agencies with elections held between Jan. 1 and July 1, 2022 must complete the redistricting process and adopt the final map no later than 174 days before the election. For agencies with June 7, 2022 elections (consolidated with the Statewide Primary Election), the final deadline is Dec. 15, 2021. Agencies with a Nov. 8, 2022 election (consolidated with the Statewide General Election) must adopt their maps no later than 205 days before the election, or April 17, 2022. The Act permits charter cities to establish different deadlines, however, they may face practical deadlines to finalize maps and submit them to their county in time for a particular election.

Redistricting Process Options

California law provides several ways for a public agency to redistrict:



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

TO: BOARD OF DIRECTORS
FROM: STEPHEN ABBOTT, FIRE CHIEF/CEO
DATE: FEBRUARY 23, 2021
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: FEBRUARY 23, 2021
SUBJECT: CLOSED SESSION

CS-1. ANNOUNCEMENT — PRESIDENT VAN DOORN:

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

CS-2. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — MANAGEMENT GROUP NEGOTIATIONS – CHIEF ABBOTT:

- NCFPD MANAGEMENT GROUP DISTRICT NEGOTIATORS:
CHIEF ABBOTT AND Special Counsel Berliner

CS-3. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — NON-SAFETY GROUP NEGOTIATIONS – CHIEF ABBOTT:

- FFA NON-SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS:
CHIEF ABBOTT AND Special Counsel Berliner

CS-4. CONFERENCE WITH LABOR NEGOTIATOR – GOVERNMENT CODE § 54957.6 — SAFETY GROUP NEGOTIATIONS – CHIEF ABBOTT:

- FFA SAFETY GROUP NEGOTIATORS DISTRICT NEGOTIATORS:
CHIEF ABBOTT AND Special Counsel Berliner

CS-5. REPORT FROM CLOSED SESSION — PRESIDENT VAN DOORN

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